February 26, 2016

For immediate release

TVA GROUP REPORTS INCREASED ADJUSTED OPERATING INCOME[1] FOR THE SECOND STRAIGHT QUARTER

Montreal, Canada – TVA Group Inc. (“TVA Group” or the “Corporation”) today announced that it recorded adjusted operating income[1] in the amount of $16.8 million in the fourth quarter of fiscal 2015, compared with $6.8 million in the same quarter of 2014.

However, the Corporation declared a net loss attributable to shareholders of $1.5 million or a loss of $0.03 per share for the quarter, compared with a net loss attributable to shareholders of $4.4 million or a loss of $0.19 per share in the same quarter of 2014.

Fourth quarter operating highlights:

- Consolidated adjusted operating income[1]: $16,846,000, up $10,032,000 (147%) from the same quarter of 2014.

- Adjusted operating income[1] in the Broadcasting & Production segment: $14,013,000, up $8,940,000 (176%) due mainly to the following factors:

  - ⇒ improved adjusted operating results[1] at “TVA Sports,” essentially due to a 19% increase in advertising revenues and a 13% increase in subscription revenues;

  - ⇒ 80% increase in adjusted operating income[1] at the other specialty services, mainly reflecting higher subscription revenues;

  - ⇒ increase in adjusted operating income[1] at TVA Network, mainly as a result of the operating cost reduction plan.

- Adjusted operating income[1] in the Magazines segment: $1,853,000, up $112,000 (6%) mainly because of the addition of the adjusted operating results of the magazines acquired from Transcontinental, which was partially offset by the impact of the decrease in the segment’s operating revenues, excluding the acquired magazines.

- Adjusted operating income[1] in the Film Production & Audiovisual Services segment (”MELS”): $980,000.

“We are pleased to be posting growth in adjusted operating income[1] for a second quarter in a row,” commented Julie Tremblay, President and Chief Executive Officer of the Corporation. “The increase is due to our revenue diversification strategy and our marketing efforts in support of our brands and content. The Broadcasting & Production segment improved its financial performance significantly, particularly at its news and entertainment specialty services, which increased their combined adjusted operating income[1] by 80%, and its “TVA Sports” specialty service, which improved its adjusted operating results by 49%. TVA Network held its 22.5% market share, while our two main rivals saw market share declines. The combined market share of our specialty services increased by 0.3 points to 10%.”

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[1] See definition of adjusted operating income (loss) below.

"The Magazines segment slightly increased its profitability, as measured by adjusted operating income,[1] despite considerable pressure on advertising revenues. To maintain our market position and focus our resources on our strong brands, we announced on November 18, 2015 the discontinuation of six French-language titles. This move will enable the Corporation's flagship brands to increase their reach. Despite the closures we maintain a strong presence in every niche," added Ms Julie Tremblay.

"We are also very pleased with the response from local and foreign producers of films and television series, who are making extensive use of MELS' soundstage facilities and equipment, as well as its postproduction and special effects services. In line with our commitment to offering them outstanding service, we announced the appointment of Michel Trudel to the position of President of MELS. His appointment will help carry the company into a new phase of expansion at home and internationally," concluded the President.

2015 financial year results

The Corporation's consolidated adjusted operating income[1] for the financial year ended December 31, 2015 amounted to $47,390,000 compared with $29,426,000 for the previous year, a 61% increase. The Broadcasting & Production segment grew its adjusted operating income[1] by 30% while the Magazines segment posted a 20% decrease. The addition of the operations of the Film Production & Audiovisual Services segment, created following the acquisition of assets now operated by MELS on December 30, 2014, made a significant contribution to the growth, generating $14,062,000 in adjusted operating income[1] in 2015. The improvement in the Broadcasting & Production segment's adjusted operating income[1] was due to the increase in TVA Network's adjusted operating income[1], which was driven by reductions in content costs and the operating cost reduction plan introduced in the second quarter of 2015, as well as the 48% increase in the combined adjusted operating income[1] of specialty services (other than "TVA Sports") resulting from higher subscription revenues.

