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marked, indicate the file number assigned to the Registrant in connection with such Rule.

YES: \_\_\_\_\_ NO:  \_\_\_\_\_

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports) and (2) has been subject to such filing requirements for the past 90 days:

YES:  \_\_\_\_\_ NO: \_\_\_\_\_

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### **PRIOR FILINGS MODIFIED AND SUPERSEDED**

BCE Inc. s annual report on Form 40-F for the year ended December 31, 2004, at the time of filing with the U.S. Securities and Exchange Commission (the SEC or Commission ), modifies and supersedes all prior documents filed pursuant to Sections 13, 14 and 15(d) of the Exchange Act for purposes of any offers or sales of any securities after the date of such filing pursuant to any registration statement or prospectus filed pursuant to the Securities Act of 1933 which incorporates by reference such annual report on Form 40-F. Other than BCE Inc. s Annual Information Form for the year ended December 31, 2004 (the AIF ) included herein, and BCE Inc. s annual audited consolidated financial statements for the year ended December 31, 2004 and related management s discussion and analysis of financial condition and results of operations, incorporated by reference herein, no other information from the Exhibits attached hereto is to be incorporated by reference in a registration statement or prospectus filed pursuant to the Securities Act of 1933.

### **ANNUAL AUDITED CONSOLIDATED FINANCIAL STATEMENTS AND MANAGEMENT S DISCUSSION AND ANALYSIS**

#### **A. Annual Audited Consolidated Financial Statements**

For BCE Inc. s annual audited consolidated financial statements for the year ended December 31, 2004 (the Financial Statements ), including the auditor s report with respect thereto, see pages 82 to 121 and part of page 82, respectively, of the BCE Inc. 2004 Annual Report to shareholders attached hereto as Exhibit 99.1, which pages are incorporated herein by reference. See Note 27 of the Notes to the Financial Statements on pages 118 to 121 of the BCE Inc. 2004 Annual Report to shareholders, reconciling the significant differences between Canadian and United States generally accepted accounting principles.

The above referenced auditor s report is expressed in accordance with standards of reporting generally accepted in Canada which do not require a reference to changes in accounting principles in the auditor s report when the changes are properly accounted for and adequately disclosed in the financial statements. In the United States, reporting standards for auditors require the addition of an explanatory paragraph (following the opinion paragraph) when there are changes in accounting principles that have a material effect on the comparability of the financial statements, such as the changes described in Note 1 to the Financial Statements, or when there is a retroactive restatement such as described in Note 1 to the Financial Statements.

#### **B. Management s Discussion and Analysis**

For management s discussion and analysis of financial condition and results of operations, see pages 32 to 81 of the BCE Inc. 2004 Annual Report to shareholders attached hereto as Exhibit 99.1, which pages are incorporated herein by reference.

### **EVALUATION OF DISCLOSURE CONTROLS AND PROCEDURES**

As of the end of the period covered by this annual report on Form 40-F, an evaluation was carried out by BCE Inc. s management, under the supervision, and with the participation, of BCE Inc. s President and Chief Executive Officer (the CEO ) and Chief Financial Officer (the CFO ), of the effectiveness of BCE Inc. s disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)). Based on that evaluation, the CEO and CFO concluded that such disclosure controls and

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procedures were adequate and effective and designed to ensure that material information relating to BCE Inc. and its consolidated subsidiaries would be made known to them by others within those entities.

### CHANGES IN INTERNAL CONTROL OVER FINANCIAL REPORTING

During the year ended December 31, 2004, there were no changes in BCE Inc.'s internal control over financial reporting that have materially affected, or are reasonably likely to materially affect, BCE Inc.'s internal control over financial reporting.

### AUDIT COMMITTEE FINANCIAL EXPERT

BCE Inc.'s board of directors has determined that the Chairman of the audit committee, Mr. T.C. O'Neill, qualifies as an "audit committee financial expert" and that Mr. T.C. O'Neill is independent under the listing standards of the New York Stock Exchange.

### CODE OF ETHICS

All of BCE Inc.'s employees, directors and officers must follow BCE Inc.'s Code of Business Conduct (the Bell Canada Enterprises Code), which provides guidelines for ethical behaviour. The Bell Canada Enterprises Code includes additional guidelines for BCE Inc.'s President and Chief Executive Officer, Chief Financial Officer, Controller and Treasurer. The Bell Canada Enterprises Code is available in the Governance section of BCE Inc.'s website at [www.bce.ca](http://www.bce.ca).

### PRINCIPAL ACCOUNTANT FEES AND SERVICES

#### Auditor's fees

The table below shows the fees that Deloitte & Touche LLP (Deloitte & Touche), BCE Inc.'s external auditor, billed to BCE Inc. and its subsidiaries for various services for each year in the past two fiscal years.

	2004	2003 <sup>1</sup>
<b>(Can. \$ millions)</b>		
Audit fees	11.4	13.3
Audit-related fees	3.1	2.2
Tax fees	1.9	2.6
Other fees		1.1
<b>Total</b>	<b>16.4</b>	<b>19.2</b>

<sup>1</sup> Figures for 2003 have been restated to eliminate the fees paid by CGI Group Inc. in the calculation of our aggregate fees paid and reclassify translation services from Other fees to Audit fees so they can be compared to 2004 fees.

#### Audit fees

These fees include professional services provided by the external auditor for the review of the interim financial statements, statutory audits of the annual financial statements, the review of prospectuses, consulting on financial accounting and reporting standards, other regulatory audits and filings and translation services.

*Audit-related fees*

These fees relate to non-statutory audits, *Sarbanes-Oxley Act of 2002* initiatives, pension plan audits and consulting on prospective financial accounting and reporting standards.

*Tax fees*

These fees include professional services for administering our compliance with our conflict of interest policy, tax compliance, tax advice, tax planning and advisory services relating to the preparation of corporate tax, capital tax and commodity tax returns.

Since November 2004, we generally do not engage the external auditor to perform tax planning and consulting services.

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*Other fees*

These fees include professional services provided for the redesign of product introduction and new applications for account management, inventory programming, promotion and research processes. This work started in 2002 and was completed in early 2003.

In 2004, Deloitte & Touche has not been engaged to design any information system or provide implementation services (IS/IT) or other consulting services to BCE Inc. or its subsidiaries.

**Auditor independence policy**

BCE Inc.'s auditor independence policy is a comprehensive policy governing all aspects of BCE Inc.'s relationship with the external auditor, including:

- establishing a process for determining whether various audit and other services provided by the external auditor affect its independence;
- identifying the services that the external auditor may and may not provide to BCE Inc. and its subsidiaries;
- pre-approving all services to be provided by the external auditor of BCE Inc. and its subsidiaries; and
- establishing a process outlining procedures (as part of a separate policy) when hiring current or former personnel of the external auditor in a financial oversight role to ensure auditor independence is maintained.

