Rogers Communications Reports Fourth Quarter and Full Year 2001 Results

Rogers Cable Grows High-Speed Internet Base 53% and Digital Subscribers 58% Year-over-year;

Quarter Culminates with Wireless Launch of Coast-to-Coast GSM/GPRS Network

TORONTO (February 22, 2002) – Rogers Communications Inc. ("RCI" or the "Company") today announced its consolidated financial and operating results for the fourth quarter and year ended December 31, 2001.

Financial highlights (in thousands of dollars except per share amounts) are as follows:

Three Months Ended December 31,	**2001**	**2000**	**% Change**
Revenue (1)	$1,039,426	$974,352	6.7%
Operating profit (1)(2)	240,774	223,492	7.7%
Loss	(176,228)	(21,110)	-
Loss per share	(90¢)	(20¢)	-
Loss (excl. non-recurring items)	$(122,399)	$(18,722)	-
Loss per share (excl. non-recurring items)	(64¢)	(19¢)	-
Capital expenditures	$405,101	$409,449	(1.1%)

Year Ended December 31,	**2001**	**2000**	**% Change**
Revenue (1)	$3,912,656	$3,611,288	8.3%
Operating profit (1)(2)	952,521	917,725	3.8%
Net income (loss)	(434,291)	141,442	-
Income (loss) per share	$(2.41)	44¢	-
Loss (excl. non-recurring items)	$(395,530)	$(90,100)	-
Loss per share (excl. non-recurring items)	$(2.23)	(69¢)	-
Capital expenditures	$1,420,747	$1,212,734	17.2%

(1) Wireless revenue has been restated to record gross roaming revenue in accordance with recent accounting guidance and industry practice. Subscriber roaming expenses are now reported as operating expenses. Previously, these expenses and the associated revenue generated from such roaming services were netted against one another and recorded in revenue. As a result, revenue for the quarters ended December 31, 2001 and 2000 has been increased by approximately $25.9 million and $27.2 million, respectively, and operating, general and administrative expenses have been increased by the same amounts. Revenue for the years ended December 31, 2001 and 2000 has been increased by approximately $109.4 million and $107.0 million, respectively, and operating, general and administrative expenses have been increased by the same amounts. Operating income before depreciation and amortization for all periods presented is unaffected by the change. All references to revenue (including average revenue per user) and operating expenses (including average monthly operating expenses before sales and marketing costs per subscriber) in this release reflect this change.

(2) Operating profit is defined as income before interest, taxes, depreciation, amortization, non-recurring items (cable system integration, workforce reduction and At Home termination costs) and other non-operating and non-recurring items and is a standard measure widely used in the communications industry to assist in understanding and comparing operating results. This measure should not be considered as a substitute or alternative for net income or cash flow, in each case as determined in accordance with Canadian GAAP and U.S. GAAP.

Operating highlights in the quarter included:

- All operating divisions continued the trend of year-over-year revenue growth in the quarter with 10.3% growth at Cable, 6.2% growth at Media and 4.1% growth at Wireless.
- Consolidated operating income in the quarter before depreciation and amortization, cable system integration, workforce reduction and At Home termination costs grew by 7.7% year-over-year, with Cable and Wireless both achieving double-digit growth in the quarter.
- Basic cable subscribers increased by 9,600 in the quarter to 2,286,400. Digital subscribers increased by 25,000 in the quarter to reach 272,100 or 12% of basic subscribers.
- High-speed Internet subscriber growth continued strong with approximately 56,200 net subscribers added in the quarter, its second strongest quarter ever.
- Cable accelerated and substantially completed its ongoing plans and activities involving the transition from At Home Corporation of its high-speed Internet customers to its own network and platforms. By the end of January 2002, Cable had transitioned all of its high-speed Internet customers to its new IP network, regional data centre and email platform. Cable recorded a one-time charge in the quarter of $44.0 million associated with the operating cost of this accelerated transition.
- In the quarter, Cable launched the largest HDTV offering in Canada and was also the first MSO to launch Enhanced TV in Canada.
- Wireless increased its voice subscriber base by 18.4% from the fourth quarter of 2000, to a total of 2,991,800.
- Wireless launched GSM/GPRS wireless services to 85% of the Canadian population, with plans to match analog coverage of 93% of the Canadian population by mid-2002.
- In November, the Company finalized the acquisition of an additional 40% ownership of Sportsnet to now control 80%, with the remaining 20% owned by Fox.
- In the Fall 2001 BBM's, Rogers' successful '680 News' Toronto radio station attracted the largest listening audience of any radio station in Canada.
- Unit sales at The Shopping Channel were strong in the quarter, showing significant recovery from the third quarter of 2001 and more than 10% revenue growth over the fourth quarter of 2000.
- The Media group took steps to reduce ongoing operating costs in its Publishing and iMedia divisions by rationalizing their operations and reducing the workforce, recording one-time expenses in the quarter of $13.1 million. Certain of iMedia's operations were discontinued and the remaining operations were integrated into other divisions of Media.
- In 2001, there were over 100,000 products and services sold and over 1.2 million service transactions completed online via the www.rogers.com e-business Website. In addition, more than 60,000 Rogers customers have now chosen to participate in its electronic bill presentment and payment program.

"We are again encouraged by the continued strong growth in each of the operating divisions, especially in this very challenging economic climate," said Ted Rogers, RCI President and CEO. "Cable again posted double-digit revenue and operating income growth, while wireless posted its second straight quarter of improved year-over-year results under the direction of its dynamic new leadership team. Media has continued to leverage its category leading brands and rapidly adjust its cost structure to weather the current advertising slowdown and is poised for continued strong growth going forward. We enter 2002 with all of our businesses extremely well-positioned strategically in their respective markets."

CONSOLIDATED RESULTS – FOURTH QUARTER AND FULL YEAR 2001

	Three Months Ended December 31,				Year Ended December 31,			
(In millions of dollars)	**2001**	2000	Chg	% Chg	**2001**	2000	Chg	% Chg
Revenue								
Cable	**371.8**	337.1	34.7	10.3	**1,433.0**	1,291.2	141.8	11.0
Wireless	**455.3**	437.5	17.8	4.1	**1,753.2**	1,639.1	114.1	7.0
Media	**212.2**	199.8	12.4	6.2	**721.7**	681.0	40.7	6.0
Corporate Items and Eliminations	**0.1**	-	0.1	-	**4.8**	-	4.8	-
Consolidated Revenue	**1,039.4**	974.4	65.0	6.7	**3,912.7**	3,611.3	301.4	8.3

	Three Months Ended December 31,				Year Ended December 31,			
(In millions of dollars)	**2001**	2000	Chg	% Chg	**2001**	2000	Chg	% Chg
Operating Profit								
Cable	**132.7**	119.3	13.4	11.2	**516.8**	457.8	59.0	12.9
Wireless	**91.5**	72.4	19.1	26.4	**411.9**	410.9	1.0	0.2
Media	**25.4**	35.8	(10.4)	(29.1)	**68.3**	77.4	(9.1)	(11.8)
Corporate Items and Eliminations	**(8.8)**	(4.0)	(4.8)	-	**(44.5)**	(28.4)	(16.1)	-
Consolidated Operating Profit	**240.8**	223.5	17.3	7.7	**952.5**	917.7	34.8	3.8

The trend in revenue growth continued, increasing 6.7% over the fourth quarter of 2000 with Cable contributing double-digit growth in the quarter year-over-year. On an annual basis revenue growth for 2001 was 8.3% as compared to 2000 with Cable delivering 11.0% growth.

