PRESS RELEASE
For immediate release

Cogeco Cable Inc. reports strong fiscal 2013 financial results

- ***Solid revenue and operating income before depreciation and amortization(1) increases in the fourth quarter and in fiscal year 2013, meeting revised financial guidelines***
- ***On target financial results from our recent acquisitions Atlantic Broadband and Peer 1 Network Enterprises Inc. ("PEER 1"); and***
- ***Quarterly dividend increase of 15.4%.***

Montréal, October 30, 2013 – Today, Cogeco Cable Inc. (TSX: CCA) ("Cogeco Cable" or the "Corporation") announced its financial results for the fourth quarter and fiscal year 2013, ended August 31, 2013, in accordance with International Financial Reporting Standards ("IFRS").

For the fourth quarter and fiscal 2013, which include nine months operating results of Atlantic Broadband and seven months operating results of PEER 1:

- Fourth quarter revenue increased by 44.8% to reach $470.4 million and by 32.5% for fiscal 2013 to close at $1.7 billion compared to the same periods of the prior year;
- Operating income before depreciation and amortization increased by 38.3% to $222.5 million when compared to the fourth quarter of fiscal 2012, and by 32.5% to $780.5 million compared to the prior year. Operating income before depreciation and amortization increased for both periods mainly due to the acquisitions of Atlantic Broadband and PEER 1 (the "recent acquisitions") as well as the improvement in the financial results of the Canadian cable services segment;
- Operating margin(1) decreased to 47.3% from 49.5% in the quarter and remained the same at 46.1% in fiscal 2013 when compared to the same periods of the prior year as a result of lower margins from the business activities of PEER 1;
- Profit for the period from continuing operations amounted to $43.9 million in the fourth quarter compared to $45.7 million for the same period of the previous fiscal year. The decrease is mostly attributable to additional depreciation and amortization and financial expense both related to the recent acquisitions. It is partly offset by the operating income before depreciation and amortization improvement stemming from the Canadian cable services segment as well as the recent acquisitions combined with lower income tax expenses resulting from the recent acquisitions tax structure. For fiscal 2013, profit for the year from continuing operations amounted to $185.1 million compared to $169.5 million for fiscal 2012. Profit progression for the year is mostly attributable to the improvement in the operating income before depreciation and amortization generated by the Canadian cable services segment as well as the recent acquisitions, partly offset by additional depreciation and amortization, financial expense and acquisition costs all related to these acquisitions;
- Profit for the period amounted to $43.9 million in the fourth quarter when compared to $45.7 million for the same period of the previous fiscal year due to the factors previously described. For the year ended August 31, 2013, profit for the year amounted to $185.1 million when compared to $225.0 million for the same period of fiscal 2012. The decline for the year is attributable to the factors previously described and also due to last year's profit of $55.4 million from the sale of the Portuguese subsidiary, Cabovisão - Televisão por Cabo, S.A. ("Cabovisão"), reported as discontinued operations in 2012;

(1) The indicated terms do not have standardized definitions prescribed by International Financial Reporting Standards ("IFRS") and, therefore, may not be comparable to similar measures presented by other companies. For more details, please consult the "Non-IFRS financial measures" section of the Management's discussion and analysis ("MD&A").

- Free cash flow[1] reached $53.6 million for the fourth quarter compared to $2.6 million in the comparable quarter of the prior year. The increase for the period is mostly attributable to the improvement of operating income before depreciation and amortization as well as the decrease in acquisition of property, plant and equipment and current income taxes, partly offset by the increase in financial expense. Fiscal 2013 free cash flow amounted to $149.8 million, compared to $66.3 million in the same period of fiscal 2012. The increase for the year is mostly attributable to the improvement of operating income before depreciation and amortization and the decrease in current income taxes, partly offset by the increase in financial expense, the recent acquisition costs and the increase in acquisition of property, plant and equipment;

- A quarterly dividend of $0.26 per share was paid to the holders of subordinate and multiple voting shares, an increase of $0.01 per share, or 4%, compared to a dividend of $0.25 per share paid in the fourth quarter of fiscal 2012. Dividends paid in fiscal 2013 totaled $1.04 per share compared to $1.00 per share in fiscal 2012;

- Fiscal 2013 fourth-quarter primary service units ("PSU")[2] decreased by 15,237 and increased by 5,546 for fiscal 2013. At August 31, 2013, consolidated PSU amounted to 2,465,780 of which 1,980,122 come from the Canadian cable services segment and 485,658 from the American cable services segment;

- On October 30 2013, Cogeco Cable declared an eligible dividend of $0.30 per share, an increase of 15.4% when compared to the $0.26 dividend per share paid in the fourth quarter of fiscal 2013;

- On June 27, 2013, Cogeco Cable completed, pursuant to a private placement, the issuance of US$215 million Senior Secured Notes bearing interest at 4.30% payable semi-annually and maturing on June 16, 2025. The net proceeds from this offering along with drawings under the Corporation's credit facilities were used to repay, on July 29, 2013, all the outstanding amount of $300 million Senior Secured Debentures Series 1, due on June 9, 2014;

- On July 22, 2013, the Corporation entered into interest rate swap agreements to fix the interest rate on US$200 million of its LIBOR based loans. These agreements have the effect of converting the floating US LIBOR base rate at an average fixed rate of 0.39625% under its Term Revolving Facility until July 25, 2015; and

- On July 5, 2013, Cogeco Cable reduced its Term Revolving Facility from $750 million to $600 million and its Revolving Facility of its Secured Credit Facilities from $240 million to $190 million.

