February 28, 2019

For immediate release

TVA GROUP REPORTS $9.0 MILLION NET INCOME ATTRIBUTABLE TO SHAREHOLDERS IN Q4 2018

Montreal, Canada – TVA Group Inc. ("TVA Group", "TVA" or "the Corporation") announced today that it recorded net income attributable to shareholders in the amount of $9.0 million or $0.21 per share in the fourth quarter of 2018, compared with net income attributable to shareholders of $9.2 million or $0.21 per share in the same quarter of 2017.

Fourth quarter operating highlights:

- Consolidated adjusted EBITDA[1] of $25,024,000 representing a favourable variance of $2,056,000 (9.0%) from the same quarter of 2017.

- $16,464,000 adjusted EBITDA[1] in the Broadcasting & Production segment representing a favourable variance of $232,000, mainly because of an increase in adjusted EBITDA[1] from the specialty services reflecting unfavourable retroactive adjustments to operating revenues recorded in the fourth quarter of 2017, largely offset by a 37.0% decrease in TVA Network's adjusted EBITDA.[1]

- $3,149,000 adjusted EBITDA [1] in the Magazines segment representing a favourable variance of $667,000 (26.9%) mainly because of the implementation of rationalization plans in recent quarters, partially offset by a decrease in operating revenues.

- $5,411,000 adjusted EBITDA[1] in the Film Production & Audiovisual Services ("MELS") segment, a $1,157,000 (27.2%) favourable variance essentially due to an increase in adjusted EBITDA[1] from soundstage and equipment rental and the increased profitability of postproduction activities. The positive factors were partially offset by lower volume of activities in visual effects, dubbing and subtitling.

"We are satisfied with our results for the last quarter of our financial year. Our operating expense reduction initiatives of recent quarters made up for the decline in operating revenues in the Broadcasting & Production and Magazines segments, which have both been hit by the decrease in advertising revenues. Meanwhile, MELS grew its operating revenues and adjusted EBITDA[1].

TVA Group's total market share increased by 0.2 points[2] to 36.6%[2] in the fourth quarter of 2018. The specialty channels grew their market share by 1.4 points[2] to 13.5%[2], including a 0.5 point[2] increase at "LCN".

We are very pleased to be able to close the acquisition of the "Évasion" and "Zeste" specialty services on February 13, 2019, following Canadian Radio-television and Telecommunications Commission approval. The addition of these channels will enhance our television content offering for the benefit of our viewers and advertisers. On February 22, 2019, we also signed an agreement to acquire the companies in the Incendo group. The transaction is in keeping with our push to increase our revenues from other markets, step up our international development and expand our footprint, especially in English-language markets," commented France Lauzière, President and CEO of the Corporation.

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[1] See definition of adjusted EBITDA below.

[2] Numeris – Quebec Franco, October 1 to December 31, 2018, Mo-Su, 2am-2am, t2+

"The various rationalization plans implemented in recent quarters enabled the Magazines segment to grow its adjusted EBITDA[1] and post a 15.1% profit margin. We are pressing ahead with our efforts to offset the drop in revenues by cutting costs and increasing operating efficiencies, while continuing to offer the rich and varied content that sustains the popularity of our brands. Once again, we are pleased to report that TVA held its position as the top publisher of French-language magazines in Quebec with more than 3.7 million[2] readers, while our English-language titles are read by more than 5.9 million[2] people," added Ms Lauzière.

"Lastly, the Film Production & Audiovisual Services segment's financial results improved in the fourth quarter of 2018, mainly because of the use of our soundstages and equipment by local and international producers, as well as additional volume from our acquisitions. MELS remains a growth driver for the Corporation and our rental and postproduction services are increasingly recognized and in demand," Ms. Lauzière concluded.