Consolidated operating income before depreciation and amortization, cable system integration, workforce reduction and At Home termination costs ("operating profit") for the fourth quarter was $240.8 million, an increase of $17.3 million or 7.7% from $223.5 million in the prior year. Year-over-year, operating profit increased 3.8% to $952.5 million from $917.7 million.

Fixed Charges

	Three Months Ended December 31,				Year Ended December 31,			
(In millions of dollars)	**2001**	2000	Chg	% Chg	**2001**	2000	Chg	% Chg
Depreciation and amortization	**253.1**	202.3	50.8	25.1	**920.9**	730.8	190.1	26.0
Interest expense	**119.9**	88.7	31.2	35.2	**430.3**	359.6	70.7	19.7

Increased depreciation and amortization expense for the quarter and the year as compared to 2000 was primarily due to the capital spending at the Cable and Wireless companies and the resulting higher fixed asset levels, as well as a reduction in the assumed life of certain of the Company's wireless network assets, effective January 1, 2001.

Interest expense increased for the quarter and the year as compared to 2000 as a result of increased debt levels related to funds used by Cable and Wireless in their capital spending programs.

Net Income / Loss

(In millions of dollars, except per share data)	Three Months Ended December 31,				Year Ended December 31,			
	2001	2000	Chg	% Chg	**2001**	2000	Chg	% Chg
Net income (loss)	**(176.2)**	(21.1)	(155.1)	-	**(434.3)**	141.4	(575.7)	-
Net income (loss) per share	**(90¢)**	(20¢)	(70¢)	-	**$(2.41)**	44¢	$(2.85)	-
Loss (excl. non-recurring items)	**(122.4)**	(18.7)	(128.6)	-	**(395.5)**	(90.1)	(305.4)	-
Loss per share (excl. non-recurring items)	**(64¢)**	(19¢)	(45¢)	-	**$(2.23)**	(69¢)	$(1.54)	-

RCI recorded a loss of $176.2 million, or 90¢ per share (after distributions on convertible preferred securities) compared to a loss of $21.1 million, or 20¢ per share (after distributions on convertible preferred securities) in the fourth quarter of 2000. Excluding non-recurring items in both periods, RCI recorded a loss of $122.4 million or 64¢ per share (after distributions on convertible preferred securities) compared to a loss of $18.7 million or 19¢ per share (after distributions on convertible preferred securities) in the fourth quarter of the prior year.

Staffing

At December 31, 2001, Rogers had approximately 13,500 employees, an increase of 800 employees from 12,700 employees reported at December 31, 2000, due primarily to the acquisitions of Cable Atlantic and Sportsnet and increases in customer care personnel in both the Cable and Wireless divisions, offset partially by the sale of Bowdens Media Monitoring in the Media group.

Cable

(In millions of dollars, except margin)	Three Months Ended December 31,				Year Ended December 31,			
	2001	2000	Chg	% Chg	**2001**	2000	Chg	% Chg
Core Cable revenue	**261.1**	248.4	12.7	5.1	**1043.1**	980.3	62.8	6.4
High-speed Internet revenue	**47.6**	32.1	15.5	48.3	**166.5**	111.5	55.0	49.3
Video Stores revenue	**63.1**	56.6	6.5	11.7	**223.4**	199.4	24.0	12.0
Total Cable revenue	**371.8**	337.1	34.7	10.3	**1433.0**	1291.2	141.8	11.0
Operating profit	**132.7**	119.3	13.4	11.2	**516.8**	457.8	59.0	12.9
Core cable operating margin	**41.8%**	42.0%	(0.2)	-	**42.2%**	41.6%	0.6	-
High–Speed operating margin	**35.1%**	32.4%	2.7	-	**35.1%**	31.9%	3.2	-
Total operating margin	**35.7%**	35.4%	0.3	-	**36.1%**	35.5%	0.6	-

Cable revenue increased $34.7 million or 10.3% over the fourth quarter of 2000 and $141.8 million or 11.0% for the full year versus the prior year. For the fourth quarter, the acquisition of Cable Atlantic contributed approximately $8.4 million to the revenue increase and growth of high-speed Internet services contributed $15.5 million (including Cable Atlantic High-speed Internet services revenue). Video stores revenues grew by $6.5 million and the remainder of Cable revenue growth was attributable to organic revenue growth in the core cable operations.

Increased digital penetration, price increases and the acquisition of Cable Atlantic contributed to the growth in core cable revenue of $12.7 million for the quarter and $62.8 million for the full year.

High-speed Internet revenue increased $15.5 million or 48.3% versus the fourth quarter of last year and $55.0 million or 49.3% for the full year as a result of 53.3% growth in the subscriber base versus the prior year, including the Cable Atlantic high-speed Internet subscribers.

Video Stores revenue increased $6.5 million or 11.7% in the quarter and $24.0 million or 12.0% for the full year over 2000. This revenue growth was driven by year-over-year same store sales growth of 4.0% generated by higher average spending per customer visit, combined with an increase in the number of stores from 241 to 260.

Cable operating profit increased $13.4 million or 11.2% in the quarter and $59.0 million or 12.9% for the full year versus 2000. Cable Atlantic contributed approximately $4.1 million of the operating profit increase in the fourth quarter and $14.5 million for the full year versus 2000.

Cable System Integration and At Home Termination Costs

	Three Months Ended December 31,				Year Ended December 31,			
(In millions of dollars)	**2001**	2000	Chg	%Chg	**2001**	2000	Chg	%Chg
Cable system integration	**-**	10.6	(10.6)	-	**16.5**	10.6	5.9	55.7
At Home termination	**44.0**	-	44.0	-	**44.0**	-	44.0	-

Cable had offered high-speed Internet access through an exclusive agreement with At Home Corporation ("At Home"), a U.S. based broadband provider. At Home provided the Company's high-speed Internet subscribers with broadband content, access to the Internet and applications including e-mail.