"Given the very competitive nature of our market, we are pleased with our strong fourth quarter and fiscal 2013 financial results," stated Louis Audet, President and Chief Executive Officer of Cogeco Cable Inc. "I am also satisfied to report that our two recent acquisitions, Atlantic Broadband and PEER 1, have delivered results in line with our expectations. With respect to our refinancing program, it has been completed during a period of historically low interest rates. With an average cost of indebtedness of 4.1%, as of August 31, 2013, and average maturities of 6.4 years, our focus going forward will be to reduce our leverage ratio (Indebtedness on EBITDA[3]) to 3 times by August 31, 2015. Continuing on our steady dividend growth history, the Board of Directors declared a dividend increase of 15.4% or $0.04 per share," continued Mr. Audet.

"In August 2013, we announced the consolidation of our Canadian cable services operations under one business unit, *Cogeco Cable Canada*. This restructuring, which we will pursue in fiscal year 2014, will allow us to optimize efficiency in that very important business segment. With this restructuring and the continuation of the full integration of our two recent acquisitions, I am very confident that Cogeco Cable will continue on its growth path and deliver on its 2014 projections," concluded Louis Audet.

Fiscal 2014 Financial Guidelines

Cogeco Cable revised its fiscal 2014 financial guidelines, as issued on July 10, 2013, as a result of certain adjustments related to the preliminary allocation of the purchase price of Atlantic Broadband and PEER 1. Please consult the "Fiscal 2014 financial guidelines" section of the Corporation's 2013 Annual Report for further details.

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(1) The indicated terms do not have standard definitions prescribed by IFRS and, therefore, may not be comparable to similar measures presented by other companies. For more details, please consult the "Non-IFRS financial measures" section of the MD&A.
(2) Represents the sum of Television, High Speed Internet ("HSI") and Telephony service customers.
(3) The term EBITDA refers to Operating income before depreciation and amortization (see point 1 for more details).

FINANCIAL HIGHLIGHTS

per share data)	Quarters ended			Years ended		
	2013	2012	Change	**2013**	2012	Change
	$	$	%	**$**	$	%
Operations						
Revenue	**470,386**	324,768	44.8	**1,692,466**	1,277,698	32.5
Operating income before depreciation and amortization[(1)]	**222,489**	160,825	38.3	**780,523**	589,052	32.5
Operating margin[(1)]	**47.3%**	49.5%	—	**46.1%**	46.1%	—
Operating income	**103,681**	94,709	9.5	**376,239**	312,180	20.5
Profit for the period from continuing operations	**43,917**	45,705	(3.9)	**185,083**	169,517	9.2
Profit for the period from discontinued operations	**—**	—	—	**—**	55,446	—
Profit for the period	**43,917**	45,705	(3.9)	**185,083**	224,963	(17.7)
Cash Flow						
Cash flow from operating activities	**228,230**	203,343	12.2	**545,010**	450,386	21.0
Cash flow from operations[(1)]	**161,695**	126,946	27.4	**558,037**	441,686	26.3
Acquisitions of property, plant and equipment, intangible and other assets[(2)]	**108,095**	124,392	(13.1)	**408,202**	375,368	8.7
Free cash flow[(1)]	**53,600**	2,554	—	**149,835**	66,318	—
Capital intensity[(1)]	**23.0%**	38.3%	—	**24.1%**	29.4%	—
Financial Condition						
Property, plant and equipment	**—**	—	—	**1,854,155**	1,322,093	40.2
Total assets	**—**	—	—	**5,253,097**	2,908,079	80.6
Indebtedness[(3)]	**—**	—	—	**2,944,182**	1,069,112	–
Shareholder's equity	**—**	—	—	**1,344,092**	1,188,431	13.1
Primary service units ("PSU") growth (decline)[(4)]	**(15,237)**	7,564	—	**5,546**	73,645	(92.5)
Per Share Data[(5)]						
Earnings per share						
From continuing and discontinued operations						
Basic	**0.90**	0.94	(4.3)	**3.80**	4.62	(17.7)
Diluted	**0.90**	0.93	(3.2)	**3.78**	4.60	(17.8)
From continuing operations						
Basic	**0.90**	0.94	(4.3)	**3.80**	3.48	9.2
Diluted	**0.90**	0.93	(3.2)	**3.78**	3.46	9.2
From discontinued operations						
Basic	**—**	—	—	**—**	1.14	—
Diluted	**—**	—	—	**—**	1.13	—

(1) The indicated terms do not have standardized definitions prescribed by International Financial Reporting Standards ("IFRS") and therefore, may not be comparable to similar measures presented by other companies. For more details, please consult the "Non-IFRS financial measures" section of the Management's discussion and analysis ("MD&A").

(2) Fiscal 2013 fourth-quarter and fiscal 2013 acquisitions of property, plant and equipment, intangible and other assets include assets acquired under finance lease of $0.9 million that are excluded from the statements of cash flows.

(3) Indebtedness is defined as the total of bank indebtedness, principal on long-term debt, balance due on a business combination and obligations under derivative financial instruments.

(4) Represents the sum of Television, High Speed Internet ("HSI") and Telephony service customers.

(5) Per multiple and subordinate voting share.

