October 27, 2022

For immediate release

TVA GROUP REPORTS Q3 2022 RESULTS

Montreal, Canada – TVA Group Inc. ("TVA Group" or the "Corporation") announced today that it recorded revenues in the amount of $130.5 million for the third quarter of 2022, a year-over-year decrease of $20.2 million. Net income attributable to shareholders was $7.6 million for earnings of $0.18 per share, compared with net income attributable to shareholders of $19.0 million for earnings of $0.44 per share for the same quarter of 2021.

Third quarter operating highlights:

- $18,195,000 in consolidated adjusted EBITDA[1], a $17,309,000 unfavourable variance compared with the same quarter of 2021.

- $14,067,000 in adjusted EBITDA[1] in the Broadcasting segment, a $7,557,000 unfavourable variance mainly due to the decreased profitability of TVA Network, which posted an 8.2% decrease in its advertising revenues, combined with increased investments in content. The specialty channels were also affected by declining advertising revenues and reported lower profitability, with the exception of "TVA Sports," whose adjusted EBITDA[1] remained stable as a result of considerably lower costs compared with the same period of 2021, when the channel broadcast the Stanley Cup finals.

- $2,585,000 in adjusted EBITDA[1] in the Film Production & Audiovisual Services segment ("MELS"), a $7,980,000 unfavourable variance caused by the decreased profitability of soundstage, mobile and equipment rental as well as visual effects services, while postproduction posted an increase in profitability.

- $1,222,000 in adjusted EBITDA[1] in the Magazines segment, an $826,000 unfavourable variance due mainly to reduced government assistance and lower newsstand revenues, which were not entirely offset by operating expense reduction measures.

- $49,000 in adjusted EBITDA[1] in the Production & Distribution segment, a $1,173,000 unfavourable variance due to lower volume of international distribution activities compared with the same period of 2021, which was boosted by the post-pandemic resumption of activities.

"Third quarter results were affected by decreased profitability in the Broadcasting segment, among other things, due to the difficult situation in advertising," said Pierre Karl Péladeau, acting President and CEO of TVA Group. "Despite the lower revenues, we continued to increase our investments in content, a strategy that has enabled us to set ourselves apart and maintain our leadership position in the face of fierce competition from both traditional platforms and the web giants, which have access to significant capital. The high quality of our programming thus allowed TVA Network and our specialty services to increase market share by 1.9 points to 40.1%, posting three of the five most-watched programs in Quebec, including *Chanteurs masqués*, the Quebec version of *The Masked Singer*, which took the top spot with an

[1] See definition of adjusted EBITDA below.

average audience of nearly 1.7 million viewers, and the new daily program *Indéfendable*, which stood out with an average audience of over 1.5 million viewers.

“As the downward trend in advertising revenues continues to eat away at the profitability of our television business, it is important to bear in mind that advertising is essential to private over-the-air broadcasting, which relies on this sole source of revenues for its survival. The Canadian advertising environment, in addition to being impacted by the current economic situation, is set to become even more vulnerable with foreign subscription video-on-demand services like Netflix now planning to add advertising to their business models. What’s more, Radio-Canada grabs some of the advertising dollars, even though it is highly government subsidized. Whereas private broadcasters struggle to hang on to advertising revenues in order to fuel their content investments, Radio-Canada continues to hold an unfair competitive advantage by selling its advertising space at a ridiculously low price and offering programming that is designed to compete directly with that of private broadcasters. The CRTC urgently needs to intervene in this regard before it is too late. As well, Bill C-18 must be adopted into law quickly to ensure that the use of our news content is recognized and paid for at fair value by the digital behemoths who currently steal advertising dollars away from local businesses. Lastly, we cannot leave unmentioned the highly prejudicial treatment of “TVA Sports” by the distributor Bell. Unlike all other distributors in Quebec, Bell persists in blocking “TVA Sports’” prospects of profitability by refusing to pay a fair rate and giving preference to its own channels, such as RDS, which are descendants of the monopoly Bell once enjoyed and to which it would still like to subject Quebecers and Francophones outside Quebec.