Consolidated operating revenues amounted to $589,890,000 in fiscal 2015, compared with $439,340,000 in the previous year, a 34% increase. The Corporation's net loss attributable to shareholders was $55,226,000 or a loss of $1.42 per share in 2015, compared with a net loss attributable to shareholders of $41,088,000 or a loss of $1.73 per share in 2014.

Also, in the third quarter of 2015, the Corporation completed the annual update of its three-year strategic plan, including the plan for its Broadcasting & Production segment. The Corporation recognized a $60,107,000 non-cash impairment charge with respect to a broadcasting licence, including $30,054,000 without any tax consequences ($32,462,000 in 2014, including $16,231,000 without any tax consequences). In 2014, an $8,538,000 non-cash goodwill impairment charge, without any tax consequences, was also recognized.

Definition

Adjusted operating income (loss) ("Adjusted operating results")

In its analysis of operating results, the Corporation defines adjusted operating income (loss) as net income (loss) before depreciation of property, plant and equipment, amortization of intangible assets, financial expenses, operational restructuring costs, impairment of assets and others, income taxes and share of loss (income) of associated corporations. Adjusted operating income (loss) as defined above is not a measure of results that is consistent with International Financial Reporting Standards ("IFRS"). Neither is it intended to be regarded as an alternative to other financial performance measures or to the statement of cash flows as a measure of liquidity. This measure should not be considered in isolation or as a substitute for other performance measures prepared in accordance with IFRS. This measure is used by management and the Board of Directors to evaluate the Corporation's consolidated results and the results of its segments. This measure eliminates the significant level of impairment, depreciation and amortization of

[1] See definition of adjusted operating income (loss) below.

tangible and intangible assets and is unaffected by the capital structure or investment activities of the Corporation and its segments. Adjusted operating income (loss) is also relevant because it is a significant component of the Corporation's annual incentive compensation programs. The Corporation's definition of adjusted operating income (loss) may not be identical to similarly titled measures reported by other companies.

Forward-looking information disclaimer

The statements in this news release that are not historical facts may be forward-looking statements and are subject to important known and unknown risks, uncertainties and assumptions which could cause the Corporation's actual results for future periods to differ materially from those set forth in the forward-looking statements. Forward-looking statements generally can be identified by the use of the conditional, the use of forward-looking terminology such as "propose," "will," "expect," "may," "anticipate," "intend," "estimate," "plan," "foresee," "believe" or the negative of these terms or variations of them or similar terminology. Factors that may cause actual results to differ from current expectations include seasonality, operational risks (including pricing actions by competitors), programming, content and production cost risks, credit risk, government regulation risks, government assistance risks, changes in economic conditions, fragmentation of the media landscape, and labour relation risks. Investors and others are cautioned that the foregoing list of factors that may affect future results is not exhaustive and that undue reliance should not be placed on any forward-looking statements. For more information on the risks, uncertainties and assumptions that could cause the Corporation's actual results to differ from current expectations please refer to the Corporation's public filings available at www.sedar.com and http://groupetva.ca including, in particular, the "Risks and Uncertainties" section of the Corporation's annual Management's Discussion and Analysis for the year ended December 31, 2015.

The forward-looking statements in this news release reflect the Corporation's expectations as of February 26, 2016, and are subject to change after this date. The Corporation expressly disclaims any obligation or intention to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, unless required by the applicable securities laws.

TVA Group

TVA Group Inc., a subsidiary of Quebecor Media Inc., is an integrated communications company engaged in the broadcasting, film and television production, and magazine publishing industries. TVA Group Inc. is North America's largest broadcaster of French-language entertainment, information and public affairs programming, largest publisher of French-language magazines, and one of the largest private-sector producers of French-language content. The Corporation's Class B shares are listed on the Toronto Stock Exchange under the ticker symbol TVA.B.

The audited consolidated financial statements, with notes, and the annual Management's Discussion and Analysis, can be consulted on the Corporation's website at http://groupetva.ca.