In particular, the policy specifies that:

- the external auditor cannot be hired to provide any services falling within the prohibited services category, such as bookkeeping, financial information system design and implementation and legal services;
- for all audit or non-audit services falling within the permitted services category (such as prospectus work, due diligence and non-statutory audits), a request for approval must be submitted to the audit committee by the Chief Financial Officer prior to engaging the auditors;
- specific permitted services however are pre-approved quarterly by the audit committee and consequently only require approval by the Chief Financial Officer prior to engaging the external auditor; and
- at each regularly scheduled audit committee meeting, a consolidated summary of all fees paid to the external auditor by service type is presented. This summary includes a breakout of fees incurred within the pre-approved amounts.

In 2004, BCE Inc.'s audit committee did not approve any audit-related, tax or other services pursuant to paragraph (c) (7) (i) (C) of Rule 2-01 of Regulation S-X.

**OFF-BALANCE SHEET ARRANGEMENTS**

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Please see the section entitled *Off-Balance Sheet Arrangements* of BCE Inc.'s management's discussion and analysis of financial condition and results of operations (which is incorporated by reference in BCE Inc.'s AIF) and Notes 11 and 25, entitled *Accounts receivable* and *Guarantees*, respectively, of the Financial Statements, all contained in BCE Inc.'s 2004 Annual Report to shareholders attached hereto as Exhibit 99.1, for a discussion of offbalance sheet arrangements.

### **TABULAR DISCLOSURE OF CONTRACTUAL OBLIGATIONS**

Please see the section entitled *Contractual Obligations* of BCE Inc.'s management's discussion and analysis of financial condition and results of operations (which is incorporated by reference in BCE Inc.'s AIF), contained in BCE Inc.'s 2004 Annual Report to shareholders attached hereto as Exhibit 99.1, for a tabular disclosure and discussion of contractual obligations.

### **IDENTIFICATION OF THE AUDIT COMMITTEE**

BCE Inc. has a separately designated standing audit committee established in accordance with section 3(a)(58) (A) of the Exchange Act. BCE Inc.'s audit committee is comprised of five independent members: Mr. T.C. O'Neill (Chair), Mr. A. Bérard, Mrs. J. Maxwell, Mr. R.C. Pozen and Mr. V.L. Young.

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### **UNDERTAKING**

BCE Inc. undertakes to make available, in person or by telephone, representatives to respond to inquiries made by the Commission staff, and to furnish promptly, when requested to do so by the Commission staff, information relating to: the securities in relation to which the obligation to file this annual report on Form 40-F arises; or transactions in said securities.

### **WEB SITE INFORMATION**

Notwithstanding any reference to BCE Inc.'s website on the World Wide Web in the AIF or in the documents attached as Exhibits hereto, the information contained in BCE Inc.'s website or any other site on the World Wide Web referred to in BCE Inc.'s website is not a part of this Form 40-F and, therefore, is not filed with the Commission.

### **STATEMENT REGARDING FORWARD-LOOKING STATEMENTS**

BCE Inc. has made in the documents filed as part of this annual report on Form 40-F, and from time to time may otherwise make, forward-looking statements and related assumptions concerning its operations, economic performance and financial matters. BCE Inc. is under no duty to update any of these forward-looking statements or related assumptions. Actual results or events could differ materially from those set forth in, or implied by, the forward-looking statements and the related assumptions due to a variety of factors. Reference is made to the section entitled *About forward-looking statements* on page 3 of the AIF and to the section entitled *Risks That Could Affect Our Business* on pages 32 to 41 of the AIF for a discussion of certain of such factors. Reference is also made to the various risk factors discussed throughout BCE Inc.'s management's discussion and analysis of financial condition and results of operations (which is incorporated by reference in BCE Inc.'s AIF), contained in BCE Inc.'s 2004 Annual Report to shareholders attached hereto as Exhibit 99.1.

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# Annual Information Form

**BCE Inc.**

For the year ended December 31, 2004  
March 2, 2005

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**What's inside**

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## **ABOUT THIS ANNUAL INFORMATION FORM**

This Annual Information Form (AIF) contains important information that will help you make informed decisions about investing in BCE Inc. It describes the company and its operations, its prospects, risks and other factors that affect its business.

**In this AIF, *we, us, our* and *BCE* mean BCE Inc., its subsidiaries and joint ventures. Bell Canada, Aliant Inc. (Aliant) and their subsidiaries are referred to as the Bell Canada companies.**

**All dollar figures are in Canadian dollars, unless stated otherwise. The information in this AIF is as of March 2, 2005, unless stated otherwise, and except for information in documents incorporated by reference that have a different date.**

### **Documents incorporated by reference**

The document in the table below contains information that is incorporated by reference into this AIF.

Document	Where it is incorporated in this AIF
BCE Inc. 2004 annual report <i>Management s discussion and analysis</i> , pages 32 to 80	<i>Management s discussion and analysis</i> , page 41

Any other trademarks, or corporate, trade or domain names used in this AIF are the property of their owners. We believe that our trademarks and domain names are very important to our success. Our exclusive trademark rights are perpetual provided that their registrations are timely renewed and that the trademarks are used in commerce by us or our licensees. We take appropriate measures to protect, renew and defend our trademarks. We also spend considerable time and resources overseeing, registering, renewing, licensing and protecting our trademarks and prosecuting those who infringe on them. We take great care not to infringe on the intellectual property and trademarks of others.

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#### About forward-looking statements

A statement we make is forward-looking when it uses what we know and expect today to make a statement about the future. Forward-looking statements may include words such as *anticipate, believe, could, expect, goal, guidance, intend, may, objective, outlook, plan, seek, should, strive, target* and *will*.

Securities laws encourage companies to disclose forward-looking information so that investors can get a better understanding of the company's future prospects and make informed investment decisions.

This AIF contains forward-looking statements about BCE's objectives, strategies, financial condition, results of operations, cash flows and businesses. These statements are forward-looking because they are based on our current expectations, estimates and assumptions about the markets we operate in, the Canadian economic environment and our ability to attract and retain customers and to manage network assets and operating costs. It is important to know that:

- **forward-looking statements in this AIF describe our expectations at March 2, 2005.**
- our actual results could be materially different from what we expect if known or unknown risks affect our business, or if our estimates or assumptions turn out to be inaccurate. As a result, we cannot guarantee that any forward-looking statement will materialize and, accordingly, you are cautioned not to place undue reliance on these forward-looking statements.
- forward-looking statements do not take into account the effect that transactions or non-recurring or other special items announced or occurring after the statements are made may have on our business. For example, they do not include the effect of dispositions, sales of assets, monetizations, mergers, acquisitions, other business combinations or transactions, asset write-downs or other charges announced or occurring after forward-looking statements are made. The financial impact of such transactions and non-recurring and other special items can be complex and necessarily depends on the facts particular to each of them. Accordingly, the expected impact cannot be meaningfully described in the abstract or presented in the same manner as known risks affecting our business.
- we disclaim any intention and assume no obligation to update any forward-looking statement even if new information becomes available, as a result of future events or for any other reason.

Risks that could cause our actual results to materially differ from our current expectations are discussed throughout this AIF and, in particular, in *Risks that could affect our business*.