“In the Film Production & Audiovisual Services segment, we were affected by lower volume in a number of our business segments, with the exception of postproduction, which continued to grow for the third consecutive quarter since the start of the year. Our soundstage, mobile and equipment rental services were particularly hard hit by the absence of foreign blockbusters, whereas our sets were used for *Paramount Pictures’* production of *Transformers* in the same quarter of 2021. It is imperative that the Quebec government continue to support us through tax incentives or other financial measures so that we can be more attractive to international producers. Bear in mind that foreign productions are critical to the growth of MELS, and for Quebec’s cultural industries generally and the Quebec economy as a whole,” continued Mr. Péladeau.

“In the Magazines segment, quarterly results were significantly impacted by reduced government assistance and an 11.5% decrease in newsstand revenues, which are a major revenue stream for our entertainment titles. Unfortunately, the transition from the Canada Periodical Fund assistance program continues to have a negative impact on this business segment, which helps showcase our local talent and Quebec culture.

“Our Production & Distribution segment was able to finalize production of four films and an initial series shot in Ireland, all of which are ready for distribution in the coming months, in particular internationally. Over the last two years, the pandemic has disrupted the production and distribution cycle for films produced by Incendo, which explains the timing differences in the financial results. This business segment continues to support the diversification of our revenue streams and the expansion of our presence in English-language markets,” Mr. Péladeau concluded.

<u>COVID-19 pandemic</u>

Since March 2020, the COVID-19 pandemic has at times affected the quarterly results of the Corporation’s segments. Given the uncertainty about the future evolution of the pandemic, including any major new wave, the full future impact of the public health crisis on operating results cannot be determined with certainty.

Definition

Adjusted EBITDA

In its analysis of operating results, the Corporation defines adjusted EBITDA as net income (loss) before depreciation and amortization, financial expenses, operational restructuring costs and other, income taxes (income tax recovery) and share of loss (income) of associates. Adjusted EBITDA as defined above is not a measure of results that is consistent with International Financial Reporting Standards ("IFRS"). It is not intended to be regarded as an alternative to other financial operating 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 tangible and intangible assets and is unaffected by the capital structure or investment activities of the Corporation and its segments. Adjusted EBITDA is also relevant because it is a significant component of the Corporation's annual incentive compensation programs. The Corporation's definition of adjusted EBITDA 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. Certain factors that may cause actual results to differ from current expectations include seasonality, operational risks (including pricing actions by competitors and the risk of loss of key customers in the Film Production & Audiovisual Services and Production & Distribution segments), programming, content and production cost risks, credit risk, government regulation risks, government assistance risks, changes in economic conditions, fragmentation of the media landscape, risk related to the Corporation's ability to adapt to fast-paced technological change and to new delivery and storage methods, labour relation risks, and the risks related to public health emergencies, including COVID-19, as well as any emergency measures implemented by government.

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 www.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, 2021.

The forward-looking statements in this news release reflect the Corporation's expectations as of October 27, 2022, 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 to do so by the applicable securities laws.

TVA Group

TVA Group Inc., a subsidiary of Quebecor Media Inc., is a communications company engaged in the broadcasting, film production and audiovisual services, international production and distribution of television content, and magazine publishing industries. TVA Group Inc. is North America's largest broadcaster of French-language entertainment, information and public affairs programming and one of the largest private-sector producers of French-language content. It is also the largest publisher of French-language magazines and publishes some of the most popular English-language titles in Canada. The Corporation's Class B shares are listed on the Toronto Stock Exchange under the ticker symbol TVA.B.

The Condensed Consolidated Financial Statements dated September 30, 2022, with notes, and the interim Management's Discussion and Analysis for the three-month and nine-month periods ended September 30, 2022, can be consulted on the Corporation's website at www.groupetva.ca.