During 2001, Cable accelerated plans to develop its own high-speed Internet network as an alternative to the network provided by At Home and to transition all of its high-speed Internet subscribers to the Company's own network and, as a result, incurred incremental operating expenses of $44.0 million. These expenses were primarily comprised of a U.S. $15.0 million payment under a transitional agreement and identifiable incremental customer service and customer communication expenses.

During the latter part of 2000 and into fiscal 2001, Cable incurred integration costs, related to the exchange of Cable systems with Shaw and related to the acquisition of Cable Atlantic.

	Three Months Ended December 31,				Year Ended December 31,			
(Subscriber statistics in thousands)	**2001**	2000	Chg	% Chg	**2001**	2000	Chg	% Chg
Basic cable subscribers					**2,286.4**	2,219.4	67.0	3.0
Basic cable, net additions	**9.6**	12.3	(2.7)	(22.0)	**(4.8)**	4.8	(9.6)	-
High-speed Internet subscribers					**478.8**	312.3	166.5	53.3

High-speed Internet, net additions	**56.2**	36.4	19.8	54.4	**160.1**	151.1	9.0	6.0
Digital boxes in service					**314.1**	201.1	113.0	56.2
Digital boxes, net additions	**27.6**	30.5	(2.9)	(10.5)	**113.0**	116.5	(3.5)	(3.0)
Digital households					**272.1**	172.1	100.0	58.1
Digital households, net additions	**25.0**	26.5	(1.5)	(5.7)	**100.0**	97.3	2.7	2.8
VIP Customers					**497.5**	359.4	138.1	38.4
VIP Customers, net additions	**22.4**	25.9	(3.5)	(13.5)	**138.1**	114.3	23.8	20.8

Basic cable subscriber gains of 9,600 in the fourth quarter reduced full year subscriber losses to 4,800. Subscriber gains in the Greater Toronto Area systems were offset by losses in areas where system rebuilds have not yet been completed such as Southwestern Ontario and New Brunswick. Homes passed as at December 31, 2001 was approximately 2,981,500. On an annual basis, basic subscribers increased by 67,000 as a result of approximately 75,000 subscribers acquired through the acquisition of Cable Atlantic as well as adjustments to the opening subscriber count related to the Shaw swap, leaving a net reduction of 4,800 basic cable subscribers in the year.

At December 31, 2001, 84.2% of basic cable service customers also subscribed to tier services, compared to 85.7% at December 31, 2000. Tier III penetration levels have grown to approximately 63.5% in Ontario at December 31, 2001 up from the 61.9% level at December 31, 2000. Cable ended the quarter with 497,500 VIP customers who participate in the Company's high-value customer loyalty program.

Cable added 56,200 net high-speed Internet subscribers, 19,800 more than were added in fourth quarter of the prior year. At December 31, 2001, 85% of homes passed were two-way capable. The strong growth in the fourth quarter resulted in net subscriber additions of 160,100 for the year as compared to 151,100 in the prior year.

Digital households increased by 25,000 in the fourth quarter as the launch of the specialty channels continued to assist in expanding digital penetration. During the quarter Cable placed an additional 27,600 digital set-top terminals in service, ending the fourth quarter with 314,100 terminals in 272,100 households, increases of 56.2% and 58.1% over the prior year, respectively.

Operating Expenses

	Three Months Ended December 31,				Year Ended December 31,			
(In millions of dollars)	**2001**	2000	Chg	%Chg	**2001**	2000	Chg	%Chg
Cable operating expenses	**239.1**	217.7	21.4	9.8	**916.2**	833.4	82.8	9.9%

Operating expenses increased by $21.4 million over the same quarter last year due to $6.1 million of Cable Atlantic expenses, $8.0 million of high-speed Internet expenses (primarily related to growth in subscriber base), $4.2 million of additional video store expenses (primarily related to additional stores), and the remainder of the increase due primarily to the growth of core cable customer care activities.

Capital Expenditures

	Three Months Ended December 31,				Year Ended December 31,			
(In millions of dollars)	**2001**	2000	Chg	% Chg	**2001**	2000	Chg	% Chg
Capital Expenditures	**274.0**	234.7	39.3	16.7	**749.8**	650.3	99.5	15.3

Capital expenditures totalled $274.0 million, an increase of $39.3 million from the fourth quarter of 2000. Network related expenditures in the quarter were $207.7 million. This increased over the fourth quarter of 2000 due to an increase in spending related to the implementation of DOCSIS, high-speed Internet related network expansion, the ongoing 750MHz/860MHz network upgrade and expansion projects and one-time capital costs associated with the transition from At Home to the Company's own network.

Wireless

	Three Months Ended December 31,				Year Ended December 31,			
(Revenue in millions of dollars, subscriber statistics in thousands except ARPU and usage)	**2001**	2000	Chg	%Chg	**2001**	2000	Chg	%Chg
Total – Postpaid and Prepaid								
Wireless voice revenue	**394.1**	362.3	31.8	8.8	**1,515.3**	1,376.8	138.5	10.1
Gross additions	**374.1**	350.8	23.3	6.6	**1,221.1**	1,053.4	167.7	15.9
Net additions	**180.2**	159.1	21.1	13.3	**465.4**	373.3	92.1	24.7
Total subscribers					**2,991.8**	2,526.4	465.4	18.4
ARPU (blended) (1)	**45.58**	49.98	(4.40)	(8.8)	**46.60**	50.02	(3.42)	(6.8)
Postpaid								
Gross additions	**249.3**	215.2	34.1	15.8	**800.2**	732.7	67.5	9.2
Net additions	**74.2**	61.5	12.7	20.7	**197.5**	198.4	(0.9)	(0.5)
Total subscribers					**2,257.3**	2,059.8	197.5	9.6
ARPU	**56.17**	57.59	(1.42)	(2.5)	**56.39**	57.25	(0.86)	(1.5)
Average monthly usage (minutes)	**315**	277	38	13.7	**302**	263	39	14.8
Churn	**2.40**	2.56	(0.16)	(6.3)	**2.24**	2.30	(0.06)	(2.6)
Prepaid								
Gross additions	**124.8**	135.6	(10.8)	(8.0)	**420.9**	320.7	100.2	31.2
Net additions	**106.0**	97.6	8.4	8.6	**267.9**	174.9	93.0	53.2
Total subscribers					**734.5**	466.6	267.9	57.4
ARPU (1)	**11.00**	11.76	(0.76)	(6.5)	**10.29**	10.08	0.21	2.1
Churn	**1.85**	3.34	(1.49)	(44.6)	**2.75**	3.55	(0.80)	(22.5)

(1) Prepaid ARPU calculated on net wholesale revenues to the Company after deducting approximately 20% of the retail prepaid card price.