#### ABOUT BCE



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BCE is Canada's largest communications company. Our primary focus is Bell Canada, which represents the largest component of our business. We report Bell Canada's results of operations in four segments. Each reflects a distinct customer group: *Consumer, Business, Aliant and Other Bell Canada*. All of our other activities are reported in the *Other BCE segment*. Our reporting structure reflects how we manage our business and how we classify our operations for planning and measuring performance.

In 2004, we had consolidated operating revenues of \$19.2 billion. We had total assets of \$39.1 billion and approximately 61,700 employees at December 31, 2004.

The table below shows the operating revenues that each segment contributed to total operating revenues for the year ended December 31, 2004.

### *Operating revenues (in \$ millions)*

Consumer	\$	7,502
Business	\$	5,851
Aliant	\$	2,033
Other Bell Canada	\$	1,939
Inter-segment eliminations	\$	(538)
<hr/>		
Bell Canada	\$	16,787
Other BCE	\$	2,861
Inter-segment eliminations	\$	(455)
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Total operating revenues	\$	<b>19,193</b>

The Consumer segment provides local telephone, long distance, wireless, Internet access, video and other services to Bell Canada's residential customers, mainly in Ontario and Québec. Wireless services are also offered in Western Canada and video services are provided nationwide.

Local telephone and long distance services are sold under the Bell brand, wireless services through Bell Mobility Inc. (Bell Mobility), Internet access under the Sympatico brand and video services through Bell ExpressVu Limited Partnership (Bell ExpressVu).

The Business segment provides local telephone, long distance, wireless, data (including Internet access), and other services to Bell Canada's small and medium-sized businesses (SMB) and large enterprise (Enterprise) customers in Ontario and Québec, as well as business customers in Western Canada.

In 2004, Bell Canada acquired several small specialized service companies, allowing us to quickly enhance our value-added services (VAS) product suite for both SMB and Enterprise customers. See *Business Highlights* for information about these business acquisitions.

In the third quarter of 2004, we enhanced our competitive position in Western Canada by acquiring 100% ownership of Bell West Inc. (Bell West), our competitive local exchange carrier (CLEC) in Alberta and British Columbia, by completing the purchase of Manitoba Telecom Services Inc.'s (MTS) interest in Bell West.

In the fourth quarter of 2004, we further enhanced our competitive position in Western Canada by completing the acquisition of the Canadian operations of 360networks Corporation (360networks) as well as certain U.S. network assets. This acquisition increases our customer base and gives us an extensive fibre network across major cities in Western Canada. See *Business Highlights* for information about this acquisition.

The Aliant segment provides local telephone, long distance, wireless, data (including Internet access), and other services to residential and business customers in Atlantic Canada, and represents the operations of Aliant.

At December 31, 2004, Bell Canada owned 53% of Aliant. The remaining 47% was publicly held.

The Other Bell Canada segment includes Bell Canada's Wholesale business, and the financial results of Télébec Limited Partnership (Télébec), NorthernTel Limited Partnership (NorthernTel) and Northwestel Inc.

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(Northwestel). Our Wholesale business provides local telephone, long distance, wireless, data and other services to competitors who resell these services. Télébec, NorthernTel and Northwestel provide telecommunications services to less populated areas of Québec, Ontario and Canada's northern territories.

Following the purchase of 360networks, Bell Canada sold 360networks' retail customer operations in Central and Eastern Canada to Call-Net Enterprises Inc. (Call-Net). As part of the sale, Bell Canada will provide to Call-Net, for a share of the revenues, network facilities and other operations and support services.

At December 31, 2004, Bell Canada owned 100% of Northwestel and 63% of Télébec and NorthernTel. The Bell Nordiq Income Fund owned the remaining 37%.

In classifying our operations for planning and measuring performance, all restructuring and other items at Bell Canada and its subsidiaries except for Aliant are included in the Other Bell Canada segment and not allocated to the Consumer or Business segments.

The Other BCE segment includes the financial results of our media, satellite and information technology (IT) businesses as well as the costs incurred by our corporate office. This segment includes Bell Globemedia Inc. (Bell Globemedia), Telesat Canada (Telesat) and CGI Group Inc. (CGI).

Bell Globemedia provides information and entertainment services to Canadian customers and access to distinctive Canadian content. It includes CTV Inc. (CTV), Canada's leading private broadcaster, and The Globe and Mail, Canada's leading national newspaper. BCE Inc. owns 68.5% of Bell Globemedia. The Woodbridge Company Limited and affiliates own the remaining 31.5%.

Telesat is a pioneer in satellite communications and systems management and is an experienced consultant in establishing, operating and upgrading satellite systems worldwide. BCE Inc. owns 100% of Telesat.

CGI is one of Canada's largest IT services companies. It provides a full range of IT services and business solutions including outsourcing, systems development and integration and consulting. CGI is publicly traded. BCE Inc. owns 29% of CGI.

BCE Inc. was incorporated in 1970 and was continued under the *Canada Business Corporations Act* in 1979. It is governed by a Certificate and Articles of Amalgamation dated August 1, 2004.

BCE Inc.'s head and registered offices are at 1000, rue de La Gauchetière Ouest, Suite 3700, Montréal, Québec H3B 4Y7.

BCE Inc.'s auditors are Deloitte & Touche LLP.

### Our strategic priorities

The telecommunications industry continues to evolve rapidly as the industry moves from multiple service-specific networks to Internet Protocol (IP)-based integrated communications networks where text, video, sound and voice all travel on a single network. While IP-based communications is creating a new competitive landscape with reduced barriers to entry, it also unleashes new growth opportunities and the ability to achieve significant cost savings.

In 2004, we embarked on our strategy to deliver unrivalled integrated communications to customers across Canada with the overall objective of taking a leadership position in setting the standard in IP for the industry and for our customers. Leveraging the opportunities created by IP-based communications should allow us to deliver on the guiding principles of our strategy of customer simplification, innovation and efficiency. This strategy is founded on three priorities:

#### *1. Deliver an enhanced customer experience with the objective of enabling a significantly lower cost structure at Bell Canada.*

A year ago we announced a far-reaching, company-wide program called Galileo (Galileo) designed to simplify and enhance the customer experience. In the Consumer segment, Galileo aims to unify the customer experience across all product lines, and eliminate the costs of complexity associated with multiple systems and processes. In the Business segment, Galileo aims to deliver to customers a streamlined service offer based on IP, thereby eliminating the costs of multiple data networks and their related processes.

In 2004, we made significant progress on our Galileo initiatives in both our Consumer and Business segments.

In our consumer segment:

- we gained 369,000 subscriptions to the Bell bundle (a combination of wireless, Internet and video services in one offer), bringing our total sales to 431,000 since it was launched in September of 2003. Over the year, 48% of new bundle activations, 49% of fourth quarter activations and 51% of December activations included the sale of at least one new service.
- the \$5 Long Distance Bundle that we introduced in June 2004, was extremely successful, gaining approximately 229,000 customers by year end
- we completed a major overhaul of Bell ExpressVu's service offerings to stimulate growth and invigorate the business. This included repackaging programs and simpler pricing.
- we completed the migration of all Bell Mobility postpaid customer accounts to a new billing platform that will enable us to consolidate all of a customer's services onto a single bill
- we also made significant advancements in improving the customer experience in our corporate stores.