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

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

		Three-month periods ended September 30		Nine-month periods ended September 30	
	Note	**2022**	2021	**2022**	2021
Revenues	2	**$ 130,519**	$ 150,703	**$ 422,485**	$ 450,933
Purchases of goods and services	3	**78,155**	81,703	**300,819**	294,874
Employee costs		**34,169**	33,496	**109,957**	104,454
Depreciation and amortization		**7,446**	8,136	**22,528**	24,338
Financial expenses	4	**64**	649	**658**	2,055
Operational restructuring costs and other	5	**49**	20	**182**	182
Income (loss) before income taxes (income tax recovery) and share of loss (income) of associates		**10,636**	26,699	**(11,659)**	25,030
Income taxes (income tax recovery)		**2,842**	7,587	**(2,817)**	7,181
Share of loss (income) of associates		**195**	111	**(217)**	(552)
Net income (loss)		**$ 7,599**	$ 19,001	**$ (8,625)**	$ 18,401
Net income (loss) attributable to:					
Shareholders		**$ 7,623**	$ 19,010	**$ (8,605)**	$ 18,409
Non-controlling interest		**(24)**	(9)	**(20)**	(8)
Basic earnings (loss) per share attributable to shareholders		**$ 0.18**	$ 0.44	**$ (0.20)**	$ 0.43
Diluted earnings (loss) per share attributable to shareholders		**0.18**	0.44	**(0.20)**	0.42
Weighted average number of outstanding shares		**43,205,535**	43,205,535	**43,205,535**	43,205,535
Weighted average number of diluted shares		**43,307,990**	43,466,447	**43,205,535**	43,414,665

See accompanying notes to condensed consolidated financial statements.

TVA GROUP INC.
Consolidated statements of comprehensive income

(unaudited)
(in thousands of Canadian dollars)

	Note	Three-month periods ended September 30		Nine-month periods ended September 30	
		2022	2021	**2022**	2021
Net income (loss)		**$ 7,599**	$ 19,001	**$ (8,625)**	$ 18,401
Other comprehensive income items that will not be reclassified to income:					
Defined benefit plans:					
Re-measurement gain	8	**1,000**	8,500	**30,000**	44,500
Deferred income taxes		**(300)**	(2,200)	**(8,000)**	(11,800)
		700	6,300	**22,000**	32,700
Comprehensive income		**$ 8,299**	$ 25,301	**$ 13,375**	$ 51,101
Comprehensive income (loss) attributable to:					
Shareholders		**$ 8,323**	$ 25,310	**$ 13,395**	$ 51,109
Non-controlling interest		**(24)**	(9)	**(20)**	(8)

See accompanying notes to condensed consolidated financial statements.

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 (note 6)	Contributed surplus	Retained earnings	Accumulated other comprehensive (loss) income – Defined benefit plans		
Balance as at December 31, 2020	$ 207,280	$ 581	$ 108,175	$ (4,637)	$ 1,220	$ 312,619
Net income (loss)	–	–	18,409	–	(8)	18,401
Other comprehensive income	–	–	–	32,700	–	32,700
Balance as at September 30, 2021	207,280	581	126,584	28,063	1,212	363,720
Net income (loss)	–	–	12,095	–	(2)	12,093
Other comprehensive income	–	–	–	4,651	–	4,651
Balance as at December 31, 2021	207,280	581	138,679	32,714	1,210	380,464
Net loss	–	–	(8,605)	–	(20)	(8,625)
Dividends	–	–	–	–	(1,190)	(1,190)
Other comprehensive income	–	–	–	22,000	–	22,000
Balance as at September 30, 2022	**$ 207,280**	**$ 581**	**$ 130,074**	**$ 54,714**	**$ –**	**$ 392,649**

See accompanying notes to condensed consolidated financial statements.

TVA GROUP INC.
Consolidated balance sheets

(unaudited)
(in thousands of Canadian dollars)

	September 30, 2022	December 31, 2021
Assets		
Current assets		
Cash	**$ –**	$ 5,181
Accounts receivable	**175,472**	210,814
Income taxes	**7,224**	5,755
Audiovisual content	**110,937**	108,530
Prepaid expenses	**6,178**	3,866
	299,811	334,146
Non-current assets		
Audiovisual content	**91,618**	72,541
Investments	**11,439**	12,115
Property, plant and equipment	**160,672**	160,288
Right-of-use assets	**7,456**	9,084
Intangible assets	**16,122**	20,559
Goodwill	**21,696**	21,696
Defined benefit plan asset	**45,844**	21,309
Deferred income taxes	**6,357**	9,353
	361,204	326,945
Total assets	**$ 661,015**	$ 661,091