Source:
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TVA GROUP INC.
Consolidated statements of (loss) income

(unaudited)
(in thousands of Canadian dollars, except per-share amounts)

	Three-month periods ended December 31		Years ended December 31	
	2015	2014	**2015**	2014
Revenues	**$ 165,429**	$ 129,794	**$ 589,890**	$ 439,340
Purchases of goods and services	**109,634**	92,063	**383,156**	283,571
Employee costs	**38,949**	30,917	**159,344**	126,343
Depreciation of property, plant and equipment and amortization of intangible assets	**12,757**	5,533	**33,515**	22,104
Financial expenses	**290**	1,058	**4,104**	4,231
Operational restructuring costs, impairment of assets and others	**3,436**	3,485	**6,315**	3,594
Impairment of a licence and of goodwill	**–**	–	**60,107**	41,000
Income (loss) before tax expense (recovery) and share of loss of associated corporations	**363**	(3,262)	**(56,651)**	(41,503)
Tax expense (recovery)	**265**	(2,058)	**(7,818)**	(8,753)
Share of loss of associated corporations	**1,575**	3,214	**6,134**	8,338
Net loss	**$ (1,477)**	$ (4,418)	**$ (54,967)**	$ (41,088)
Net (loss) income attributable to:				
Shareholders	**$ (1,472)**	$ (4,418)	**$ (55,226)**	$ (41,088)
Non-controlling interest	**(5)**	–	**259**	–
Basic and diluted loss per share attributable to shareholders	**$ (0.03)**	$ (0.19)	**$ (1.42)**	$ (1.73)

TVA GROUP INC.

Consolidated statements of comprehensive (loss) income

(unaudited)
(in thousands of Canadian dollars)

	Three-month periods ended December 31		Years ended December 31	
	2015	2014	**2015**	2014
Net loss	**$ (1,477)**	$ (4,418)	**$ (54,967)**	$ (41,088)
Other comprehensive items that may be reclassified to income:				
Cash flow hedge:				
Gain (loss) on valuation of derivative financial instruments	**57**	–	**(462)**	–
Deferred income taxes	**(16)**	–	**124**	–
Other comprehensive items that will not be reclassified to income:				
Defined benefit plans:				
Re-measurement loss	**(3,446)**	(11,993)	**(3,446)**	(11,993)
Deferred income taxes	**928**	3,227	**928**	3,227
	(2,477)	(8,766)	**(2,856)**	(8,766)
Comprehensive loss	**$ (3,954)**	$ (13,184)	**$ (57,823)**	$ (49,854)
Comprehensive (loss) income attributable to:				
Shareholders	**$ (3,949)**	$ (13,184)	**$ (58,082)**	$ (49,854)
Non-controlling interest	**(5)**	–	**259**	–

TVA GROUP INC.
Consolidated statements of equity

(unaudited)
(in thousands of Canadian dollars)

	Equity attributable to shareholders				Equity attributable to non-controlling interest	Total equity
	Capital stock	Contributed surplus	Retained earnings	Accumulated other comprehensive income (loss)		
Balance as at December 31, 2013	$ 98,647	$ 581	$ 203,683	$ 5,148	$ –	$ 308,059
Net loss	–	–	(41,088)	–	–	(41,088)
Other comprehensive loss	–	–	–	(8,766)	–	(8,766)
Balance as at December 31, 2014	98,647	581	162,595	(3,618)	–	258,205
Business acquisitions	–	–	–	–	417	417
Net (loss) income	–	–	(55,226)	–	259	(54,967)
Issuance of share capital, net of transaction costs	108,633	–	–	–	–	108,633
Other comprehensive loss	–	–	–	(2,856)	–	(2,856)
Balance as at December 31, 2015	**$ 207,280**	**$ 581**	**$ 107,369**	**$ (6,474)**	**$ 676**	**$ 309,432**

TVA GROUP INC.
Consolidated balance sheets

(unaudited)
(in thousands of Canadian dollars)