In our Business segment:

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- we made significant progress on our key objective of having 100% of our core traffic moved to a pervasive national IP multi-protocol label switching (IP-MPLS) network by the end of 2006. At the end of 2004, 61% of the traffic on our core network was IP-based.
- we also began the process to discontinue several legacy data services by announcing in 2004 that we would not sell these services to customers who do not use them currently. This list of legacy services includes Frame Relay, asynchronous transfer mode (ATM), Megastream, Bell Electronic Business Network, some business long distance services from the VNet portfolio (virtual corporate network services for large companies) and some packet services from the Datapac portfolio.

In 2005, we will continue to work on both of these areas.

In Consumer, we will continue to deliver on our strategy to win the broadband home. In particular we:

- aim to significantly increase the number of customers on the Bell bundle

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- will launch a redesigned Bell.ca site, with the objective of increasing online sales
- will rollout a new, simpler bill for our customers.

In Business we will:

- continue the process of discontinuing legacy data services by expanding the list of services that will no longer be sold to customers who do not currently use them and by beginning to stop selling these services to existing customers
- continue to actively encourage customers to adopt new IP-based services as well as to migrate from legacy services to new IP-based services
- increase the adoption of self-serve and web-based interfaces by Enterprise customers
- eliminate network elements and standardize core operating processes.

By the end of 2006, through our Galileo initiatives we are targeting to remove between \$1 billion and \$1.5 billion in annual costs from our current cost structure.

### *2. Deliver abundant bandwidth to enable all the services of the future with the reliability and security that customers require.*

Over the next four years, we plan to make a significant investment to expand the reach and amount of bandwidth available to customers. We are aiming to be able to deliver by 2008 up to 26 megabits per second (Mbps) to 85% of urban households in the Québec City to Windsor corridor, or approximately 4.3 million households. Four million of these households will be single family units (SFUs) that will be served using a fibre-to-the-node (FTTN) architecture capable of delivering IPTV service (video over Internet protocol). The remaining 300,000 households will be multiple-dwelling units (MDUs) served using very high-bit-rate DSL (VDSL).

In 2004, we began our FTTN rollout by deploying new high-density remotes in 376 neighbourhoods. Although not yet capable of providing video services, these remotes did enable the expansion of our high-speed Internet access footprint in Ontario and Québec to 83% of homes and business lines passed, compared to 80% at the end of 2003. We also made solid progress in the deployment of VDSL to MDUs. By the end of the year, we had signed access agreements with 335 buildings.

In 2005, we plan to continue our FTTN rollout and conduct trials of our IPTV service. By year end, we expect to have deployed new high-density remotes to 2,500 neighbourhoods, representing a footprint of approximately 1.1 million households. We plan to also continue our VDSL expansion into the MDU markets of Toronto, Montréal and Ottawa.

We were also the first in Canada to announce plans to deploy the third generation (3G) of wireless mobile communications. Through our investment in Evolution, Data Optimized (EVDO), we will offer wireless broadband speeds of up to 2.4 Mbps, six times faster than the speeds that exist today. We intend to deploy EVDO in major urban centres across Canada in 2005 and 2006.

### *3. Create the next-generation services to drive future growth.*

We continue to leverage our network capabilities, customer base and market knowledge to deliver innovative next-generation services. We plan to develop applications together with our wide array of partners, integrate them into useful services and bring these services to market using our strong brand, customer reach and channels.

In 2004, our Consumer segment provided next-generation services with:

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- the launch of Sympatico-MSN.ca, a single portal combining the best features and Internet tools of MSN Canada Co. (MSN Canada) with the broadband content and innovative services of Sympatico.ca
- the introduction of MSN Premium
- the launch of Sympatico Home Networking (an integrated wireless high-speed modem and router solution)
- the launch of leading-edge wireless location-based services
- the launch of wireless phone-to-phone video messaging service.

For Enterprise customers, we launched our Managed IP Telephony service. By year end, Bell Canada had sold more than 145,000 IP-enabled lines on customer premises equipment (CPE). We also enhanced our portfolio of value-added services through the acquisitions of:

- Infostream Technologies Inc. (Infostream), a systems and storage technology firm, addressing customer needs for secure and reliable information storage and redundant back-up capabilities
- approximately 76% of Elix Inc., a provider of call routing and management systems, IT applications integration, and design and implementation of electronic voice-driven response systems
- the security business of BCE Emergis Inc. (Emergis).

As part of our strategy to become the technology advisor of choice to SMB customers, we:

- launched Productivity Pak (a self-serve bundle of tools that enables SMB customers to more easily access and share information) and ProConnect (a fully managed service enabling the sharing of information easily, securely and affordably across the most extensive private IP-based network in Canada)
- acquired IT solutions provider Charon Systems Inc. and, by February 21, 2005, an 89% interest in IT solutions provider Nexxlink Technologies Inc. (Nexxlink)
- on December 14, 2004, announced an initiative with Microsoft Canada Co. whereby Bell Canada will combine telecommunications services and Microsoft software-based solutions to bring SMB customers reliable, secure, productivity-enhancing services at affordable prices.

In 2005, we plan to introduce Internet telephony service for consumers. In the Enterprise unit, we are targeting to increase the proportion of our customers in the Enterprise market purchasing value-added solutions. In the SMB market, we intend to reinvent the way information technology and telecom are integrated with the objective of increasing the number of SMB customers that view Bell Canada as their virtual Chief Information Officer (VCIO).

We will exploit the IP capability to achieve inter-operability between wireless and wireline platforms. For instance, in 2005 we are targeting to bring to market an integrated single-voice mailbox for both cellular and land lines to allow customer access to voicemail messages through a single voicemail system.

### Our corporate structure

The table below shows our main subsidiaries, where they are incorporated or registered, and the percentage of voting and non-voting securities or partnership interest that we beneficially own or that we directly or indirectly exercise control or direction over.

We have other subsidiaries, but they have not been included in the table because each represents 10% or less of our total consolidated assets and 10% or less of our total consolidated operating revenues. These other subsidiaries together represented 20% or less of our total consolidated assets and 20% or less of our total consolidated operating revenues at December 31, 2004.

#### *Our corporate structure*

100%

- (1) We do not own any outstanding non-voting securities issued by these subsidiaries.
- (2) All of the voting securities of Bell Canada are owned by Bell Canada Holdings Inc. (BCH), a wholly-owned subsidiary of BCE Inc.
- (3) These subsidiaries represent 10% or less of our total consolidated assets and 10% or less of our total consolidated operating revenues. We have included them to provide a better understanding of our overall corporate structure.

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- (4) This subsidiary is indirectly wholly-owned by BCE Inc. 52% is indirectly held by Bell Canada.