TVA GROUP INC.
Consolidated balance sheets (continued)

(unaudited)
(in thousands of Canadian dollars)

	Note	**September 30, 2022**	December 31, 2021
Liabilities and equity			
Current liabilities			
Bank overdraft		**$ 8,620**	$ –
Accounts payable, accrued liabilities and provisions		**101,917**	139,149
Content rights payable		**89,331**	93,383
Deferred revenues		**11,863**	9,961
Income taxes		**69**	1,622
Current portion of lease liabilities		**2,214**	2,503
Short-term debt		**33,676**	11,980
		247,690	258,598
Non-current liabilities			
Lease liabilities		**6,388**	7,857
Other liabilities		**6,453**	7,798
Deferred income taxes		**7,835**	6,374
		20,676	22,029
Equity			
Capital stock	6	**207,280**	207,280
Contributed surplus		**581**	581
Retained earnings		**130,074**	138,679
Accumulated other comprehensive income		**54,714**	32,714
Equity attributable to shareholders		**392,649**	379,254
Non-controlling interest		**–**	1,210
		392,649	380,464
Total liabilities and equity		**$ 661,015**	$ 661,091

See accompanying notes to condensed consolidated financial statements.

TVA GROUP INC.
Consolidated statements of cash flows

(unaudited)
(in thousands of Canadian dollars)

	Note	Three-month periods ended September 30		Nine-month periods ended September 30	
		2022	2021	**2022**	2021
Cash flows related to operating activities					
Net income (loss)		**$ 7,599**	$ 19,001	**$ (8,625)**	$ 18,401
Adjustments for:					
Depreciation and amortization		**7,446**	8,136	**22,528**	24,338
Share of loss (income) of associates		**195**	111	**(217)**	(552)
Deferred income taxes		**(2,004)**	(295)	**(3,543)**	(976)
Other		**13**	13	**661**	(55)
		13,249	26,966	**10,804**	41,156
Net change in non-cash balances related to operating activities		**(15,073)**	(5,376)	**(19,907)**	(35,976)
Cash flows (used in) provided by operating activities		**(1,824)**	21,590	**(9,103)**	5,180
Cash flows related to investing activities					
Additions to property, plant and equipment		**(3,939)**	(4,488)	**(16,247)**	(11,224)
Additions to intangible assets		**(87)**	(346)	**(815)**	(1,847)
Business acquisitions	5	**(2,573)**	–	**(6,323)**	(606)
Dividends to non-controlling shareholders		**(1,150)**	–	**(1,150)**	–
Other		**271**	271	**271**	271
Cash flows used in investing activities		**(7,478)**	(4,563)	**(24,264)**	(13,406)
Cash flows related to financing activities					
Net change in bank overdraft		**5,624**	43	**8,620**	3,888
Net change in revolving credit facility		**1,835**	(16,130)	**21,710**	6,705
Repayment of lease liabilities		**(580)**	(786)	**(2,091)**	(2,514)
Other		**–**	(125)	**(53)**	(178)
Cash flows provided by (used in) financing activities		**6,879**	(16,998)	**28,186**	7,901
Net change in cash		**(2,423)**	29	**(5,181)**	(325)
Cash at beginning of period		**2,423**	2,484	**5,181**	2,838
Cash at end of period		**$ –**	$ 2,513	**$ –**	$ 2,513
Interest and taxes reflected as operating activities					
Net interest paid		**$ 450**	$ 381	**$ 1,038**	$ 1,133
Income taxes (received) paid		**(1,975)**	5,150	**3,748**	18,257

See accompanying notes to condensed consolidated financial statements.

TVA Group Inc. (“TVA Group” or the “Corporation”) is governed by the Quebec *Business Corporations Act*. TVA Group is a communications company engaged in broadcasting, film production & audiovisual services, international production & distribution of television content, and magazine publishing (note 9). The Corporation is a subsidiary of Quebecor Media Inc. (“Quebecor Media” or the “parent corporation”) and its ultimate parent corporation is Quebecor Inc. (“Quebecor”). The Corporation’s head office is located at 1600 de Maisonneuve Boulevard East, Montreal, Quebec, Canada.