FORWARD-LOOKING STATEMENTS

Certain statements in this press release may constitute forward-looking information within the meaning of securities laws. Forward-looking information may relate to Cogeco Cable's future outlook and anticipated events, business, operations, financial performance, financial condition or results and, in some cases, can be identified by terminology such as "may"; "will"; "should"; "expect"; "plan"; "anticipate"; "believe"; "intend"; "estimate"; "predict"; "potential"; "continue"; "foresee", "ensure" or other similar expressions concerning matters that are not historical facts. In particular, statements regarding the Corporation's future operating results and economic performance and its objectives and strategies are forward-looking statements. These statements are based on certain factors and assumptions including expected growth, results of operations, performance and business prospects and opportunities, which Cogeco Cable believes are reasonable as of the current date. While management considers these assumptions to be reasonable based on information currently available to the Corporation, they may prove to be incorrect. The Corporation cautions the reader that the economic downturn experienced over the past few years makes forward-looking information and the underlying assumptions subject to greater uncertainty and that, consequently, they may not materialize, or the results may significantly differ from the Corporation's expectations. It is impossible for Cogeco Cable to predict with certainty the impact that the current economic uncertainties may have on future results. Forward-looking information is also subject to certain factors, including risks and uncertainties (described in the "Uncertainties and main risk factors" section of the Corporation's 2013 annual Management's Discussion and Analysis ("MD&A")) that could cause actual results to differ materially from what Cogeco Cable currently expects. These factors include risks pertaining to markets and competition, technology, regulatory developments, operating costs, information systems, disasters or other contingencies, financial risks related to capital requirements, human resources, controlling shareholder and holding structure, many of which are beyond the Corporation's control. Therefore, future events and results may vary significantly from what management currently foresees. The reader should not place undue importance on forward-looking information and should not rely upon this information as of any other date. While management may elect to, the Corporation is under no obligation and does not undertake to update or alter this information at any particular time, except as may be required by law.

All amounts are stated in Canadian dollars unless otherwise indicated. This press release should be read in conjunction with the MD&A included in the Corporation's 2013 Annual Report, the Corporation's consolidated financial statements and the notes thereto, prepared in accordance with the International Financial Reporting Standards ("IFRS") for the year ended August 31, 2013

RESULTS OVERVIEW

This analysis should be read in conjunction with the Corporation's 2013 Annual Report available on SEDAR at www.sedar.com. Please refer to the Corporation's 2013 Annual Report for more details on the annual results.

FOURTH-QUARTER OPERATING RESULTS

OPERATING RESULTS

Consolidated

Quarters ended August 31,	**2013**	2012	Change
(in thousands of dollars, except percentages)	**$**	$	%
Revenue	**470,386**	324,768	44.8
Operating expenses	**247,897**	163,943	51.2
Operating income before depreciation and amortization	**222,489**	160,825	38.3
Operating margin	**47.3%**	49.5%	

Fiscal 2013 fourth-quarter consolidated revenue improved by $145.6 million, or 44.8%, to reach $470.4 million compared to the prior year. For the fourth-quarter ended August 31, 2013, consolidated operating expenses increased by $84.0 million, or 51.2%, at $247.9 million. As a result, consolidated operating income before depreciation and amortization increased by $61.7 million, or 38.3%, to reach $222.5 million and consolidated operating margin decreased to 47.3% compared to 49.5% in the fourth quarter of fiscal 2012.

CANADIAN CABLE SERVICES

Customer statistics

		Net additions (losses)	
Quarters ended August 31,	**August 31, 2013**	**2013**	2012
PSU	**1,980,122**	**(12,021)**	7,564
Television service customers	**834,771**	**(10,573)**	(5,758)
HSI service customers(1)	**661,337**	**159**	6,287
Telephony service customers	**484,014**	**(1,607)**	7,035

(1) In the fourth quarter of fiscal 2013, HSI customers have been adjusted upwards retroactively to comply with the industry practices and consequently, PSU have been also adjusted.

Fiscal 2013 fourth-quarter PSU net losses amounted to 12,021 compared to net additions of 7,564 in the comparable period of the prior year mainly as a result of service category maturity, competitive offers and tightening of our customer qualifications. For the fourth quarter of fiscal 2013 net customer losses for Television service customers stood at 10,573 compared to 5,758 for the same period of the prior year. Television service customer net losses are mainly due to promotional offers of competitors for the video service combined with the tightening of our customer credit controls. Fiscal 2013 fourth-quarter HSI service customers grew by 159 compared to 6,287 in the fourth quarter of the prior year. Telephony service customers net losses stood at 1,607 customers compared to net additions of 7,035 customers for the same period of the prior year.

Operating results

Quarters ended August 31,	**2013**	2012	Change
(in thousands of dollars, except percentages)	**$**	$	%
Revenue	**308,886**	301,992	2.3
Operating expenses	**149,789**	148,725	0.7
Operating income before depreciation and amortization	**159,097**	153,267	3.8
Operating margin	**51.5%**	50.8%	

Revenue

Fiscal 2013 fourth-quarter revenue increased by $6.9 million, or 2.3%, to reach $308.9 million compared to the same period last year, primarily due to rate increases implemented in June 2013 in Quebec and Ontario.

Operating expenses

For the period ended August 31, 2013, operating expenses increased by $1.1 million, or 0.7%, to $149.8 million. Operating expenses increased during the fourth quarter as a result of additional staff to manage the PSU base, programming cost increases and incentive programs such as bonuses, partly offset by cost reduction initiatives.

Operating income before depreciation and amortization and operating margin

As a result of revenue growth exceeding operating expenses, fiscal 2013 fourth-quarter operating income before depreciation and amortization amounted to $159.1 million, or 3.8% higher than in the same period of the prior year. Operating margin increased to 51.5% from 50.8% when compared to fiscal 2012 fourth-quarter.

AMERICAN CABLE SERVICES

Customer statistics

		Quarters ended August 31, Net additions (losses)	
Quarters ended August 31,	**August 31, 2013**	**2013**	2012
PSU	**485,658**	**(3,216)**	—
Television service customers	**230,304**	**(3,637)**	—
HSI service customers	**177,108**	**938**	—
Telephony service customers	**78,246**	**(517)**	—

Fiscal 2013 fourth-quarter, PSU net losses stood at 3,216. The decrease in PSU for the quarter is mainly attributable to seasonal variations resulting from the end of the school year for college and university students and residents returning home from the Miami region for the summer, partly offset by the increases in residential HSI customers through additional marketing focus on bundle package offerings and increased overall demand given the higher speed offerings with the rollout of DOCSIS 3.0 capabilities in 2012 to a majority of Atlantic Broadband's markets, as well as increased commercial HSI.