### Our directors and officers

At December 31, 2004, BCE Inc.'s directors and officers as a group beneficially owned, directly or indirectly, or exercised control or direction over:

- approximately 1,549,314 or 0.1673% of the common shares of BCE Inc.
- approximately 3,000 or 0.0023% of the common shares of Aliant
- approximately 460 or 0.0012% of the common shares of Bell Canada International Inc. (BCI)
- approximately 6,000 or 0.0067% of the units of the Bell Nordiq Income Fund.

### Directors

The table on the next page lists BCE Inc.'s directors, where they lived and their principal occupation on March 2, 2005.

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### Directors

<i>Name and municipality of residence</i>	<i>Date elected or appointed to the board</i>	<i>Current principal occupation</i>
André Bérard, <i>Montréal, Québec</i>	January 2003	Corporate director
Ronald A. Brenneman, <i>Calgary, Alberta</i>	November 2003	President and Chief Executive Officer and a director, Petro-Canada (petroleum company), since January 2000
Richard J. Currie, <sup>(1)</sup> <i>Toronto, Ontario</i>	May 1995	Chair of the board, BCE Inc. and Bell Canada, since April 2002
Anthony S. Fell, <sup>(1)</sup> <i>Toronto, Ontario</i>	January 2002	Chairman of the board, RBC Dominion Securities Limited (investment bank), since December 1999
Donna Soble Kaufman, <i>Toronto, Ontario</i>	June 1998	Lawyer and corporate director
Thomas E. Kierans, <sup>(1)</sup> <i>Toronto, Ontario</i>	April 1999	Chair, CSI Global Education Inc. (financial educator), since October 2004
Brian M. Levitt, <i>Montréal, Québec</i>	May 1998	Co-Chair, Osler, Hoskin & Harcourt LLP (law firm), since January 2001
The Honourable Edward C. Lumley, <sup>(2)</sup> <i>South Lancaster, Ontario</i>	January 2003	Vice-Chairman, BMO Nesbitt Burns Inc. (investment bank), since 1991
Judith Maxwell, <i>Ottawa, Ontario</i>	January 2000	President, Canadian Policy Research Networks Inc. (non-profit organization conducting research on work, family, health, social policy and public involvement), since 1995
John H. McArthur, <i>Wayland, Massachusetts</i>	May 1995	Senior advisor to the President, The World Bank Group (development bank), since March 1996
Thomas C. O'Neill, <i>Don Mills, Ontario</i>	January 2003	Chartered Accountant and corporate director

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James A. Pattison, <sup>(3)</sup> <i>Vancouver, British Columbia</i>	February 2005	Chairman and Chief Executive Officer, The Jim Pattison Group, since 1961
Robert C. Pozen, <i>Boston, Massachusetts</i>	February 2002	Chairman of the board, MFS Investment Management (global investment manager), since February 2004
Michael J. Sabia, <sup>(1)</sup> <i>Montréal, Québec</i>	October 2002	President and Chief Executive Officer (since April 2002) and a director, BCE Inc., and Chief Executive Officer (since May 2002) and a director, Bell Canada
Paul M. Tellier, <i>Montréal, Québec</i>	April 1999	Corporate director
Victor L. Young, <i>St. John s, Newfoundland and Labrador</i>	May 1995	Corporate director

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- (1) Was a director or executive officer of Teleglobe Inc. or certain of its affiliates on or during the year preceding May 15, 2002, the date when Teleglobe Inc. and certain of its affiliates filed for court protection under insolvency statutes in various countries, including Canada and the United States.
- (2) Was a director or executive officer of Air Canada on or during the year preceding April 1, 2003, the date when Air Canada filed for court protection under insolvency statutes in Canada and the United States.
- (3) Was a director or executive officer of Livent Inc. on or during the year preceding November 18 and 19, 1998, the dates when Livent Inc. and its United States subsidiaries filed for court protection under insolvency statutes in Canada and the United States, respectively.

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### Past occupation

Under BCE Inc.'s by-laws, each director holds office until the next annual shareholder meeting or until his or her successor is elected. All of BCE Inc.'s directors have held the positions listed in the table on the previous page or other executive positions with the same or associated firms or organizations during the past five years or more, except for the people listed in the table below.

### Past occupation

<i>Director</i>	<i>Past occupation</i>
Mr. A. Bérard	<ul style="list-style-type: none"> <li>• Chairman of the board of National Bank of Canada (chartered bank) from March 2002 to March 2004</li> <li>• Chairman of the board and Chief Executive Officer of National Bank of Canada from 1990 to March 2002 and a director of National Bank of Canada from 1985 to March 2004</li> </ul>
Mr. R.A. Brenneman	<ul style="list-style-type: none"> <li>• Before January 2000, General Manager – Corporate Planning of Exxon Corporation (petroleum company)</li> </ul>
Mr. R.J. Currie	<ul style="list-style-type: none"> <li>• President of George Weston Limited (food distribution, retail and production) from 1996 to May 2002 and a director from 1975 to May 2002</li> <li>• President of Loblaw Companies Limited (grocery chain) from 1976 to January 2001 and a director from 1973 to May 2001</li> </ul>
Mr. T.E. Kierans	<ul style="list-style-type: none"> <li>• Chairman of the board of Canadian Institute for Advanced Research (conducts basic research programs in the social and natural sciences) from September 1999 to October 2004</li> <li>• Chairman of the board of Moore Corporation Limited (management and distribution of print and digital information) from 1977 to</li> </ul>

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Mr. B.M. Levitt	<ul style="list-style-type: none"> <li>• March 2001</li> <li>• Chairman of the board of Petro-Canada from 1996 to January 2000</li> </ul>
Mr. T.C. O Neill	<ul style="list-style-type: none"> <li>• President and Chief Executive Officer of Imasco Limited (consumer products and services company) from 1995 to February 2000</li> <li>• Chief Executive Officer of PricewaterhouseCoopers Consulting (provider of management consulting and technology services) from January 2002 to May 2002 and then Chairman of the board from May 2002 to October 2002</li> <li>• Chief Operating Officer of PricewaterhouseCoopers LLP global organization (professional services firm in accounting, auditing, taxation and financial advisory) from July 2000 to January 2002</li> <li>• Chief Executive Officer of PricewaterhouseCoopers LLP (accounting firm) in Canada from 1998 to July 2000</li> </ul>
Mr. R.C. Pozen	<ul style="list-style-type: none"> <li>• Vice-chairman of the board of Fidelity Investments from June 2000 to December 2001</li> <li>• President and a director of Fidelity Management and Research Company (provider of financial services and investment resources) from 1997 to June 2001</li> </ul>
Mr. P.M. Tellier	<ul style="list-style-type: none"> <li>• President and Chief Executive Officer and a director of Bombardier .Inc. (manufacturer of business jets, regional aircraft and rail transportation equipment) from January 2003 to December 2004</li> <li>• President, Chief Executive Officer and a Director of Canadian National Railway Company from 1992 to December 2002</li> </ul>
Mr. V.L. Young	<ul style="list-style-type: none"> <li>• Chairman of the board and Chief Executive Officer of Fishery Products International Limited (frozen seafood products company) from 1984 to May 2001</li> </ul>

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### *Committees of the board*

The table below lists the committees of our board of directors and their members. As a public company, we are required by law to have an audit committee.