The Corporation’s businesses experience significant seasonality due to, among other factors, seasonal advertising patterns, consumers’ viewing, reading and listening habits, demand for production services from international and local producers, and demand for content from global broadcasters. Because the Corporation depends on the sale of advertising for a significant portion of its revenues, operating results are also sensitive to prevailing economic conditions, including changes in local, regional and national economic conditions, particularly as they may affect advertising spending. In view of the seasonal nature of some of the Corporation’s activities, the results of operations for interim periods should not necessarily be considered indicative of full-year results.

Since March 2020, the COVID-19 pandemic has at times affected the quarterly results of the Corporation’s segments. Given the uncertainty about the future evolution of the pandemic, including any major new wave, the full future impact of the public health crisis on operating results cannot be determined with certainty.

(Tabular amounts are expressed in thousands of Canadian dollars, except per share and per option amounts)

1. Basis of presentation

These consolidated financial statements were prepared in accordance with the International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB"), except that they do not include all disclosures required under IFRS for annual consolidated financial statements. In particular, these consolidated financial statements were prepared in accordance with IAS 34, *Interim Financial Reporting*, and accordingly are condensed consolidated financial statements. These condensed consolidated financial statements should be read in conjunction with the Corporation's 2021 annual consolidated financial statements, which describe the accounting policies used to prepare these financial statements.

These condensed consolidated financial statements were approved by the Corporation's Board of Directors on October 27, 2022.

Certain comparative figures for the three-month and nine-month periods ended September 30, 2021 have been restated to conform to the presentation adopted for the three-month and nine-month periods ended September 30, 2022.

2. Revenues

	Three-month periods ended September 30		Nine-month periods ended September 30	
	2022	2021	**2022**	2021
Advertising services	**$ 50,472**	$ 58,998	**$ 189,527**	$ 203,594
Royalties	**33,391**	36,045	**101,778**	106,123
Rental, postproduction and distribution services and other services rendered(1)	**32,709**	39,560	**88,434**	93,453
Product sales(2)	**13,947**	16,100	**42,746**	47,763
	$ 130,519	$ 150,703	**$ 422,485**	$ 450,933

1 Revenues from rental of soundstages, mobiles, equipment and rental space amounted to $8,229,000 and $26,024,000 for the three-month and nine-month periods ended September 30, 2022 respectively ($17,510,000 and $34,559,000 for the same periods of 2021). Service revenues also include the activities of the Production & Distribution segment.

2 Revenues from product sales include newsstand and subscription sales of magazines and sales of audiovisual content.

(Tabular amounts are expressed in thousands of Canadian dollars, except per share and per option amounts)

3. Purchases of goods and services

The main components of purchases of goods and services are as follows:

	Three-month periods ended September 30		Nine-month periods ended September 30	
	2022	2021	**2022**	2021
Rights and audiovisual content costs	**$ 53,787**	$ 57,512	**$ 222,491**	$ 218,125
Printing and distribution	**3,385**	3,990	**10,090**	11,178
Services rendered by the parent corporation:				
- Commissions on advertising sales	**4,536**	4,867	**17,674**	18,430
- Other	**2,381**	1,962	**6,845**	6,357
Building costs	**3,786**	3,952	**12,247**	12,135
Marketing, advertising and promotion	**3,692**	3,543	**11,988**	11,742
Other	**6,588**	5,877	**19,484**	16,907
	$ 78,155	$ 81,703	**$ 300,819**	$ 294,874

4. Financial expenses

	Three-month periods ended September 30		Nine-month periods ended September 30	
	2022	2021	**2022**	2021
Interest on debt	**$ 384**	$ 228	**$ 764**	$ 614
Amortization of financing costs	**13**	13	**39**	39
Interest on lease liabilities	**109**	144	**340**	424
Interest (income) expense related to defined-benefit plans	**(115)**	189	**(341)**	571
Foreign exchange (gain) loss	**(285)**	(12)	**(190)**	113
Other	**(42)**	87	**46**	294
	$ 64	$ 649	**$ 658**	$ 2,055

(Tabular amounts are expressed in thousands of Canadian dollars, except per share and per option amounts)