2018 financial year results

For the fiscal year ended December 31, 2018, the Corporation's consolidated adjusted EBITDA[1] was $50,383,000, compared with $66,381,000 in the previous year, a 24.1% decrease. There was a 34.9% unfavourable variance in adjusted EBITDA[1] in the Broadcasting & Production segment and an 18.1% decrease in the Magazines segment, due mainly to lower advertising revenues in both segments. The Film Production & Audiovisual Services segment grew its adjusted EBITDA[1] by 3.1%, mainly as a result of higher volume of activities and the increased profitability of soundstage and equipment rental and postproduction, which was partially offset by lower volume of activities in visual effects. The $14,632,000 unfavourable variance in the Broadcasting & Production segment's adjusted EBITDA[1] was caused mainly by a 33.4% decrease in TVA Network's adjusted EBITDA,[1] as well as a 24.9% increase in the "TVA Sports" channel's negative adjusted EBITDA,[1] partially offset by an 8.0% increase in the adjusted EBITDA[1] of the other specialty channels.

Consolidated operating revenues amounted to $551,910,000 in fiscal 2018 compared with $589,707,000 in the previous year, a 6.4% decrease. The Corporation recorded net income attributable to shareholders in the amount of $8,312,000, for earnings per share of $0.19, compared with a net loss attributable to shareholders of $15,951,000 for a loss of $0.37 per share in 2017.

In the third quarter of 2017, the Corporation had recognized a $29,993,000 non-cash goodwill impairment charge in the Magazines segment, including $1,489,000 without any tax consequences, and a $12,412,000 non-cash charge for impairment of intangible assets, including $3,103,000 without any tax consequences.

Definition

[1] Adjusted EBITDA (previously adjusted operating income (loss))

In its analysis of operating results, the Corporation defines adjusted EBITDA as net income (loss) before depreciation of property, plant and equipment, amortization of intangible assets, financial expenses, operational restructuring costs and others, impairment of goodwill and intangible assets, income taxes and share of income of associated corporations. Adjusted EBITDA 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 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.

[1] See definition of adjusted EBITDA above.
[2] Source: Vividata, Winter 2019, Total Canada, 14+, October 1, 2017 to September 30, 2018.

Conference call for investors

TVA Group will hold a conference call to discuss its fourth quarter and full-year 2018 results on March 1, 2019, at 10:00 a.m. EAST. There will be a question period reserved for financial analysts. To access the call, please dial 1-877-293-8052, access code for participants 66581#. A tape recording of the call will be available from March 1 to April 1, 2019 by dialling 1-877-293-8133, conference number 1242598#, access code for participants 66581#.

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 segment), 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, 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 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, 2018 and the "Risk Factors" section in the Corporation's 2018 annual information form.

The forward-looking statements in this news release reflect the Corporation's expectations as of February 28, 2019 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 and audiovisual production, 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 audited consolidated financial statements, with notes, and the annual Management's Discussion and Analysis, 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 December 31		Years ended December 31	
	2018	2017	**2018**	2017
Revenues	**$ 150,466**	$ 155,256	**$ 551,910**	$ 589,707
Purchases of goods and services	**89,429**	96,968	**357,171**	373,404
Employee costs	**36,013**	35,320	**144,356**	149,922
Depreciation of property, plant and equipment and amortization of intangible assets	**9,833**	8,365	**35,542**	34,874
Financial expenses	**610**	480	**2,477**	2,449
Operational restructuring costs and others	**2,276**	1,408	**2,433**	6,390
Impairment of goodwill and intangible assets	**–**	–	**–**	42,405
Income (loss) before tax expense (recovery) and share of income of associated corporations	**12,305**	12,715	**9,931**	(19,737)
Tax expense (recovery)	**3,307**	3,493	**2,467**	(3,631)
Share of income of associated corporations	**(74)**	(117)	**(684)**	(445)
Net income (loss)	**$ 9,072**	$ 9,339	**$ 8,148**	$ (15,661)
Net income (loss) attributable to:				
Shareholders	**$ 9,012**	$ 9,210	**$ 8,312**	$ (15,951)
Non-controlling interest	**60**	129	**(164)**	290
Basic and diluted earnings (loss) per share attributable to shareholders	**$ 0.21**	$ 0.21	**$ 0.19**	$ (0.37)

TVA GROUP INC.
Consolidated statements of comprehensive income (loss)

(unaudited)
(in thousands of Canadian dollars)