Wireless voice revenue growth of $31.8 million, or 8.8%, in the fourth quarter was driven by an 18.4% increase in the number of wireless voice subscribers and a $12.4 million increase in contribution revenues collected in the form of increased system access fees, partially offset by an 8.8% decline in blended ARPU compared to the fourth quarter of the prior year. For the quarter, the higher system access fee had the effect of improving monthly blended voice ARPU by approximately $1.44. Year-over-year, Wireless voice revenue grew by $138.5 million or 10.1% from $1,376.8 million to $1,515.3 million.

Total voice subscriber gross additions of 374,100 in the quarter represented an increase of 6.6% over the fourth quarter of the prior year. Total voice subscriber net additions were 180,200 in the fourth quarter, an increase of 13.3% over the fourth quarter of the prior year. For the full year total voice subscriber gross additions were 1,221,100, a 167,700 or 15.9% increase over 1,053,400 in 2000. Total voice subscriber net additions for the full year were 465,400, a 92,100 or 24.7% increase over 373,300 in 2000.

Postpaid subscriber additions in the quarter represented 66.6% of the total gross additions and 41.2% of the total net additions, an improvement over the percentage net postpaid additions in last year's fourth quarter. Fourth quarter sales are traditionally heavily skewed towards consumer and prepaid offerings. For the full year, postpaid subscriber additions accounted for 65.5% of the total gross additions and 42.4% of the total net additions. The balance of gross and net additions for the quarter and for the full year was on prepaid service.

The total number of voice subscribers on digital service at year-end was approximately 67% of the total wireless voice subscriber base, compared to 58% at the end of 2000.

Postpaid monthly ARPU was $56.17 for the quarter, down $1.42 or 2.5% versus the prior year's fourth quarter. Prepaid monthly ARPU calculated on net wholesale revenues to the Company after deducting approximately 20% of the retail prepaid card price, was $11.00, down $0.76 or 6.5% versus the prior year's fourth quarter. Blended (prepaid and postpaid) voice monthly ARPU was $45.58, down $4.40 or 8.8% from $49.98 in the fourth quarter of 2000. Postpaid monthly ARPU was $56.39 for the year, down $0.86 or 1.5% versus $57.25 for the prior year. Prepaid monthly ARPU was $10.29, up $0.21 or 2.1% versus $10.08 in the prior year. Blended monthly ARPU was $46.60 for the year, down $3.42 or 6.8% from $50.02 in the prior year. The decline in blended ARPU for the quarter and year was primarily due to an increase in the proportion of the subscriber base on prepaid service. Prepaid subscribers accounted for 24.6% of the total wireless voice subscriber base at December 31, 2001 compared to 18.5% at December 31, 2000.

Average monthly postpaid wireless voice subscriber churn was 2.40%, an improvement from 2.56% in the fourth quarter of the prior year. For the full year, average monthly postpaid wireless voice subscriber churn was 2.24%, an improvement from 2.30% in 2000.

Data and Messaging Services and Equipment Sales

(Revenue in millions of dollars, subscriber statistics in thousands except ARPU)	Three Months Ended December 31, 2001	2000	Chg	% Chg	Year Ended December 31, 2001	2000	Chg	% Chg
Revenue								
Data and two-way messaging	**4.2**	2.1	2.1	100.0	**12.9**	4.7	8.2	174.5
One-way messaging	**9.3**	13.2	(3.9)	(29.5)	**43.6**	56.0	(12.4)	(22.1)
Total data and messaging	**13.5**	15.3	(1.8)	(11.8)	**56.5**	60.7	(4.2)	(6.9)
Gross additions								
Data and two-way messaging	**13.2**	8.0	5.2	65.0	**36.7**	20.2	16.5	81.7
One-way messaging	**24.7**	30.3	(5.6)	(18.5)	**104.7**	131.6	(26.9)	(20.4)
	37.9	38.3	(0.4)	(1.0)	**141.4**	151.8	(10.4)	(6.9)
Net additions								
Data and two-way messaging	**10.5**	7.0	3.5	50.0	**27.9**	17.7	10.2	57.6
One-way messaging	**(6.2)**	(6.8)	0.6	8.8	**(44.4)**	(25.7)	(18.7)	(72.8)
	4.3	0.2	4.1	-	**(16.5)**	(8.0)	(8.5)	(106.3)
Total subscribers								
Data and two-way messaging					**54.7**	26.8	27.9	104.1
One-way messaging					**372.7**	417.1	(44.4)	(10.6)
					427.4	443.9	(16.5)	(3.7)
ARPU								
Data and two-way messaging	**28.13**	27.63	0.50	1.8	**27.54**	21.97	5.57	25.4
One-way messaging	**8.37**	10.56	(2.19)	(20.7)	**9.34**	10.90	(1.56)	(14.3)
Equipment revenue	**47.7**	59.8	(12.1)	(20.2)	**181.3**	201.6	(20.3)	(10.1)

Total data and messaging subscribers increased to 4,300 in the fourth quarter, compared to 200 net additions in the fourth quarter of 2000. Total data and messaging subscribers decreased by 16,500 for the year, compared to a decrease of 8,000 in the prior year. Data and two-way messaging subscribers totalled 54,700 as of December 31, 2001, a 104.1% increase from 26,800 as of December 31, 2000.

Total data and messaging revenue decreased to $13.5 million from $15.3 million in the fourth quarter of the prior year due to a decline in one-way messaging revenue of $3.9 million offset by a $2.1 million increase in data and two-way messaging. Total data and messaging revenue was $56.5 million for 2001, a decrease of $4.2 million or 6.9% from 2000.

Operating Expenses and Operating Profit

(In millions of dollars, except per subscriber statistics. Subscriber gross additions in thousands)	Three Months Ended December 31, 2001	2000	Chg	% Chg	Year Ended December 31, 2001	2000	Chg	% Chg

Operating expenses before sales and marketing costs	**174.0**	153.9	20.1	13.1	**658.1**	559.8	98.3	17.6
Sales and marketing costs	**142.1**	151.2	(9.1)	(6.0)	**501.8**	466.8	35.0	7.5
Average monthly operating expenses before sales and marketing costs per subscriber	**17.55**	17.98	(0.43)	(2.4)	**17.48**	17.06	0.42	2.5
Total gross additions (wireless voice, messaging and data)	**412.0**	389.1	22.9	5.9	**1,362.5**	1,205.2	157.3	13.1
Sales and marketing cost per gross addition	**345**	389	(44)	(11.3)	**368**	387	(19)	(4.9)
Sales and marketing cost per gross addition excluding retention costs	**290**	304	(14)	(4.6)	**293**	304	(11)	(3.6)
Operating profit	**91.5**	72.4	19.1	26.4	**411.9**	410.9	1.0	0.2

Total operating expenses for the fourth quarter before sales and marketing costs were $174.0 million, an increase of $20.1 million or 13.1% from $153.9 million in the fourth quarter of 2000. Regulatory mandated contribution costs of $18.7 million, or $1.88 per subscriber per month, are the primary driver of this year-over-year quarterly increase.