5. Operational restructuring costs and other

	Three-month periods ended September 30		Nine-month periods ended September 30	
	2022	2021	**2022**	2021
Operational restructuring costs	**$ 49**	$ 16	**$ 164**	$ 394
Other	**–**	4	**18**	(212)
	$ 49	$ 20	**$ 182**	$ 182

Operational restructuring costs

For the three-month and nine-month periods ended September 30, 2022 and 2021, the Corporation recorded a net charge for operational restructuring plans in connection with the elimination of positions and the implementation of cost reduction initiatives. The segment breakdown is as follows:

	Three-month periods ended September 30		Nine-month periods ended September 30	
	2022	2021	**2022**	2021
Broadcasting	**$ –**	$ 68	**$ 102**	$ 729
Film Production & Audiovisual Services	**49**	–	**49**	7
Magazines	**–**	(52)	**13**	(342)
	$ 49	$ 16	**$ 164**	$ 394

Other

During the second quarter of 2022, the Corporation recorded a $622,000 charge for impairment of its investment in an associate in the Magazines segment following revised financial guidance from that corporation’s management and the continuing downward trend in revenues in the industry.

During the same period, the Corporation reversed a $587,000 charge following remeasurement of the contingent consideration payable on the acquisition of the companies in the Incendo group. Payments of $2,573,000 and $6,323,000 were made in connection with this acquisition for the three-month and nine-month periods ended September 30, 2022 respectively. During the first nine months of 2021, the Corporation reversed a $49,000 charge following remeasurement of the contingent consideration and made a $606,000 payment in connection with this one.

For the first nine months of 2021, the Corporation also recorded a $94,000 gain on the write-off of lease liabilities as a result of early release from certain real estate spaces.

(Tabular amounts are expressed in thousands of Canadian dollars, except per share and per option amounts)

6. Capital stock

(a) Authorized capital stock

An unlimited number of Class A common shares, participating, voting, without par value.

An unlimited number of Class B shares, participating, non-voting, without par value.

An unlimited number of preferred shares, non-participating, non-voting, with a par value of $10 each, issuable in series.

(b) Issued and outstanding capital stock

	September 30, 2022	December 31, 2022
4,320,000 Class A common shares	**$ 72**	$ 72
38,885,535 Class B shares	**207,208**	207,208
	$ 207,280	$ 207,280

(Tabular amounts are expressed in thousands of Canadian dollars, except per share and per option amounts)

7. Stock-based compensation and other stock-based payments

(a) Stock option plans

	Outstanding options	
	Number	Weighted average exercise price
TVA Group		
As at December 31, 2021	369,503	$ 2.09
Granted	150,000	2.76
As at September 30, 2022	**519,503**	**$ 2.29**
Vested options as at September 30, 2022	**82,664**	**$ 3.53**
Quebecor		
As at December 31, 2021	207,295	$ 31.12
Granted	60,000	27.85
Transferred	(23,079)	30.69
As at September 30, 2022	**244,216**	**$ 30.36**
Vested options as at September 30, 2022	**33,496**	**$ 29.50**

During the three-month period ended September 30, 2021, 1,500 Quebecor Media stock options were exercised for a cash consideration of $71,000.

During the nine-month period ended September 30, 2021, 7,800 Quebecor Media stock options were exercised for a cash consideration of $445,000.

(Tabular amounts are expressed in thousands of Canadian dollars, except per share and per option amounts)

7. Stock-based compensation and other stock-based payments (continued)

(b) Deferred stock unit ("DSU") plans for executives

The following table shows changes in outstanding DSUs during the nine-month period ended September 30, 2022:

	Outstanding units	
	Corporation stock units	Quebecor stock units
Balance as at December 31, 2021	102,648	14,874
Granted	–	413
Transferred	(7,401)	(1,611)
Balance as at September 30, 2022	**95,247**	**13,676**

During the nine-month period ended September 30, 2022, no DSUs were redeemed under either the Corporation's plan or Quebecor's plan (during the same period of 2021, 18,122 DSUs under the Corporation's plan and 3,747 DSUs under the Quebecor plan were redeemed for cash considerations of $43,000 and $139,000 respectively).