Operating results

	Quarters ended		
	August 31, 2013	August 31, 2012	Change
(in thousands of dollars, except percentages)	**$**	$	%
Revenue	**91,411**	—	—
Operating expenses	**51,629**	—	—
Operating income before depreciation and amortization	**39,782**	—	—
Operating margin	**43.5%**	—	

Fiscal 2013 fourth-quarter revenue reached $91.4 million mainly as a result of (i) an increase in HSI revenue from continued marketing focus driving HSI subscriber growth; (ii) an increase in Telephony revenue and an increase in commercial revenue as Atlantic Broadband continues to expand its non-residential customer base through targeted marketing efforts. Fiscal 2013 fourth-quarter operating expenses amounted to $51.6 million and operating income before depreciation and amortization reached $39.8 million, and consequently, operating margin stood at 43.5%. Atlantic Broadband's operating results are in line with management's expectations.

ENTERPRISE SERVICES

Operating results

	Quarters ended		
	August 31, 2013	August 31, 2012	Change
(in thousands of dollars, except percentages)	**$**	$	%
Revenue	**70,548**	23,133	—
Operating expenses	**43,649**	11,876	—
Operating income before depreciation and amortization	**26,899**	11,257	—
Operating margin	**38.1%**	48.7%	

Revenue

Fiscal 2013 fourth-quarter revenue reached $70.5 million compared to $23.1 million for the same period last year. Revenue increased for the period primarily due to the three month results of PEER 1 recently acquired as well as Cogeco Data Service's organic growth.

Operating expenses

For the fourth quarter of fiscal 2013, operating expenses increased by $31.8 million to $43.6 million. Operating expenses increased for the period, primarily due to PEER 1 recent acquisition as well as Cogeco Data Service's organic growth.

Operating income before depreciation and amortization and operating margin

As a result of revenue growth exceeding the increase in operating expenses, fiscal 2013 fourth-quarter operating income before depreciation and amortization increased by $15.6 million to reach $26.9 million compared to the same period of the prior year. Operating margin decreased to 38.1% from 48.7% in the fourth quarter as a result of lower margin business activities from PEER 1.

CASH FLOW ANALYSIS

Quarters ended August 31,	**2013**	2012
(in thousands of dollars)	**$**	$
Operating activities		
Cash flow from operations	**161,695**	126,946
Changes in non-cash operating activities	**55,377**	75,065
Amortization of deferred transaction costs and discounts on long-term debt	**(4,190)**	(747)
Income taxes paid	**(23,208)**	(15,090)
Current income tax expense	**10,769**	15,476
Financial expense paid	**(20,801)**	(14,324)
Financial expense	**48,588**	16,017
	228,230	203,343
Investing activities	**(104,319)**	(124,480)
Financing activities	**(123,534)**	(12,803)
Effect of exchange rate changes on cash and cash equivalents denominated in foreign currencies	**1,304**	—
Net change in cash and cash equivalents from continuing operations	**1,681**	66,060
Cash and cash equivalents from continuing and discontinued operations, beginning of period	**37,894**	149,331
Cash and cash equivalents from continuing and discontinued operations, end of period	**39,575**	215,391

For fiscal 2013 fourth quarter, cash flow from operations reached $161.7 million compared to $126.9 million last year, an increase of $34.7 million, or 27.4%, primarily due to the improvement of operating income before depreciation and amortization, partly offset by financial expense increase and by the recent acquisition costs. In the fourth quarter of fiscal 2013, changes in non-cash operating activities generated cash inflows of $55.4 million compared to $75.1 million in the comparable period of fiscal 2012, mainly as a result of a lower decrease in trade and other payables, partly offset by an increase in provisions compared to a decrease in the prior year.

ACQUISITIONS OF PROPERTY, PLANT AND EQUIPMENT, INTANGIBLE AND OTHER ASSETS

Investing activities, including acquisition of property, plant and equipment segmented according to the *National Cable Television Association* ("NCTA") standard reporting categories, are as follows:

Quarters ended August 31,	**2013**	2012
(in thousands of dollars)	**$**	$
Customer premise equipment(1)	**16,459**	17,563
Scalable infrastructure(2)	**23,141**	37,997
Line extensions	**8,858**	5,750
Upgrade / Rebuild	**17,595**	15,106
Support capital	**8,376**	15,202
Acquisition of property, plant and equipment - Canadian and American cable services	**74,429**	91,618
Acquisition of property, plant and equipment - Enterprise services(3)	**28,749**	27,557
Acquisitions of property, plant and equipment	**103,178**	119,175
Acquisition of intangible and other assets - Canadian and American cable services	**3,655**	3,174
Acquisition of intangible and other assets - Enterprise services	**1,262**	2,043
Acquisitions of intangible and other assets	**4,917**	5,217
	108,095	124,392

(1) Includes mainly home terminal devices as well as new and replacement drops.
(2) Includes mainly head-end equipment, digital video and telephony transport as well as HSI equipment.
(3) Includes assets acquired under finance lease of $0.9 million that are excluded from the statement of cash flows.

For the three month period ended August 31, 2013, acquisition of property, plant and equipment amounted to $103.2 million compared to $119.2 million for the comparable period of fiscal 2012. In the Canadian cable services, fiscal 2013 fourth-quarter, acquisition of property, plant and equipment amounted to $52.7 million, a decrease of 42.5% when compared to the prior year. Fiscal 2013 fourth-quarter acquisition of property, plant and equipment in the American cable services segment amounted to $21.8 million. The decreases in the Canadian cable services segment are mainly attributable to the following factors:

- A decrease in scalable infrastructure capital expenditures due to the timing of initiatives to improve network capacity in existing areas served; and
- A decrease in customer premise equipment capital expenditures, mainly due to the achievement in fiscal 2012 of the first phase in the conversion of Television service customers from analogue to digital and the lower PSU growth during fiscal 2013 as a result of service maturity.