	Three-month periods ended December 31		Years ended December 31	
	2018	2017	**2018**	2017
Net income (loss)	**$ 9,072**	$ 9,339	**$ 8,148**	$ (15,661)
Other comprehensive items that may be reclassified to income:				
Cash flow hedge:				
Gain on valuation of derivative financial instruments	**–**	8	**–**	168
Deferred income taxes	**–**	(2)	**–**	(45)
Other comprehensive items that will not be reclassified to income:				
Defined benefit plans:				
Re-measurement gain	**710**	1,150	**710**	1,150
Deferred income taxes	**(188)**	(308)	**(188)**	(308)
	522	848	**522**	965
Comprehensive income (loss)	**$ 9,594**	$ 10,187	**$ 8,670**	$ (14,696)
Comprehensive income (loss) attributable to:				
Shareholders	**$ 9,534**	$ 10,058	**$ 8,834**	$ (14,986)
Non-controlling interest	**60**	129	**(164)**	290

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		
Balance as at December 31, 2016	$ 207,280	$ 581	$ 67,514	$ 2,010	$ 840	$ 278,225
Net (loss) income	–	–	(15,951)	–	290	(15,661)
Other comprehensive income	–	–	–	965	–	965
Balance as at December 31, 2017	207,280	581	51,563	2,975	1,130	263,529
Net income (loss)	–	–	8,312	–	(164)	8,148
Other comprehensive income	–	–	–	522	–	522
Balance as at December 31, 2018	**$ 207,280**	**$ 581**	**$ 59,875**	**$ 3,497**	**$ 966**	**$ 272,199**

TVA GROUP INC.
Consolidated balance sheets

(unaudited)
(in thousands of Canadian dollars)

		December 31, 2018		December 31, 2017
Assets				
Current assets				
Cash	**$**	**18,112**	$	21,258
Accounts receivable		**151,715**		144,913
Income taxes		**3,325**		596
Programs, broadcast rights and inventories		**78,483**		79,437
Prepaid expenses		**4,081**		3,736
		255,716		249,940
Non-current assets				
Broadcast rights		**42,987**		43,031
Investments		**11,242**		12,851
Property, plant and equipment		**187,116**		200,510
Intangible assets		**13,662**		15,120
Goodwill		**9,102**		7,892
Defined benefit plan asset		**–**		2,873
Deferred income taxes		**14,750**		14,015
		278,859		296,292
Total assets	**$**	**534,575**	$	546,232

TVA GROUP INC.
Consolidated balance sheets (continued)

(unaudited)
(in thousands of Canadian dollars)

		December 31, 2018		December 31, 2017
Liabilities and equity				
Current liabilities				
Accounts payable and accrued liabilities	**$**	**100,249**	$	104,505
Income taxes		**782**		6,314
Broadcast rights payable		**70,145**		69,244
Provisions		**7,522**		8,937
Deferred revenues		**16,803**		18,728
Short-term debt		**52,849**		9,844
		248,350		217,572
Non-current liabilities				
Long-term debt		**–**		52,708
Defined benefit plan liability		**4,258**		1,686
Other liabilities		**9,321**		9,946
Deferred income taxes		**447**		791
		14,026		65,131
Equity				
Capital stock		**207,280**		207,280
Contributed surplus		**581**		581
Retained earnings		**59,875**		51,563
Accumulated other comprehensive income		**3,497**		2,975
Equity attributable to shareholders		**271,233**		262,399
Non-controlling interest		**966**		1,130
		272,199		263,529
Total liabilities and equity	**$**	**534,575**	$	546,232

TVA GROUP INC.
Consolidated statements of cash flows

(unaudited)
(in thousands of Canadian dollars)