<i>Committee</i>	<i>Members</i>
Audit	T.C. O Neill (Chair) A. Bérard J. Maxwell R.C. Pozen V.L. Young
Corporate governance	D. Soble Kaufman (Chair) A.S. Fell T.E. Kierans The Honourable E.C. Lumley J.H. McArthur
Management resources and compensation	R.J. Currie (Chair) R.A. Brenneman A.S. Fell J.H. McArthur V.L. Young

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Pension fund	R.C. Pozen (Chair) T.E. Kierans B.M. Levitt P.M. Tellier
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### ***Past occupation***

All of our officers have held their present positions or other executive positions with BCE Inc. or one or more of our subsidiaries or affiliated companies during the past five years or more, except for:

- Mr. Bilodeau who was Senior Vice-President, Compensation Practice of AON Consulting (consulting company) before April 2002
- Ms. Brooks who was Vice-President and Controller of Enbridge Inc. (pipeline company) before July 2003
- Mr. Bruneau who was Founder and Chairman Emeritus of Adventis (a strategy and management consultancy to the global telecommunications industry) before December 2004
- Mr. Daniel who was Senior Vice-President of Canadian International Development Agency (CIDA) (industrial co-operation program that provides financial support to Canadian firms) before October 2003
- Ms. Gibson who was Vice-President, Marketing of WorldLinx Telecommunications Inc. (telecommunications company) before February 2001
- Mr. Houle who was Senior Vice-President, Corporate Human Resources of Alcan Inc. (packaging and aluminum company) before June 2001
- Mr. Hunter who was a partner with Stikeman Elliott LLP (law firm) before March 2003
- Mr. Wickramasinghe who was Senior Vice-President of Canadian Imperial Bank of Commerce (CIBC) (chartered bank) and Chief Financial and Administrative Officer of Amicus Financial (CIBC's e-commerce division) before August 2003. He was also Senior Vice-President and Chief Administrative Officer of CIBC Retail and Small Business Banking from June 2001 to February 2002 and Vice-President Audit & Chief Security Officer of CIBC before June 2001.

### **Officers**

The table below lists BCE Inc.'s officers, where they lived and the office that they held at BCE Inc. on March 2, 2005.

#### ***Officers***

<i>Name</i>	<i>Municipality of residence</i>	<i>Office held at BCE Inc.</i>
Michael J. Sabia <sup>(1)</sup>	Montréal, Québec	President and Chief Executive Officer
William D. Anderson <sup>(1)</sup>	Montréal, Québec	President, BCE Ventures Inc.
Alain Bilodeau	Montréal, Québec	Senior Vice-President, BCE Inc. and President, BCE Corporate Services Inc.
Michael T. Boychuk <sup>(1)</sup>	Montréal, Québec	Senior Vice-President and Treasurer
Karyn A. Brooks	Montréal, Québec	Vice-President and Controller
Mark R. Bruneau	Montréal, Québec	Executive Vice-President and Chief Strategy Officer
Peter Daniel	Ottawa, Ontario	Executive Vice-President Communications and Corporate Marketing
Lib Gibson	Toronto, Ontario	Corporate Advisor
Leo W. Houle	Montréal, Québec	Chief Talent Officer
Lawson A.W. Hunter	Ottawa, Ontario	Executive Vice-President
Patricia A. Olah	Montréal, Québec	Corporate Secretary
Barry W. Pickford	Toronto, Ontario	Senior Vice-President Taxation
Stephen P. Skinner <sup>(1)</sup>	Montréal, Québec	Senior Vice-President – Finance – Bell Canada
Martine Turcotte	Montréal, Québec	Chief Legal Officer
Siim A. Vanaselja	Montréal, Québec	Chief Financial Officer



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Stephen G. Wetmore	Mississauga, Ontario	Executive Vice-President
Mahes S. Wickramasinghe	Mississauga, Ontario	Senior Vice-President    Audit and Risk Management

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- (1) Was a director or executive officer of Teleglobe Inc. or certain of its affiliates on or during the year preceding May 15, 2002, the date when Teleglobe Inc. and certain of its affiliates filed for court protection under insolvency statutes in various countries, including Canada and the United States.

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Approximately 41% of our employees are represented by unions and are covered by collective agreements. The following important collective agreements have expired:

- the collective agreements between CTV Television Inc. (CTV Television) and its employees in Calgary and Edmonton, representing approximately 150 employees, which expired on September 30, 2004
- the collective agreement between CTV Television and its employees in Ottawa, representing approximately 65 employees, which expired on December 31, 2004.

Negotiations continue regarding the renewal of both collective agreements.

The following important collective agreements expire on or before December 31, 2005:

- the collective agreement between the Canadian Telecommunications Employees Association (CTEA) and Bell Canada representing approximately 10,000 clerical and associated employees, which expires on May 31, 2005. Negotiations began in March 2005.
- certain collective agreements, representing approximately 170 CTV Television employees, that expire as follows:
  - ◆ Sault Ste. Marie on April 8, 2005
  - ◆ RDS Montréal on April 15, 2005
  - ◆ Cape Breton, New Brunswick, North Bay and Saskatoon on August 31, 2005.
- the collective agreement representing approximately 395 Globe and Mail employees, which expires on July 1, 2005.

On January 21, 2005, the Communications Energy and Paper Workers Union of Canada (CEP) filed a common employer application between Bell Canada, Bell West, Smiston Communications (Smiston) and GT Group Telecom Services Corporation (Group Telecom) to represent the craft and services employees of Bell West, Smiston and Group Telecom.

On October 22, 2004, the CTEA filed a common employer application between Bell Canada and Bell West with the Canadian Industrial Relations Board (CIRB), to represent the clerical and sale employees of Bell West.

### **Our capital structure**

#### **BCE Inc. Securities**

The BCE Inc. articles of amalgamation provide for an unlimited number of common shares, an unlimited number of first preferred shares issuable in series, an unlimited number of second preferred shares also issuable in series and unlimited number of Class B shares. In addition, BCE Inc. has issued debt securities in the form of notes. This section describes BCE Inc.'s securities, the ratings that certain rating agencies have attributed to such securities and the trading of such securities on the Toronto Stock Exchange (TSX).

#### ***Debt securities***

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BCE Inc. has issued long-term debt securities in the form of Series A, B and C Notes, as summarized in the table below.

### *Debt securities*

All Series A, B and C Notes issued by BCE Inc. are unsecured. BCE Inc. has the option to redeem the Series B and C Notes (in the principal amount of \$1.7 billion) at any time.

BCE Inc. has a shelf prospectus providing for the issue of up to \$1.0 billion of medium term notes (MTNs). BCE Inc. has not issued any MTNs under its current shelf prospectus which expires in February 2006.