Fiscal 2013 fourth-quarter acquisition of property, plant and equipment in the Enterprise services segment, including the capital expenditures of the recent acquisition of PEER 1, amounted to $28.7 million compared to $27.6 million in the comparable period of fiscal 2012. The increase is mainly due to the recent acquisition of PEER 1 and the construction of a new data centre facility in Barrie (north of Toronto), Canada, opened last June, and by the expansion of data centre facilities in Toronto, Canada and in Portsmouth, England as well as the fibre expansion in the Toronto area in order to fulfill orders from new customers demand.

Acquisition of intangible and other assets is mainly attributable to reconnect and additional service activation costs as well as other customer acquisition costs. Fiscal 2013 fourth-quarter acquisition of intangible and other assets amounted to $4.9 million compared to $5.2 million for the fourth-quarter of fiscal 2012.

FREE CASH FLOW AND FINANCING ACTIVITIES

Fourth quarter 2013 free cash flow amounted to $53.6 million, an increase of $51.0 million compared to fourth-quarter of fiscal 2012, mainly as a result of the improvement of operating income before depreciation and amortization in the Canadian cable services segment and the recent acquisitions as well as the decrease in acquisition of property plant and equipment and current income taxes, partly offset by the increase in financial expense.

In the fourth quarter of fiscal 2013, Indebtedness level resulted in a cash decrease of $110.5 million, mainly due to the issuance on June 27, 2013, of $225.3 million (US$215 million) Senior Secured Notes for net proceeds of $223.8 million, net of transaction costs of $1.5 million, offset by the repayment of the Senior Secured Debentures Series 1 of $300 million. In the fourth quarter of fiscal 2012, Indebtedness level remained essentially the same.

During the fourth quarter of fiscal 2013, a quarterly dividend of $0.26 per share was paid to the holders of subordinate and multiple voting shares, totaling $12.6 million, when compared to a dividend paid of $0.25 per share, or $12.2 million in the fourth quarter of fiscal 2012.

FISCAL 2014 FINANCIAL GUIDELINES

Cogeco Cable revised its fiscal 2014 financial guidelines, as issued on July 10, 2013, as a result of certain adjustments made to the preliminary allocation of the purchase price of Atlantic Broadband and PEER 1.

Fiscal 2014 financial guidelines take into consideration the current uncertain global economic environment as well as the competitive environment that prevails in Canada, the deployment of new technologies such as Fibre to the Home ("FTTH"), Fibre to the Node ("FTTN") and Internet Protocol Television ("IPTV") by the incumbent telecommunications providers.

For fiscal 2014, Cogeco Cable expects to achieve revenue of $1.935 billion, representing growth of $243 million, or 14.4% compared to fiscal 2013. Revenue should primarily increase as a result of the full year impact from the recent acquisitions. In the Cable services segment, revenue increase should stem primarily from targeted marketing initiatives to improve penetration rates of the Digital Television, HSI and Telephony services. Furthermore, the Digital Television service should continue to benefit from the customers' ongoing strong interest in the Corporation's growing HD service offerings. Revenue will also benefit, in the Canadian cable services, from the impact of rate increases implemented in June 2013 in Quebec and Ontario, ranging on average between $2 to $3 per HSI and Telephony service customers. Cogeco Cable's strategies include consistently effective marketing to residential and business customers, competitive product offerings and superior customer service, which combined, lead to the expansion and loyalty of the Television service clientele. As the penetration of residential HSI, Telephony and Digital Television services increase, the new demand for these products should slow in the Canadian cable services, reflecting service category maturity. However, growth in the commercial and business sector is expected to continue at a consistent pace in the Cable services segment. In the Enterprise services segment, in addition to PEER 1's acquisition full year impact, revenue should increase from the hosting services and the data transport.

As a result of the full year impact from the recent acquisitions, the increased costs to service additional customers, inflation and manpower increases, as well as the continuation of the marketing initiatives and retention strategies, operating expenses are expected to expand by approximately $138 million, or 15.1% in the 2014 fiscal year compared to fiscal 2013.

For fiscal 2014, the Corporation expects operating income before depreciation and amortization of $885 million, an increase of $104 million, or 13.3% when compared to fiscal 2013. The operating margin is expected to reach approximately 45.7% in fiscal 2014, compared to 46.1% for fiscal 2013, reflecting operating expenses growth slightly higher than the revenue growth as well as lower margins business activities from PEER 1 acquired on January 31, 2013.

Cogeco Cable expects the depreciation and amortization of property, plant and equipment and intangible assets to increase by $87 million for fiscal 2014, mainly from the full year impact of the recent acquisitions. Cash flows from operations should finance capital expenditures and the increase in intangible assets amounting to $425 million, an increase of $17 million when compared to fiscal 2013. Capital expenditures projected for the 2014 fiscal year are stemming from scalable infrastructure for product enhancements and the deployment of new technologies, line extensions to expand existing territories, support capital to improve business information systems and support facility requirements and expansion for the Enterprise services segment in order to fulfill orders from new customers.