Sales and marketing costs were $142.1 million, a decrease of $9.1 million or 6.0% from $151.2 million in the fourth quarter of 2000. This decrease is attributed to more efficient retention spending due to redesigned programs and lower handset prices, offset by increased cost of acquisition related to a 15.9% increase in gross wireless voice subscriber additions. Sales and marketing cost per wireless gross addition, including retention costs, was $345 compared to $389 in the fourth quarter of 2000. Excluding retention costs, sales and marketing cost per wireless gross addition was $290, down 4.6% from $304 in the fourth quarter of the prior year.

Wireless operating profit increased by $19.1 million or 26.4% to $91.5 million in the fourth quarter. This strong growth is directly attributable to the sales and marketing expense decline of 6.0% even though gross wireless voice subscriber additions increased by 23,300 or 6.6% compared to the fourth quarter in 2000.

Capital Expenditures

(In millions of dollars)	Three Months Ended December 31,				Year Ended December 31,			
	2001	2000	Chg	% Chg	**2001**	2000	Chg	% Chg
Capital expenditures (excluding spectrum licence costs (1))	**126.4**	163.7	(37.3)	(22.8)	**654.5**	526.0	128.5	24.4

(1) Spectrum licences across Canada for the deployment of next generation wireless services were acquired in February 2001 at a total cost of $396.8 million.

Capital expenditures totalled $126.4 million, a decrease of $37.3 million from the fourth quarter of 2000. Network related expenditures were $97.0 million, of which 41.0% specifically related to the rollout of the GSM/GPRS network overlay, and the remainder for capacity and technical spending. The Company added 83 new cell sites to its cellular network in the fourth quarter bringing the total to over 2,100. The remaining capital expenditures of $29.4 million related primarily to information technology initiatives and expansion of the Company's call centres and other facilities.

Media

(In millions of dollars)	Three Months Ended December 31,				Year Ended December 31,			
	2001	2000	Chg	% Chg	**2001**	2000	Chg	% Chg
Revenue								
Publishing	**81.3**	90.3	(9.0)	(10.0)	**300.3**	302.7	(2.4)	(0.8)
Radio	**40.8**	41.9	(1.1)	(2.6)	**148.0**	141.1	6.9	4.9
Television	**31.1**	17.1	14.0	81.9	**69.0**	54.1	14.9	27.5
The Shopping Channel	**54.4**	49.2	5.2	10.6	**192.0**	176.8	15.2	8.6
Other	**4.7**	1.3	3.4	-	**12.4**	6.3	6.1	96.8
Total Media Revenue	**212.3**	199.8	12.5	6.3	**721.7**	681.0	40.7	6.0

(In millions of dollars)	Three Months Ended December 31,				Year Ended December 31,			
	2001	2000	Chg	% Chg	**2001**	2000	Chg	% Chg
Operating profit								
Publishing	**10.7**	14.5	(3.8)	(26.2)	**27.3**	30.5	(3.2)	(10.5)
Radio	**13.0**	14.8	(1.8)	(12.2)	**39.9**	38.7	1.2	3.1
Television	**(0.3)**	6.6	(6.9)	-	**8.2**	13.9	(5.7)	(41.0)
The Shopping Channel	**8.0**	6.1	1.9	31.1	**18.0**	17.4	0.6	3.4
Other	**(6.0)**	(6.2)	0.2	3.2	**(25.1)**	(23.1)	(2.0)	(8.6)
Operating profit	**25.4**	35.8	(10.4)	(29.1)	**68.3**	77.4	(9.1)	(11.8)

Media's results for the second half of 2001 were impacted by a softened advertising market and slowing economy, which were further intensified following the events of September 11, 2001. Excluding Sportsnet, of which a further 40% interest was acquired on November 1, 2001, Media's fourth quarter revenue declined by $3.9 million, or 2.0%, and operating income was down $8.2 million, or 22.9%, from fourth quarter of 2000.

Revenue at the Publishing division decreased by $9.0 million or 10.0% for the quarter and $2.4 million or 0.8% for the twelve months versus 2000. The Women and Parenting Group had a strong quarter, surpassing last year's fourth quarter revenue and increasing revenue for the year by approximately 6.3% over 2000. These increases were offset by the sale of Bowdens Media Monitoring, and by lower revenues in the Medical Education Network and the News & Business Group in the quarter due to a weak advertising and business climate. Operating profit at Publishing decreased $3.8 million or 26.2% from the fourth quarter of the prior year due primarily to reduced sales from the Medical Education Network and the impact of the sale of Bowdens. For the full year, operating profit decreased by $3.2 million or 10.5%. The Publishing group has focused on rationalizing its operations to enable the group to reduce its workforce and other operating costs going into 2002.

Radio revenue decreased $1.1 million, or 2.6% in the fourth quarter yet increased $6.9 million, or 4.9% for the full year versus the prior year. Radio operating profit decreased $1.8 million or 12.2% over the prior year's fourth quarter yet increased by $1.2 million or 3.1% on a full year basis reflecting the pronounced economic slowdown in the second half of the year.

Television includes the results of CFMT-TV and Rogers Sportsnet, which was consolidated effective November 1, 2001 with the acquisition of an additional 40% interest in Sportsnet. Television reported an increase of $14.0 million in revenue in the fourth quarter versus the prior year period, as the result of including two months of revenue for Sportsnet. CFMT-TV ("CFMT"), Media's multilingual television station, reported a decrease in revenue of 14.0% in the fourth quarter versus the prior year period, bringing the year-over-year decrease to 2.6%. Television's operating profit in the quarter decreased by $6.9 million from the fourth quarter of 2000, and $5.7 million year-over-year. The decrease in operating profit is due to increases in programming costs for CFMT, the economic slowdown in the second half of the year, Sportsnet's $2.2 million in operating losses for the two months and the write-off of $2.0 million in costs related to Media's CRTC application for a new over-the-air licence in Vancouver.

The Shopping Channel revenue increased $5.2 million, or 10.6%, in the quarter and $15.2 million, or 8.6% for the full year. The Shopping Channel continues to expand items shipped through its off-air distribution channels. Non-broadcast distribution channels produced 26.0% of tSc's revenue, compared to 19.6% in the fourth quarter of 2000. The Shopping Channel's operating profit for the quarter increased by $1.9 million, or 31.1%, to $8.0 million.

Other includes corporate expenses and the results of the iMedia division. Certain of iMedia's operations were discontinued and the remaining Web sites will be integrated into the other divisions of media.