The indentures governing the Series A, B and C Notes and the MTNs contain certain covenants including, but not limited to, a negative pledge, and certain events of default including, but not limited to, a cross-default with respect to Bell Canada's indebtedness for borrowed money in certain circumstances for as long as BCE Inc. controls Bell Canada. The indenture governing the Series A, B and C Notes contains, in particular, a provision stating that in the event BCE Inc. disposes of voting shares of Bell Canada in such a number as to hold, directly or indirectly, less than 75% of the voting rights attaching to the outstanding voting shares of Bell Canada, unless the Series A, B and C Notes have an approved rating from each of certain rating agencies on each day of a rating period, BCE Inc. shall have the obligation to make an offer to purchase all of the Series A, B and C Notes at 100% of their face value together with accrued and unpaid interest to the purchase date.

BCE Inc. may issue notes under its commercial paper program up to the amount of its supporting committed lines of credit. The total amount of its supporting committed lines of credit was \$331 million at December 31, 2004. BCE Inc. had no commercial paper outstanding at December 31, 2004. BCE Inc. can also issue Class E notes under its commercial paper program. These notes are not supported by committed lines of credit and may be extended in certain circumstances. BCE Inc. may issue up to \$360 million of Class E notes. BCE Inc. had no Class E notes outstanding at December 31, 2004.

BCE Inc. is in compliance with all conditions and restrictions attaching to the debt securities described above.

### *Share capital*

#### *Preferred shares*

BCE Inc.'s articles of amalgamation provide for an unlimited number of First Preferred Shares and Second Preferred Shares. The terms set out in the articles authorize BCE Inc.'s directors to issue the shares in one or more series and to set the number of shares and conditions for each series.

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### *Voting rights*

All of the issued and outstanding preferred shares at December 31, 2004 were non-voting, except under special circumstances, for example if BCE Inc. failed to make dividend payments, when the holders are entitled to one vote per share.

### *Entitlement to dividends*

Holdings of Series R, Z, AA and AC shares are entitled to fixed cumulative quarterly dividends. The dividend rate on these shares is reset every five years, as set out in BCE Inc.'s articles of amalgamation.

Holdings of Series S and Y shares are entitled to floating adjustable cumulative monthly dividends.

If Series Q, AB and AD shares are issued, their holders will be entitled to floating adjustable cumulative monthly dividends.

If Series T shares are issued, their holders will be entitled to fixed cumulative quarterly dividends.

### *Conversion features*

All of the issued and outstanding BCE Inc. preferred shares at December 31, 2004 are convertible at the holder's option into another associated series of preferred shares on a one-for-one basis as per the terms set out in BCE Inc.'s articles of amalgamation.

### *Redemption features*

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BCE Inc. may redeem Series R, Z, AA and AC shares on the redemption date and every five years after that date.

If Series T shares are issued, BCE Inc. may redeem them on the redemption date and every five years after that date.

BCE Inc. may redeem Series S and Y shares at any time at \$25.50 per share (being a 2% premium to the issue price). If Series Q, AB and AD shares are issued, BCE Inc. may redeem them at any time.

### ***Liquidation, dissolution or winding up***

The first preferred shares of all series rank on a parity with each other and in priority to all other shares of BCE Inc. with respect to payment of dividends and with respect to distribution of assets in the event of liquidation, dissolution or winding up of BCE Inc., whether voluntary or involuntary, or any other distribution of assets for the purpose of winding up its affairs.

The second preferred shares of all series rank on a parity with each other and after the first preferred shares and in priority to all other shares of BCE Inc. with respect to payment of dividends and with respect to distribution of assets in the event of liquidation, dissolution or winding up of BCE Inc., whether voluntary or involuntary, or any other distribution of assets for the purpose of winding up its affairs.

### **Common shares and Class B shares**

BCE Inc.'s articles of amalgamation provide for an unlimited number of voting common shares and non-voting Class B shares. Each common share entitles its holder to one vote at any meeting of shareholders. The common shares and the Class B shares rank equally in the payment of dividends and in the distribution of assets if BCE Inc. is liquidated, dissolved or wound up, after payments due to the holders of preferred shares.

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The table below provides details about the outstanding common shares of BCE Inc. at December 31, 2004. No Class B shares were outstanding at December 31, 2004 and 2003.

There are ownership constraints on BCE Inc.'s common shares. For more details, see *The regulatory environment we operate in* - *Legislation that governs our business*.

### **Ratings for BCE Inc. securities**

Ratings generally address the ability of a company to repay principal and interest or dividends on securities.

BCE Inc.'s securities are rated by the following rating agencies:

- Dominion Bond Rating Service Limited (DBRS)
- Moody's Investors Service, Inc. (Moody's)
- Standard & Poor's, a division of The McGraw-Hill Companies, Inc. (S&P)
- Fitch Ratings Ltd. (Fitch).

This section describes the credit ratings that BCE Inc. has received for its securities. These ratings provide investors with an independent measure of credit quality of an issue of securities. Each rating should be evaluated independently.

These credit ratings are not recommendations to purchase, hold or sell any of the securities discussed above, or a comment on the market price or suitability for a particular investor. There is no assurance that any rating will remain in effect for any given period of time or that any rating will not be revised or withdrawn in the future by a rating agency.

### ***Commercial paper and extendible commercial notes***

The table below shows the range of credit ratings that each rating agency assigns to short-term debt instruments.

The DBRS short-term debt rating scale indicates DBRS' assessment of the risk that a borrower will not fulfill its near-term debt obligation in a timely manner. Every DBRS rating is based on quantitative and qualitative considerations relevant to the borrowing entity.

An S&P commercial paper rating indicates S&P's assessment of whether the company can meet the financial commitments of a specific commercial paper program or other short-term financial instrument, compared to the debt servicing and repayment capacity of other companies in Canada's financial markets. Credit ratings are based on current information provided by the issuers or obtained by S&P from other sources it considers reliable. S&P does not perform an audit when it assigns a credit rating.

Moody's short-term ratings indicate Moody's assessment of the ability of issuers to meet short-term financial obligations. It may assign ratings to issuers, short-term programs or to individual short-term debt instruments. These short-term obligations generally have an original maturity of 13 months or less, unless stated otherwise.

BCE Inc. has received the following credit ratings for commercial paper and extendible commercial notes.

	<b>Short-term debt credit rating</b>
DBRS	R-1 (low)
Moody's	P-2
S&P	A-1 (mid)

The R-1 (low) rating for short-term debt ranks third among the 10 credit ratings given by DBRS, and, according to DBRS, indicates:

- satisfactory credit quality
- respectable overall strength and outlook for key liquidity, debt and profitability ratios, but not as favourable as higher rating categories
- any qualifying negative factors that exist are considered manageable, and the company is normally of sufficient size to have some influence in its industry.

The A-1 (mid) rating ranks second among the eight short-term credit ratings given by S&P and, according to S&P, indicates a strong capacity to meet its financial commitment on the short-term obligations. Obligations rated A-1(mid) on the commercial paper rating scale would qualify for a rating of A-1 on S&P's global short-term rating scale.