Fiscal 2014 free cash flow is expected to amount to $230 million, an increase of $80 million, or 53.3% compared to the free cash flow of $150 million for fiscal 2013, resulting from the growth in operating income before depreciation and amortization, partly offset by additional capital expenditures and financial expense from the full year impact of the recent acquisitions of Atlantic Broadband and PEER 1 and by an increase in current income taxes. Generated free cash flow will reduce Indebtedness net of cash and cash equivalents, thus improving the Corporation's net leverage ratios. Financial expense should amount to $130 million an increase of $2 million related to Atlantic Broadband's and PEER 1's acquisition financing. As a result, profit for the year of approximately $230 million should be achieved compared to $185 million for fiscal 2013.

Fiscal 2014 financial guidelines are as follows:

	Revised projections October 30, 2013	Preliminary projections July 10, 2013	Actuals
	Fiscal 2014	Fiscal 2014	Fiscal 2013
(in millions of dollars, except operating margin)	**$**	$	$
Financial guidelines			
Revenue	**1,935**	1,935	1,692
Operating income before depreciation and amortization	**885**	885	781
Operating margin	**45.7%**	45.7%	46.1%
Integration, restructuring and acquisition costs	**—**	—	22
Depreciation and amortization	**470**	435	383
Financial expense	**130**	130	128
Current income tax expense	**100**	105	85
Profit for the year	**230**	245	185
Acquisitions of property, plant and equipment, intangible and other assets	**425**	425	408
Free cash flow(1)	**230**	225	150
Capital intensity	**22.0%**	22.0%	24.1%

(1) Free cash flow is calculated as operating income before depreciation and amortization less integration, restructuring and acquisition costs, financial expense, current income tax expense and acquisitions of property, plant and equipment, intangible and other assets.

NON-IFRS FINANCIAL MEASURES

This section describes non-IFRS financial measures used by Cogeco Cable throughout this MD&A. It also provides reconciliations between these non-IFRS measures and the most comparable IFRS financial measures. These financial measures do not have standard definitions prescribed by IFRS and, therefore, may not be comparable to similar measures presented by other companies. These measures include “cash flow from operations”, “free cash flow”, “operating income before depreciation and amortization” and “operating margin”.

CASH FLOW FROM OPERATIONS AND FREE CASH FLOW

Cash flow from operations is used by Cogeco Cable’s management and investors to evaluate cash flow generated by operating activities, excluding the impact of changes in non-cash operating activities, amortization of deferred transaction costs and discounts on long-term debt, income taxes paid, current income tax expense, financial expense paid and financial expense. This allows the Corporation to isolate the cash flows from operating activities from the impact of cash management decisions. Cash flow from operations is subsequently used in calculating the non-IFRS measure, “free cash flow”. Free cash flow is used, by Cogeco Cable’s management and investors, to measure its ability to repay debt, distribute capital to its shareholders and finance its growth. The most comparable IFRS measure is cash flow from operating activities. Cash flow from operations is calculated as follows:

	Quarters ended		Years ended	
	August 31, 2013	August 31, 2012	**August 31, 2013**	August 31, 2012
(in thousands of dollars)	**$**	$	**$**	$
Cash flow from operating activities	**228,230**	203,343	**545,010**	450,386
Changes in non-cash operating activities	**(55,377)**	(75,065)	**23,331**	(3,493)
Amortization of deferred transaction costs and discounts on long-term debt	**4,190**	747	**11,233**	2,817
Income taxes paid	**23,208**	15,090	**100,110**	79,728
Current income tax expense	**(10,769)**	(15,476)	**(84,676)**	(85,216)
Financial expense paid	**20,801**	14,324	**91,343**	61,471
Financial expense	**(48,588)**	(16,017)	**(128,314)**	(64,007)
Cash flow from operations	**161,695**	126,946	**558,037**	441,686

Free cash flow is calculated as follows:

	Quarters ended		Years ended	
	August 31, 2013	August 31, 2012	**August 31, 2013**	August 31, 2012
(in thousands of dollars)	**$**	$	**$**	$
Cash flow from operations	**161,695**	126,946	**558,037**	441,686
Acquisition of property, plant and equipment	**(102,241)**	(119,175)	**(388,698)**	(359,581)
Acquisition of intangible and other assets	**(4,917)**	(5,217)	**(18,567)**	(15,787)
Assets acquired under finance leases	**(937)**	—	**(937)**	—
Free cash flow	**53,600**	2,554	**149,835**	66,318

OPERATING INCOME BEFORE DEPRECIATION AND AMORTIZATION AND OPERATING MARGIN

Operating income before depreciation and amortization is used by Cogeco Cable's management and investors to assess the Corporation's ability to seize growth opportunities in a cost effective manner, to finance its ongoing operations and to service its debt. Operating income before depreciation and amortization is a proxy for cash flows from operations excluding the impact of the capital structure chosen, and is one of the key metrics used by the financial community to value the business and its financial strength. Operating margin is a measure of the proportion of the Corporation's revenue which is available, before income taxes, to pay for its fixed costs, such as interest on Indebtedness. Operating margin is calculated by dividing operating income before depreciation and amortization by revenue.

The most comparable IFRS financial measure is operating income. Operating income before depreciation and amortization and operating margin are calculated as follows:

	Quarters ended		Years ended	
	August 31, 2013	August 31, 2012	**August 31, 2013**	August 31, 2012
(in thousands of dollars, except percentages)	**$**	$	**$**	$
Operating income	**103,681**	94,709	**376,239**	312,180
Depreciation and amortization	**114,103**	64,247	**382,714**	275,003
Integration, restructuring and acquisitions costs	**4,705**	1,869	**21,570**	1,869
Operating income before depreciation and amortization	**222,489**	160,825	**780,523**	589,052
Revenue	**470,386**	324,768	**1,692,466**	1,277,698
Operating margin	**47.3%**	49.5%	**46.1%**	46.1%

CAPITAL INTENSITY

Capital intensity is used by Cogeco Cable's management and investors to assess the Corporation's investment in capital expenditures in order to support a certain level of revenue. Capital intensity is defined as acquisitions of property, plant and equipment, intangible and other assets divided by revenue.