Workforce Reduction Costs

During the year, Media reduced its workforce in its publishing and iMedia divisions by approximately 170 employees and incurred $13.1 million in severance and related costs. As a result of this rationalization of the workforce, the Company has closed certain Web sites such as Excite.ca and wiredrat.ca and will amalgamate the remaining Web sites with publications that have similar content.

Other Income (Expense) Items

Gain on Sale of Subsidiaries

The Company sold certain assets in the quarter, including its Alaska cable systems which served approximately 7,400 subscribers for proceeds of $29.4 million and a net gain of $17.8 million. The Company also determined that a provision for certain potential liabilities in the amount of $35.0 million, relating to the sale of a subsidiary in a previous year was no longer required and, accordingly, recorded this amount in gain on sale of subsidiaries.

On an annual basis, the total gain on the sale of subsidiaries was $86.2 million as the Company recorded a gain of $33.4 million on the sale of Bowdens Media Monitoring in the third quarter of the year.

Gain on Sale of Investments and Write-down of Investments

During the quarter, the Company sold 20,000 common shares of Liberate Technologies Inc. recording a gain of $0.2 million and 970,000 shares of Terayon Communications Systems Inc. recording a gain of $16.2 million. The total gain on the sale of shares of these two companies in the quarter was $16.4 million and additional shares of these companies were sold during the year resulting in a gain of $23.3 million for the year.

In the quarter, the Company recorded investment write-downs against temporary and private company investments in the amount of $61.2 million.

Losses from Investments Accounted for by the Equity Method

In the quarter and year-to-date the Company recorded losses from investments accounted for by the equity method of $18.0 million and $81.6 million respectively. For the quarter, equity losses from the Blue Jays Baseball Club were $18.0 million. Effective April 1, 2001, the Company is accounting for its investment in the Blue Jays using the equity method as the Company no longer has voting control of the Blue Jays. (see note 4(a) of the attached financial statements)

Liquidity and Capital Resources

For the fourth quarter, the Company's cash flow from operating activities before changes in working capital decreased to $80.6 million from $125.8 million in the fourth quarter of 2000. The $45.2 million decrease is due mainly to one-time costs in the quarter associated with the At Home termination and the Media workforce reduction. Taking into account the changes in working capital, cash flow from operations for the quarter decreased to $47.5 million from $162.0 million in the fourth quarter of 2000. In addition, the Company raised the following funds during the quarter: $245.6 million received from collateralized equity securities, net of fees and expenses; $29.4 million sale proceeds from the sale of Rogers American Cablesystems Inc., which owns a cable system in Alaska; $16.5 million from the sale of investments; and $6.4 million received from the issuance of Class B Non-Voting shares under employee share purchase plan and the exercise of employee options. In aggregate, the funds received during the fourth quarter totalled approximately $345.4 million.

RCI's operating cash flow shortfall (defined as cash flow from operating activities after working capital, capital expenditures and dividends on convertible preferred securities) was $365.9 million in the fourth quarter of 2001 compared to a shortfall of $265.9 million in the fourth quarter of 2000.

The aggregate funds used during the fourth quarter totalled approximately $977.2 million comprised of the $345.4 million together with $631.8 million of the $649.0 million cash on hand at the beginning of the quarter.

These funds were used to: purchase $405.1 million of fixed assets; to repay bank borrowings of $427.8 million; purchase an additional 40% interest in Sportsnet for approximately $132.8 million; make preferred share dividend payments and distributions on convertible preferred securities of $8.3 million; and other investments and costs aggregating $3.2 million.

RCI's operating cash shortfall (defined as cash flow from operating activities after working capital, capital expenditures and dividends on convertible preferred securities) for fiscal 2001 was $1.03 billion compared to $500.2 million in 2000.

For the 2001 year, the Company's cash flow from operating activities after changes in working capital decreased by $336.8 million to $418.9 million compared to the previous year. This decrease is mainly due to: the one time costs in the year associated with the At Home termination and the Media work force reduction costs as well as the increased cable system integration costs; the net decrease in working capital; and the receipt in 2000 of $222.5 million net proceeds from the termination of the Videotron agreement.

On October 23, 2001, the Company received proceeds of approximately $248.9 million less fees and expenses which resulted in net proceeds of $245.6 million from collateralized equity securities. These securities served to monetize an additional portion of the accreted floor price of its AT&T Canada deposit receipts after taking into account the preferred securities monetization completed in August, 2000. See note 6(ii) of the attached financial statements.

Subsequent to the year end, Cable entered into a new amended and restated bank credit facility of $1.075 billion and, in February 2002, Cable issued $450 million of Senior Secured Second Priority Notes due 2007. The net proceeds from this offering were used by Cable to prepay its $300 million floating rate notes due 2002, to fund capital expenditures and for general corporate purposes.

2002 Guidance

The following initial 2002 guidance for revenue, operating profit, subscriber and capital expenditure levels is forward-looking information.

Cable expects to generate revenue in the range $1,560 million to $1,590 million and operating profit in the $560 million to $580 million range for full year 2002. Cable expects that its high-speed Internet subscriber base will grow to between 575,000 and 605,000 subscribers and that its digital cable subscriber base will increase to between 370,000 and 390,000 subscribers by the end of 2002. Basic cable subscriber levels are expected be relatively flat with a decline of under 1%. Total capital expenditures at Cable are expected to decrease to approximately $650 million in 2002.

Wireless expects to report network revenues (excluding equipment sales) of approximately $1,720 million to $1,800 million for the full year 2002. Operating profit is expected to be in the $460 million to $490 million range, assuming contribution payments are reduced to 1.4% of eligible revenues. Wireless voice net subscriber additions in 2002 are expected to be approximately 350,000 to 450,000. Capital expenditures in 2002 are expected to decline to between approximately $550 and $600 million.

Media expects to report revenue of approximately $800 million to $820 million and operating profit of between $80 million and $85 million for full-year 2002, assuming no significant deterioration in the advertising markets from current levels and the closing of the Standard Radio transaction on or about March 31, 2002.

The Blue Jays, accounted for using the equity method, are expected to generate equity losses to the Company of between $70 million and $75 million which will result in the Company being required to fund the Blue Jays estimated cash requirements of approximately $55 million.

About the Company

Rogers Communications Inc. (TSE: RCI.A and RCI.B; NYSE: RG) is Canada's national communications company, which is engaged in cable television, high-speed Internet access and video retailing through Rogers Cable Inc.; digital PCS, cellular, data communications and paging through Rogers Wireless Communications Inc.; and radio, television broadcasting, tele-shopping and publishing businesses through Rogers Media Inc.

(see attached financial statements)

Rogers Communications Inc.