		December 31, 2015		December 31, 2014
Assets				
Current assets				
Cash	**$**	**11,996**	$	–
Accounts receivable		**150,930**		136,811
Income taxes		**6,787**		5,256
Programs, broadcast rights and inventories		**79,495**		74,765
Prepaid expenses		**4,064**		3,734
		253,272		220,566
Non-current assets				
Broadcast rights		**36,321**		31,989
Investments		**12,594**		12,111
Property, plant and equipment		**208,103**		201,429
Licences and other intangible assets		**39,770**		83,647
Goodwill		**77,985**		48,266
Defined benefit plan asset		–		2,964
Deferred income taxes		**7,069**		1,060
		381,842		381,466
Total assets	**$**	**635,114**	$	602,032

TVA GROUP INC.
Consolidated balance sheets (continued)

(unaudited)
(in thousands of Canadian dollars)

		December 31, 2015		December 31, 2014
Liabilities and equity				
Current liabilities				
Bank overdraft	**$**	**–**	$	4,486
Accounts payable and accrued liabilities		**112,914**		88,746
Income taxes		**1,769**		777
Broadcast rights payable		**88,867**		45,660
Provisions		**7,107**		4,331
Deferred revenues		**28,148**		8,690
Credit facility from parent corporation		**–**		100,000
Short-term debt		**4,219**		938
		243,024		253,628
Non-current liabilities				
Long-term debt		**68,812**		72,757
Other liabilities		**10,974**		9,967
Deferred income taxes		**2,872**		7,475
		82,658		90,199
Equity				
Capital stock		**207,280**		98,647
Contributed surplus		**581**		581
Retained earnings		**107,369**		162,595
Accumulated other comprehensive loss		**(6,474)**		(3,618)
Equity attributable to shareholders		**308,756**		258,205
Non-controlling interest		**676**		–
		309,432		258,205
Total liabilities and equity	**$**	**635,114**	$	602,032

TVA GROUP INC.
Consolidated statements of cash flows

(unaudited)
(in thousands of Canadian dollars)

	Three-month periods ended December 31		Years ended December 31	
	2015	2014	**2015**	2014
Cash flows related to operating activities				
Net loss	**$ (1,477)**	$ (4,418)	**$ (54,967)**	$ (41,088)
Adjustments for:				
Depreciation and amortization	**12,826**	5,604	**33,829**	22,326
Impairment of assets	**–**	832	**–**	832
Impairment of a licence and of goodwill	**–**	–	**60,107**	41,000
Share of loss of associated corporations	**1,575**	3,214	**6,134**	8,338
Deferred income taxes	**(18)**	(5,670)	**(8,663)**	(9,838)
Loss on valuation of derivative financial instruments	**2**	–	**24**	–
Cash flows provided (used) by current operations	**12,908**	(438)	**36,464**	21,570
Net change in non-cash balances related to operating activities	**(4,449)**	9,916	**58,830**	15,116
Cash flows provided by operating activities	**8,459**	9,478	**95,294**	36,686
Cash flows related to investing activities				
Net business acquisitions	**(786)**	(116,115)	**(57,147)**	(116,616)
Additions to property, plant and equipment	**(6,308)**	(4,244)	**(23,900)**	(22,158)
Additions to intangible assets	**(1,061)**	(806)	**(2,642)**	(2,489)
Net change in investments	**–**	(1,911)	**(2,620)**	(6,459)
Cash flows used in investing activities	**(8,155)**	(123,076)	**(86,309)**	(147,722)
Cash flows related to financing activities				
Change in bank overdraft	**–**	4,486	**(4,486)**	4,486
(Repayment) increase of credit facility from parent corporation	**–**	100,000	**(100,000)**	100,000
Repayment of a term loan	**–**	(75,000)	**–**	(75,000)
(Repayment) increase of long-term debt	**(1,152)**	74,737	**(940)**	74,737
Issuance of share capital, net of transaction costs	**–**	–	**108,633**	–
Financing costs	**–**	(904)	**–**	(904)
Repayment of derivative financial instruments	**(51)**	–	**(196)**	–
Cash flows (used) provided by financing activities	**(1,203)**	103,319	**3,011**	103,319
Net change in cash	**(899)**	(10,279)	**11,996**	(7,717)
Cash at beginning of period	**12,895**	10,279	**–**	7,717
Cash at end of period	**$ 11,996**	$ –	**$ 11,966**	$ –
Interests and taxes reflected as operating activities				
Interests paid	**$ 800**	$ 2,117	**$ 3,975**	$ 4,169
Income taxes (cashed) paid (net of payments or of refunds)	**(731)**	1,486	**1,374**	7,266