The P-2 rating provided for BCE Inc. commercial paper ranks second among the three short-term credit ratings given by Moody's and according to Moody's, indicates a strong ability to repay short-term debt obligations.

### ***Long-term debt (Senior notes Series A, B and C)***

The table below shows the range of ratings that each rating agency assigns to long-term debt instruments.

The DBRS long-term debt rating scale indicates the risk that a company may not meet its obligations to pay interest and principal in a timely manner. Every DBRS rating is based on quantitative and qualitative considerations relevant to the borrowing entity.

S&P's credit rating is a current assessment of the creditworthiness of the company in meeting a specific financial obligation, a specific class of financial obligations, or a specific financial program. It takes into consideration:

- the creditworthiness of guarantors, insurers, or other forms of credit enhancement on the obligation
- the currency that the obligation is denominated in
- current information provided by the company or obtained by S&P from other reliable sources
- unaudited financial information from time to time, as S&P does not perform an audit

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- the likelihood of payment capacity and willingness of the company in meeting its financial commitment on an obligation according to the terms of the obligation
- the nature of and provisions of the obligation
- the protection afforded by, and relative position of, the obligation in the event of bankruptcy, reorganization, or other arrangement under the laws of bankruptcy and other laws affecting creditors' rights.

Moody's long-term obligation ratings are an assessment of the relative credit risk of fixed-income obligations with an original maturity of one year or more. They address the possibility that a financial obligation will not be honoured as promised. Such ratings reflect both the likelihood of default and any financial loss suffered in the event of default.

Fitch's international long-term credit ratings assess the capacity to meet foreign or local currency commitments. Both foreign and local currency ratings are internationally comparable assessments. The local currency rating measures the probability of payment only within the sovereign state's currency and jurisdiction.

BCE Inc. has received the following credit ratings for the long-term debt it has issued:

The DBRS A rating on long-term debt ranks sixth among the 26 long-term debt credit ratings given by DBRS. According to DBRS, a company with long-term debt rated A by DBRS:

- is satisfactory credit quality
- protection of interest and principal is still substantial, but the degree of strength is less than that of AA.

While A is a respectable rating, companies that fall into this category are considered to be more susceptible to adverse economic conditions and have greater cyclical tendencies than higher-rated securities.

The A- rating ranks seventh among the 22 long-term debt credit ratings given by S&P. According to S&P, an obligation rated A is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than obligations in higher-rated categories. However, the company still has a strong capacity to meet its financial commitment on the obligation.

The Baa1 rating ranks eighth among the 21 long-term debt credit ratings given by Moody's. According to Moody's, obligations rated Baa are subject to moderate credit risk. They are considered medium-grade and may have certain speculative characteristics.

The A- rating ranks seventh among the 24 long-term ratings given by Fitch. According to Fitch, A ratings denote high credit quality and a low expectation of credit risk. The capacity for timely payment of financial commitments is considered strong. This capacity may, nevertheless, be more vulnerable to changes in circumstances or in economic conditions than is the case for higher ratings.

### ***Preferred Shares***

The table below describes the range of ratings that each rating agency assigns to preferred share instruments.

The DBRS preferred share rating scale indicates their assessment of the risk that a borrower may not be able to meet its full obligation to pay dividends and principal in a timely manner. Every DBRS rating is based on quantitative and qualitative considerations relevant to the borrowing entity.

S&P's preferred share rating is a current assessment of the credit worthiness of a company in meeting a specific preferred share obligation issued in the market, compared to preferred shares issued by other issuers in the market.

BCE Inc. has received the following ratings for the first preferred shares it issued.

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	<b>Preferred share credit rating</b>
DBRS	Pfd-2
S&P	P-2 (high)

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The Pfd-2 rating for preferred shares ranks fifth among the 16 preferred share credit ratings given by DBRS. According to DBRS, a company with preferred shares rated Pfd-2 by DBRS:

- is satisfactory credit quality
- protection of dividends and principal is still substantial, but earnings, balance sheet, and coverage ratios are not as strong as Pfd-1 rated companies. Generally, companies with Pfd-2 ratings have senior bond srated in the A category.

The P-2 (high) rating ranks fourth among the 18 preferred share credit ratings given by S&P. A P-2 (high) rating on the Canadian scale is equivalent to a BBB+ rating on the global scale. According to S&P, an obligation rated BBB exhibits adequate protection parameters. However, adverse economic conditions or changing circumstances are more likely to weaken the company's ability to meet its financial commitment on the obligation.

### Trading of our Securities

Common and preferred shares of BCE Inc. are traded on the TSX. In addition, BCE Inc.'s common shares are listed on the New York Stock Exchange (NYSE) and the SWX Swiss Exchange. The tables below and on the next page show the range in share price per month and volume traded on the TSX for each class of BCE Inc. securities.

#### *BCE Inc. common shares*

2004	High	Low	Volume traded
December	\$29.33	\$27.98	38,078,817
November	\$29.22	\$27.15	39,003,863
October	\$28.65	\$27.20	32,534,161
September	\$28.64	\$27.20	40,438,523
August	\$28.02	\$26.80	30,876,533
July	\$28.00	\$25.72	43,927,935
June	\$27.47	\$25.64	43,339,921
May	\$28.30	\$26.39	43,029,353
April	\$28.86	\$26.51	42,365,543
March	\$29.39	\$27.34	58,954,468
February	\$29.98	\$28.36	54,902,306
January	\$30.28	\$28.49	71,498,934

#### *BCE Inc. preferred shares Series R*

2004	High	Low	Volume traded
December	\$26.45	\$25.85	129,560
November	\$26.35	\$25.50	160,734
October	\$26.50	\$26.10	62,550
September	\$26.24	\$26.05	123,314
August	\$26.24	\$26.00	342,326
July	\$26.35	\$25.76	675,660
June	\$26.38	\$26.01	42,442
May	\$27.00	\$26.00	442,086
April	\$27.00	\$26.22	527,668

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March	\$27.00	\$26.55	86,810
February	\$27.12	\$26.60	74,155
January	\$27.11	\$26.25	542,102

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*BCE Inc. Preferred shares Series S*

<b>2004</b>	<b>High</b>	<b>Low</b>	<b>Volume traded</b>
December	\$25.53	\$24.80	171,504
November	\$25.15	\$24.76	502,032
October	\$25.00	\$24.75	222,724
September	\$25.00	\$24.55	256,451
August	\$25.00	\$24.55	119,881
July	\$25.50	\$24.60	48,456
June	\$25.20	\$24.71	96,518
May	\$25.55	\$24.95	101,558
April	\$25.48	\$24.80	78,291
March	\$25.34	\$24.75	122,817
February	\$25.45	\$25.01	150,295
January	\$25.70	\$25.00	151,366

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*BCE Inc. Preferred shares Series Y*

<b>2004</b>	<b>High</b>	<b>Low</b>	<b>Volume traded</b>
December	\$25.25		