Consolidated Statements of Income

(in thousands of dollars except per share data)	Three Months Ended December 31, 2001	Three Months Ended December 31, 2000	Year Ended December 31, 2001	Year Ended December 31, 2000
	(Unaudited)	*(Unaudited)*	*(Unaudited)*	*(Audited)*
Revenue (Note 1)	$ 1,039,426	$ 974,352	$ 3,912,656	$ 3,611,288
Operating, general and administrative expenses (Note 1)	798,652	750,860	2,960,135	2,693,563
Operating income before the following	240,774	223,492	952,521	917,725
Cable system integration, workforce reduction and At Home termination costs (Note 7)	57,052	10,612	73,514	10,612
Depreciation and amortization	253,063	202,341	920,917	730,779
Operating income (loss)	(69,341)	10,539	(41,910)	176,334
Interest on long-term debt	(119,864)	(88,738)	(430,311)	(359,612)
	(189,205)	(78,199)	(472,221)	(183,278)
Gain on sale of subsidiaries	52,807	-	86,198	-
Gain on sale of investments	16,380	14,193	23,253	114,152
Write-down of investments	(61,200)	-	(61,200)	(1,680)
Proceeds received on termination of merger agreement, net	-	-	-	222,456
Losses from investments accounted for by the equity method	(17,995)	-	(81,630)	(2,716)
Investment and other income	17,806	6,084	24,507	5,124
Income (loss) before income taxes and non-controlling interest	(181,407)	(57,922)	(481,093)	154,058
Income taxes				
Current	4,278	7,400	15,062	14,935
Future	21,564	(15,849)	27,988	32,527
	25,842	(8,449)	43,050	47,462
Income (loss) before non-controlling interest	(207,249)	(49,473)	(524,143)	106,596
Non-controlling interest	31,021	28,363	89,852	34,846
Net income (loss) for the period	$ (176,228)	$ (21,110)	$ (434,291)	$ 141,442
Earnings (loss) per share				
Basic	$ (0.90)	$ (0.20)	$ (2.41)	$ 0.44
Diluted	$ (0.90)	$ (0.19)	$ (2.41)	$ 0.42
Average Class A and Class B Shares outstanding for the period (thousands)				
Basic	208,644	203,761	208,644	203,761
Diluted	208,644	250,072	208,644	250,072

See accompanying Notes to Consolidated Financial Statements.

Rogers Communications Inc.

Consolidated Statements of Cash Flows

(in thousands of dollars)	Three Months Ended December 31, 2001	Three Months Ended December 31, 2000	Year Ended December 31, 2001	Year Ended December 31, 2000
	(Unaudited)	*(Unaudited)*	*(Unaudited)*	*(Audited)*
Cash provided by (used in):				
Operating activities:				
Net income (loss) for the period	$ (176,228)	$ (21,110)	$ (434,291)	$ 141,442
Adjustments to reconcile net income to net cash flows from operating activities:				
Depreciation and amortization	253,063	202,341	920,917	730,779
Future income taxes	21,564	(15,849)	27,988	32,527
Non-controlling interest	(31,021)	(28,363)	(89,852)	(34,846)
Gain on sale of subsidiaries and other investments	(69,187)	(14,193)	(109,451)	(114,152)
Write-down of investments	61,200	-	61,200	1,680
Losses from investments accounted for by the equity method	17,995	104	81,630	2,716
Accrued interest due on repayment of certain notes	2,627	2,390	10,025	9,092
Dividends from associated companies	614	449	2,305	1,543
	80,627	125,769	470,471	770,781
Change in:				
Accounts receivable	(46,680)	(105,238)	21,211	(144,213)
Accounts payable and accrued liabilities and unearned revenue	(14,317)	122,570	(15,075)	137,079
Deferred charges and other assets	27,864	18,877	(57,658)	(7,948)
	47,494	161,978	418,949	755,699
Financing activities:				
Issue of long-term debt, net	(427,790)	307,501	938,833	307,340
Financing costs incurred	(892)	(3,153)	(27,102)	(3,153)
Funds received from non-controlling shareholders	-	-	167,302	-
Issue of equity instruments	245,632	-	245,632	925,265
Issue of capital stock	6,375	1,142	18,795	14,081
Dividends on preferred shares and distribution on convertible prefered shares	(8,250)	(18,450)	(33,014)	(43,200)
	(184,925)	287,040	1,310,446	1,200,333
Investing activities:				
Additions to fixed assets	(405,101)	(409,449)	(1,420,747)	(1,212,734)
Acquisition of Spectrum licences	-	-	(396,824)	-
Proceeds on sale of subsidiaries	29,366	-	69,691	-
Proceeds on sale of investments	16,521	19,639	27,848	139,300
Proceeds on cablesystems exchange	-	46,709	-	46,709
Investment in Cogeco Inc. and Cogeco Cable Inc.	-	-	-	(307,985)
Acquisitions of subsidiary companies, net of cash acquired	(132,842)	(209,278)	(221,398)	(209,278)
Other investments	(2,283)	38,678	(69,915)	(126,830)
	(494,339)	(513,701)	(2,011,345)	(1,670,818)
Increase in cash and cash equivalents	(631,770)	(64,683)	(281,950)	285,214
Cash and cash equivalents (deficiency), beginning of period	648,971	363,834	299,151	13,937
Cash and cash equivalents, end of period	**$ 17,201**	**$ 299,151**	**$ 17,201**	**$ 299,151**
Supplemental cash flow information:				
Income taxes paid	$ 3,526	$ 2,059	$ 16,073	$ 11,621
Interest paid	123,491	100,117	413,670	352,348

Cash and cash equivalents (deficiency) are defined as cash and short-term deposits, which have an original maturity of less than 90 days, less bank advances.

See accompanying Notes to Consolidated Financial Statements.

Rogers Communications Inc.
Consolidated Balance Sheets

(in thousands of dollars)	December 31, 2001	December 31, 2000
	(Unaudited)	*(Audited)*
Assets		
Fixed assets	$ 4,717,731	$ 4,047,329
Goodwill and other intangible assets (Note 3)	2,109,935	1,573,923
Investments (Note 4)	1,047,888	972,648
Cash and short-term deposits	17,201	299,151
Accounts receivable	495,353	501,553
Deferred charges	300,838	235,824
Other assets	271,762	235,867
	$ 8,960,708	$ 7,866,295
Liabilities and Shareholders' Equity		
Liabilities		
Long-term debt (Note 5)	$ 4,990,357	$ 3,957,662
Accounts payable and accrued liabilities	1,098,717	1,127,996
Unearned revenue	93,448	104,467
Future income taxes	137,189	145,560
	6,319,711	5,335,685
Non-controlling interest	224,823	114,432
Shareholders' equity (Note 6)	2,416,174	2,416,178
	$ 8,960,708	$ 7,866,295

Rogers Communications Inc.
Consolidated Statements of Deficit

(in thousands of dollars)	December 31, 2001	December 31, 2000
	(Unaudited)	*(Audited)*
Deficit, beginning of the year	$ (63,041)	$ (160,510)
Net income (loss)	(434,291)	141,442
Dividends on Series B and Series E Preferred shares, and on the Class A Voting and Class B Non-Voting shares	(14)	(10,200)
Distribution on Convertible Preferred Securities, net of income tax recovery of $14,388 (2000 - $14,388)	(18,612)	(18,612)
Dividends accreted on Preferred Securities, net of income tax recovery of $24,877 (2000 - $11,721)	(32,181)	(15,161)
Deficit, end of the year	$ (548,139)	$ (63,041)

See accompanying Notes to Consolidated Financial Statements.