TVA GROUP INC.
Segmented information

(unaudited)
(in thousands of Canadian dollars)

At the beginning of 2015, the Corporation revised its business segments to better reflect changes in its operations and management structure following the acquisition on December 30, 2014 of substantially all of the assets of A.R. Global Vision Ltd., now operated by MELS. Accordingly, the new Film Production & Audiovisual Services segment was created.

In addition, since April 12, 2015, following the transaction with Transcontinental Inc., the operations of the acquired magazines have been included in the Magazines segment's results, while custom publishing operations have been included in the Broadcasting & Production segment's results.

Then, the Corporation's operations consist of the following segments:

- The **Broadcasting & Production segment**, which includes the operations of TVA Network (including the subsidiary and divisions TVA Productions Inc., TVA Nouvelles and TVA Interactif), specialty services, the marketing of digital products associated with the various televisual brands, the commercial production, dubbing, custom publishing and premedia services of TVA Accès inc., and distribution of audiovisual products by the TVA Films division.

- The **Magazines segment**, which through its subsidiaries, notably TVA Publications inc. and Les Publications Charron & Cie inc., publishes French- and English-language magazines in various fields such as the arts, entertainment, television, fashion, sports and decoration, and markets digital products associated with the various magazine brands.

- The **Film Production & Audiovisual Services segment**, which since December 30, 2014 has included the soundstage and equipment leasing, postproduction and visual effects services provided by MELS.

TVA GROUP INC.
Segmented information (continued)

(unaudited)
(in thousands of Canadian dollars)

	Three-month periods ended December 31		Years ended December 31	
	2015	2014	**2015**	2014
Revenues				
Broadcasting & Production	**$ 122,962**	$ 116,173	**$ 428,526**	$ 380,178
Magazines	**32,477**	15,275	**106,457**	62,614
Film Production & Audiovisual Services	**11,754**	–	**60,120**	–
Intersegment items	**(1,764)**	(1,654)	**(5,213)**	(3,452)
	165,429	129,794	**589,890**	439,340
Adjusted operating income[1]				
Broadcasting & Production	**14,013**	5,073	**25,592**	19,728
Magazines	**1,853**	1,741	**7,736**	9,698
Film Production & Audiovisual Services	**980**	–	**14,062**	–
	16,846	6,814	**47,390**	29,426
Depreciation of property, plant and equipment and amortization of intangible assets	**12,757**	5,533	**33,515**	22,104
Financial expenses	**290**	1,058	**4,104**	4,231
Operational restructuring costs, impairment of assets and others	**3,436**	3,485	**6,315**	3,594
Impairment of a licence and of goodwill	**–**	–	**60,107**	41,000
Income (loss) before tax expense (recovery) and share of loss of associated corporations	**$ 363**	$ (3,262)	**$ (56,651)**	$ (41,503)

The above-noted intersegment items represent the elimination of normal course business transactions between the Corporation's business segments regarding revenues.

(1) The Chief Executive Officer uses adjusted operating income (loss) as a measure of financial performance for assessing the performance of each of the Corporation's segments. Adjusted operating income (loss) is defined as net income (loss) before depreciation of property, plant and equipment and amortization of intangible assets, financial expenses, operational restructuring costs, impairment of assets and others, income taxes and share of loss (income) of associated corporations. Adjusted operating income (loss) as defined above is not a measure of results that is consistent with IFRS.