Capital intensity is calculated as follows:

	Quarters ended		Years ended	
	August 31, 2013	August 31, 2012	**August 31, 2013**	August 31, 2012
(in thousands of dollars, except percentages)	**$**	$	**$**	$
Acquisition of property, plant and equipment	**102,241**	119,175	**388,698**	359,581
Acquisition of intangible and other assets	**4,917**	5,217	**18,567**	15,787
Assets acquired under finance leases	**937**	—	**937**	—
Total capital expenditures	**108,095**	124,392	**408,202**	375,368
Revenue	**470,386**	324,768	**1,692,466**	1,277,698
Capital intensity	**23.0%**	38.3%	**24.1%**	29.4%

QUARTERLY FINANCIAL HIGHLIGHTS

	Fiscal 2013				Fiscal 2012			
Quarters ended[1]	**Nov. 30**	**Feb. 28[3]**	**May. 31[3]**	**Aug. 31**	Nov. 30	Feb. 29	May. 31	Aug. 31
(in thousands of dollars, except percentages and per share data)	**$**	**$**	**$**	**$**	$	$	$	$
Revenue	**327,911**	**429,672**	**464,497**	**470,386**	315,424	317,735	319,771	324,768
Operating income before depreciation and amortization	**147,126**	**195,776**	**215,132**	**222,489**	131,823	143,743	152,661	160,825
Operating margin	**44.9%**	**45.6%**	**46.3%**	**47.3%**	41.8%	45.2%	47.7%	49.5%
Operating income	**75,160**	**95,812**	**101,586**	**103,681**	66,999	59,491	90,981	94,709
Income taxes	**17,400**	**15,838**	**18,428**	**11,176**	10,603	13,617	21,449	32,987
Profit for the period from continuing operations	**42,160**	**50,880**	**48,126**	**43,917**	39,567	31,086	53,159	45,705
Profit for the period from discontinued operations	**—**	**—**	**—**	**—**	3,399	52,047	—	—
Profit for the period	**42,160**	**50,880**	**48,126**	**43,917**	42,966	83,133	53,159	45,705
Profit for the period attributable to owners of the Corporation	**42,160**	**51,082**	**47,924**	**43,917**	42,966	83,133	53,159	45,705
Cash flow from operating activities	**(280)**	**150,084**	**166,976**	**228,230**	13,807	120,961	112,275	203,343
Cash flow from operations	**99,845**	**140,515**	**155,982**	**161,695**	97,043	104,622	113,075	126,946
Acquisitions of property, plant and equipment, intangible and other assets	**82,833**	**104,433**	**112,841**	**108,095**	77,283	86,234	87,459	124,392
Free cash flow	**17,012**	**36,082**	**43,141**	**53,600**	19,760	18,388	25,616	2,554
Capital intensity	**25.3%**	**24.3%**	**24.3%**	**23.0%**	24.5%	27.1%	27.4%	38.3%
Earnings per share[2]								
From continuing and discontinued operations								
Basic	**0.87**	**1.05**	**0.99**	**0.90**	0.88	1.71	1.09	0.94
Diluted	**0.86**	**1.04**	**0.98**	**0.90**	0.88	1.70	1.09	0.93
From continuing operations								
Basic	**0.87**	**1.05**	**0.99**	**0.90**	0.81	0.64	1.09	0.94
Diluted	**0.86**	**1.04**	**0.98**	**0.90**	0.81	0.63	1.09	0.93
From discontinued operations								
Basic	**—**	**—**	**—**	**—**	0.07	1.07	—	—
Diluted	**—**	**—**	**—**	**—**	0.07	1.06	—	—

(1) The addition of quarterly information may not correspond to the annual total due to rounding.

(2) Per multiple and subordinate voting share.

(3) During the fourth quarter of fiscal 2013, Cogeco Cable adjusted the preliminary allocation of the purchase price of Atlantic Broadband and retroactively adjusted the second and third quarters of fiscal 2013 to reflect new information obtained about facts and circumstances that existed as at the acquisition date and, if they had been known, would have impacted the amounts recognized at that date. The impact on the previous quarters are as follows:

	Quarters ended	
	February 28, 2013	May 31, 2013
	Three months	Three months
(In thousands of Canadian dollars)	$	$
Increase in depreciation of property, plant and equipment	5,059	5,126
Increase in amortization of intangible assets	2,850	2,936
Decrease in deferred income taxes	(331)	(2,930)
Net decrease on profit for the period	7,578	5,132

SEASONAL VARIATIONS

Cogeco Cable's operating results are not generally subject to material seasonal fluctuations except as follows. In the Canadian and American cable services segment customer growth in the Television service and HSI service are generally lower in the second half of the fiscal year as a result of a decrease in economic activity due to the beginning of the vacation period, the end of the television season, and students leaving their campuses at the end of the school year. Cogeco Cable offers its services in several university and college towns such as Kingston, Windsor, St.Catharines, Hamilton, Peterborough, Trois-Rivières and Rimouski in Canada and in the Pennsylvania region, and to a lesser extent in South Carolina, Maryland and Delaware in United States. In the American cable services segment, Miami region is also subject to seasonal fluctuations due to the winter season residents returning home from late Spring through the Fall. Furthermore, the third and fourth quarter's operating margin is usually higher as no management fees are paid to COGECO Inc. Under the Management Agreement, Cogeco Cable pays a fee equal to 2% of its total revenue subject to a maximum amount. As the maximum amount has been reached in the second quarters of fiscal 2013 and 2012, Cogeco Cable did not pay management fees in the second halves of either year.