	Three-month periods ended December 31		Years ended December 31	
	2018	2017	**2018**	2017
Cash flows related to operating activities				
Net income (loss)	**$ 9,072**	$ 9,339	**$ 8,148**	$ (15,661)
Adjustments for:				
Depreciation and amortization	**9,882**	8,414	**35,739**	35,071
Impairment of goodwill and intangible assets	**–**	–	**–**	42,405
Share of income of associated corporations	**(74)**	(117)	**(684)**	(445)
Deferred income taxes	**(202)**	(206)	**(1,618)**	(12,024)
Gain on disposal of assets	**–**	(740)	**(3,936)**	(740)
Impairment of other assets	**–**	–	**2,000**	–
Others	**–**	–	**(80)**	2
Cash flows provided by current operations	**18,678**	16,690	**39,569**	48,608
Net change in non-cash operating assets and liabilities	**(14,199)**	(14,317)	**(14,436)**	(15,319)
Cash flows provided by operating activities	**4,479**	2,373	**25,133**	33,289
Cash flows related to investing activities				
Additions to property, plant and equipment	**(2,552)**	(4,081)	**(12,936)**	(21,621)
Additions to intangible assets	**(1,006)**	(358)	**(3,916)**	(1,795)
Disposal of property, plant and equipment and intangible assets	**–**	740	**3,723**	740
Business acquisitions	**(24)**	–	**(4,755)**	–
Change in investments	**–**	–	**195**	350
Others	**–**	–	**(600)**	–
Cash flows used in investing activities	**(3,582)**	(3,699)	**(18,289)**	(22,326)
Cash flows related to financing activities				
Repayment of long-term debt	**(2,822)**	(2,530)	**(9,900)**	(6,768)
Others	**–**	(37)	**(90)**	(156)
Cash flows used in financing activities	**(2,822)**	(2,567)	**(9,990)**	(6,924)
Net change in cash	**(1,925)**	(3,893)	**(3,146)**	4,039
Cash at beginning of period	**20,037**	25,151	**21,258**	17,219
Cash at end of period	**$ 18,112**	$ 21,258	**$ 18,112**	$ 21,258
Interests and taxes reflected as operating activities				
Net interests paid	**$ 517**	$ 493	**$ 2,113**	$ 2,315
Income taxes paid (received) (net of refunds or of payments)	**856**	413	**12,325**	(42)

TVA GROUP INC.
Segmented information

(unaudited)
(in thousands of Canadian dollars)

The Corporation's operations consist of the following segments:

- The **Broadcasting & Production segment** includes the operations of TVA Network (including the TVA Productions Inc. subsidiary and the TVA Nouvelles division), specialty services, the marketing of digital products associated with the various televisual brands, commercial production services and distribution of audiovisual products.
- The **Magazines segment** through its subsidiaries, notably TVA Publications Inc. and Les Publications Charron & Cie inc., publishes magazines in various fields including the arts, entertainment, television, fashion and decorating, markets digital products associated with the various magazine brands and provides custom publishing services.
- The **Film Production & Audiovisual Services segment** through its subsidiaries Mels Studios and Postproduction G.P. and Mels Dubbing Inc. provides soundstage, mobile unit and production equipment rental services, as well as dubbing, postproduction, visual effects and distribution services.

TVA GROUP INC.
Segmented information (continued)

(unaudited)
(in thousands of Canadian dollars)

	Three-month periods ended December 31		Years ended December 31	
	2018	2017	**2018**	2017
Revenues				
Broadcasting & Production	**$ 113,259**	$ 117,016	**$ 417,597**	$ 439,149
Magazines	**20,827**	24,207	**77,708**	94,583
Film Production & Audiovisual Services	**19,049**	16,701	**68,447**	67,073
Intersegment items	**(2,669)**	(2,668)	**(11,842)**	(11,098)
	150,466	155,256	**551,910**	589,707
Adjusted EBITDA[1]				
Broadcasting & Production	**16,464**	16,232	**27,235**	41,867
Magazines	**3,149**	2,482	**8,210**	10,020
Film Production & Audiovisual Services	**5,411**	4,254	**14,938**	14,494
	25,024	22,968	**50,383**	66,381
Depreciation of property, plant and equipment and amortization of intangible assets	**9,833**	8,365	**35,542**	34,874
Financial expenses	**610**	480	**2,477**	2,449
Operational restructuring costs and others	**2,276**	1,408	**2,433**	6,390
Impairment of goodwill and intangible assets	**–**	–	**–**	42,405
Income (loss) before tax expense (recovery) and share of income of associated corporations	**$ 12,305**	$ 12,715	**$ 9,931**	$ (19,737)

[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 of property, plant and equipment, amortization of intangible assets, financial expenses, operational restructuring costs and others, impairment of goodwill and intangible assets, income taxes and share of income of associated corporations. Adjusted EBITDA as defined above is not a measure of results that is consistent with IFRS.