(c) Deferred stock unit ("DSU") plan for directors

	Outstanding units
	Corporation stock units
Balance as at December 31, 2021	385,440
Granted	44,158
Balance as at September 30, 2022	**429,598**

During the three-month and nine-month periods ended September 30, 2022, no DSUs were redeemed under the Corporation's plan for directors (545 and 36,413 DSUs redeemed for cash considerations of $2,000 and $106,000, respectively, during the same periods of 2021).

(d) Stock-based compensation expense

During the three-month and nine-month periods ended September 30, 2022, compensation expense reversals in the amounts of $624,000 and $268,000 respectively were recorded in respect of all stock-based compensation plans ($7,000 reversal and $896,000 expense respectively for the same periods of 2021).

8. Pension plans and post-retirement benefits

The gain on remeasurement of defined benefit plans recognized on the consolidated statement of comprehensive income results from the increase in the fair value of pension plan assets for the three-month period ended September 30, 2022. For the nine-month period ended September 30, 2022, the gain results from the increase in the discount rate, net of the decrease in the fair value of pension plan assets (the gain recognized for the same periods of 2021 was due primarily to the increase in the discount rate).

9. Segmented information

Management made changes to the Corporation's management structure at the beginning of the year. As a result of those changes, the activities of the TVA Films division, formerly presented in the Broadcasting segment, have been combined with the Production & Distribution segment's existing distribution activities. Financial information for comparative periods has been restated to reflect the new presentation.

The Corporation's operations consist of the following segments:

– The **Broadcasting segment**, which includes the operations of TVA Network, specialty services, the marketing of digital products associated with the various televisual brands, and commercial production and custom publishing services, including those of its Communications Qolab inc. subsidiary;

– The **Film Production & Audiovisual Services segment**, which through its subsidiaries Mels Studios and Postproduction G.P. and MELS Dubbing Inc. provides soundstage, mobile and production equipment rental services, as well as dubbing and described video ("media accessibility services"), postproduction, virtual production and visual effects services;

– The **Magazines segment**, which through its TVA Publications inc. subsidiary, publishes magazines in various fields including the arts, entertainment, television, fashion and decorating, and markets digital products associated with the various magazine brands;

– The **Production & Distribution segment**, which through the companies in the Incendo group and the TVA Films division produces and distributes television shows, movies and television series for the world market.

(Tabular amounts are expressed in thousands of Canadian dollars, except per share and per option amounts)

9. Segmented information (continued)

	Three-month periods ended September 30		Nine-month periods ended September 30	
	2022	2021	**2022**	2021
Revenues				
Broadcasting	**$ 104,601**	$ 111,118	**$ 340,908**	$ 354,198
Film Production & Audiovisual Services	**17,304**	28,070	**54,989**	64,036
Magazines	**9,945**	11,630	**29,980**	33,645
Production & Distribution	**3,279**	5,071	**11,715**	14,737
Intersegment items	**(4,610)**	(5,186)	**(15,107)**	(15,683)
	130,519	150,703	**422,485**	450,933
Adjusted EBITDA (negative adjusted EBITDA)[(1)]				
Broadcasting	**14,067**	21,624	**(1,550)**	24,326
Film Production & Audiovisual Services	**2,585**	10,565	**8,601**	18,106
Magazines	**1,222**	2,048	**3,308**	5,569
Production & Distribution	**49**	1,222	**1,113**	3,521
Intersegment items	**272**	45	**237**	83
	18,195	35,504	**11,709**	51,605
Depreciation and amortization	**7,446**	8,136	**22,528**	24,338
Financial expenses	**64**	649	**658**	2,055
Operational restructuring costs and other	**49**	20	**182**	182
Income (loss) before income taxes (income tax recovery) and share of loss (income) of associates	**$ 10,636**	$ 26,699	**$ (11,659)**	$ 25,030

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

1. The Chief Executive Officer uses adjusted EBITDA as a measure of financial performance for assessing the performance of each of the Corporation's segments. Adjusted EBITDA is defined as net income (loss) before depreciation and amortization, financial expenses, operational restructuring costs and other, income taxes (income tax recovery) and share of loss (income) of associates. Adjusted EBITDA as defined above is not a measure of results that is consistent with IFRS.