CUSTOMER STATISTICS

	August 31, 2013	May 31, 2013	February 28, 2013	November 30, 2012	August 31, 2012	August 31, 2011
Primary service units[1]	**2,465,780**	**2,481,017**	**2,482,096**	**2,476,022**	1,975,054	1,901,409
CANADA	**1,980,122**	**1,992,143** [2]	**1,993,156** [2]	**1,990,842** [2]	1,975,054 [2]	1,901,409 [2]
UNITED STATES	**485,658**	**488,874**	**488,940**	**485,180**	—	—
Television service customers	**1,065,075**	**1,079,285**	**1,087,692**	**1,098,352**	863,115	877,985
CANADA	**834,771**	**845,344**	**852,707**	**861,039**	863,115	877,985
Penetration as a percentage of homes passed	**49.9%**	**50.7%**	**51.4%**	**52.1%**	52.4%	54.1%
UNITED STATES	**230,304**	**233,941**	**234,985**	**237,313**	—	—
Penetration as a percentage of homes passed	**44.5%**	**45.3%**	**45.5%**	**46.0%**	—	–
Digital Television service customers	**923,812**	**924,155**	**922,703**	**922,576**	771,503	678,326
CANADA	**781,386**	**779,950**	**778,728**	**780,724**	771,503	678,326
Penetration as a percentage of homes passed	**46.7%**	**46.8%**	**46.9%**	**47.2%**	46.8%	41.8%
UNITED STATES	**142,426**	**144,205**	**143,975**	**141,852**	—	–
Penetration as a percentage of homes passed	**27.5%**	**27.9%**	**27.9%**	**27.5%**	—	–
Analogue Television service customers	**141,263**	**155,130**	**164,989**	**175,776**	91,612	199,659
CANADA	**53,385**	**65,394**	**73,979**	**80,315**	91,612	199,659
Penetration as a percentage of homes passed	**3.2%**	**3.9%**	**4.5%**	**4.9%**	5.6%	12.3%
UNITED STATES	**87,878**	**89,736**	**91,010**	**95,461**	—	–
Penetration as a percentage of homes passed	**17.0%**	**17.4%**	**17.6%**	**18.5%**	—	–
High Speed Internet service customers	**838.445**	**837.348**	**832.745**	**821.561**	640.455	605.154
CANADA	**661,337**	**661,178** [2]	**657,766** [2]	**652,008** [2]	640,455 [2]	605,154 [2]
Penetration as a percentage of homes passed	**39.5%**	**39.7%** [2]	**39.6%** [2]	**39.4%** [2]	38.8% [2]	37.3% [2]
UNITED STATES	**177,108**	**176,170**	**174,979**	**169,553**	—	–
Penetration as a percentage of homes passed	**34.3%**	**34.1%**	**33.9%**	**32.9%**	—	–
Telephony service customers	**562,260**	**564,384**	**561,659**	**556,109**	471,484	418,270
CANADA	**484,014**	**485,621**	**482,683**	**477,795**	471,484	418,270
Penetration as a percentage of homes passed	**28.9%**	**29.1%**	**29.1%**	**28.9%**	28.6%	25.8%
UNITED STATES	**78,246**	**78,763**	**78,976**	**78,314**	—	–
Penetration as a percentage of homes passed	**15.1%**	**15.2%**	**15.3%**	**15.2%**	—	–

(1) Represents the sum of Television, High Speed Internet ("HSI") and Telephony service customers.
(2) In the fourth quarter of fiscal 2013, HSI service customers have been adjusted upwards retroactively to comply with the industry practices and consequently, PSU and penetration rates have been also adjusted

ADDITIONAL INFORMATION

Additional information relating to the Corporation, including its 2013 Annual Report and Annual Information Form, is available on SEDAR at www.sedar.com.

ABOUT COGECO CABLE

Cogeco Cable is a telecommunications corporation and is the11th largest hybrid fibre coaxial cable operator in North America operating in Canada through its subsidiary Cogeco Cable Canada in Quebec and Ontario, and in the United States of America through its subsidiary Atlantic Broadband in Western Pennsylvania, South Florida, Maryland/Delaware and South Carolina. Its two-way broadband cable networks provide to its residential and small business customers Analogue and Digital Television, High Speed Internet and Telephony services. Through its subsidiary Cogeco Enterprise Services, the holding company of Cogeco Data Services and Peer 1 Network Enterprises, Cogeco Cable provides its commercial customers a suite of IT hosting, information and communications technology services (data centre, colocation, managed hosting, cloud infrastructure and connectivity), with 20 data centres, extensive fibre networks in Montreal and Toronto as well as points-of-presence in North America and Europe. Cogeco Cable's subordinate voting shares are listed on the Toronto Stock Exchange (TSX: CCA). For more information about Cogeco Cable and its subsidiaries visit www.cogeco.ca, cogecodata.com, atlanticbb.com, peer1.com and peer1hosting.co.uk.

Source: **Cogeco Cable Inc.**
Pierre Gagné
Senior Vice President and Chief Financial Officer
Tel.: 514-764-4700

Information: **Media**
René Guimond
Vice-President, Public Affairs and Communications
Tel.: 514-764-4700

Analyst Conference Call: **Thursday, October 31, 2013 at 11:00 a.m.** (Eastern Daylight Time)
Media representatives may attend as listeners only.

Please use the following dial-in number to have access to the conference call by dialing five minutes before the start of the conference:

Canada/United States Access Number: **1 866-321-6651**
International Access Number: **+ 1 416-642-5212**
Confirmation Code: **7376711**
By Internet at www.cogeco.ca/investors

A rebroadcast of the conference call will be available until November 7, 2013, by dialing:

Canada and United States access number: **1 888-203-1112**
International access number: **+ 1 647-436-0148**
Confirmation code: **7376711**