1. Significant accounting policies

The consolidated financial statements include the accounts of Rogers Communications Inc. ("RCI") and its subsidiary companies (collectively the "Company"). These consolidated financial statements do not contain all disclosures required by generally accepted accounting principles ("GAAP") and should be read in conjunction with the audited consolidated financial statements for the year ended December 31, 2000.

These consolidated financial statements follow the same accounting policies and methods of application as the audited consolidated financial statements for the year ended December 31, 2000. Accounting changes implemented in 2001 and additional disclosures on accounting policies are as follows;

i.) Earnings per Share

Effective January 1, 2001, the Company adopted the new accounting recommendations of the Canadian Institute of Chartered Accountants (the "CICA") on "Earnings per Share" ("EPS") on a retroactive basis. The new standard requires the use of the treasury stock method for calculating diluted earnings per share consistent with United States GAAP. The adoption of this standard reduced diluted earnings per share as previously stated for 2000 from $0.44 to $0.42.

ii.) Depreciation

As a result of the introduction of new network technology in 2001, the Company changed the estimated useful lives of certain network equipment effective January 1, 2001. As a result, depreciation expense in the fourth quarter of 2001 and for the year ended December 31, 2001 was increased by approximately $5.2 million and $20.8 million respectively.

iii.) Roaming Revenue

Effective January 1, 2001, the Company retroactively changed the income statement characterization of expenses incurred by the Company for the provisioning of wireless communications services to subscribers when they travel outside Canada, commonly referred to as "roaming", in accordance with accounting guidelines and industry practice. Subscriber roaming expenses are now reported as operating expenses. Previously, these expenses and the associated revenue generated from such roaming services were netted against one another and recorded on a net basis in revenue. As a result, revenue for the quarters ended December 31, 2001 and 2000 has been increased by approximately $25.9 million and $27.2 million, respectively, and operating, general and administrative expenses have been increased by the same amounts. Revenue for the years ended December 31, 2001 and 2000 has been increased by approximately $109.4 million and $107.0 million, respectively, and operating, general and administrative expenses have been increased by the same amounts. Operating income for all periods reported is unaffected by the change.

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1. Significant accounting policies (cont'd)

iv.) Spectrum Licences

As at December 31, 2001, no amount of the cost of the spectrum licences (note (3)) has been amortized as the services utilizing the acquired spectrum were not commercially launched. The Company is presently reviewing the new accounting standards further described in note 9(i) to determine if the spectrum licences will be amortized in 2002, or if the spectrum licences meet the definition of an indefinite life intangible asset, in which case, the spectrum licences will not be amortized. See (note 9(i)).

v.) Business Combinations

The Company uses the purchase method to account for all business combinations. Under the purchase method, the purchase price is allocated to the identifiable tangible and intangible assets and liabilities based on their fair values and any excess of the purchase price over the sum of the fair values of the identified tangible and intangible assets and liabilities is an unallocated residual purchase price discrepancy accounted for as goodwill.

Prior to January 1, 2000, consistent with industry practice, the Company allocated the entire purchase price discrepancy in cable and wireless acquisitions to an identified intangible asset called "Subscribers and Licences." No amount was allocated to goodwill at the date of acquisition.

Effective January 1, 2000, new accounting standards relating to accounting for income taxes caused the Company to focus more precisely on what intangible assets had been acquired in previous cable television and wireless acquisitions, as those new tax accounting standards have different implications for assets classified as goodwill from those classified as an identifiable intangible asset, such as subscribers and licences. In addition, proposed new accounting standards for business combinations in Canada and the United States (note 9(i)), when adopted, provide further guidance on the characteristics and accounting for goodwill and other intangible assets acquired.

For the reasons noted in the preceding paragraph, during 2000 the Company re-evaluated the appropriateness of its practice of treating the entire purchase price discrepancy as subscribers and licences without separate identification of the identifiable intangible assets acquired. Based on the specific characteristics of the Company's particular business acquisitions, the Company concluded that acquired subscribers and licences each constituted separate identifiable intangible assets that should be measured at fair value at the date of acquisition. In the Company's opinion, an appropriate application of valuation techniques requires measurement of:

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1. Significant accounting policies (cont'd)

v.) Business Combinations (cont'd)

(a) Subscribers, based on the subscribers in existence at the date of acquisition, the existing service area licenced to the acquired business and the existing services being provided by the acquired business, and

(b) Licences, based on the cost to apply to the regulator for those licences.

Any remaining unallocated residual purchase price discrepancy is accounted for as goodwill.

Accordingly, effective January 1, 2000, the Company re-allocated an amount to Subscribers based on the discounted cash flows expected to be generated from the acquired subscriber base over the estimated subscriber relationship period and re-allocated a nominal cost to Licences. Certain assumptions were used to determine the fair value allocated to Subscribers, the most sensitive of which included a discount rate applied to future cash flows equivalent to the Company's average cost of capital, projected revenue per existing subscriber based on a historical attrition rate for subscribers disconnecting from cable and wireless services, the amount of capital expenditures required to maintain the cable and wireless networks for delivery of existing service, and an appropriate charge for recovery of the investment in the acquired businesses' net fixed assets. Any change in these assumptions could result in a different fair value allocated to Subscribers. The re-allocation of amounts separately to subscribers and licences resulted in unallocated residual purchase price discrepancy which has been accounted for as goodwill.

In 2001, the Accounting Standards Board of the CICA issued new accounting standards for business combinations and for goodwill and intangible assets. As discussed further in note 9(i), these new standards apply to business combinations completed after July 1, 2001 and to accounting for goodwill and other intangible assets effective January 1, 2002. Upon adoption of the new standards, the Company will evaluate its existing intangible assets and goodwill and make any necessary reclassifications in order to conform with the new criteria for recognizing and measuring intangible assets apart from goodwill. Very little guidance has been provided to date by accounting standard setters, and the criteria in the new standards are difficult to interpret, particularly in the cable television and wireless industries. The Company believes that the Emerging Issues Committee of the CICA may have to provide interpretations of these criteria, in order to get a high degree of uniform application of the new standards. The Company will follow any such interpretations in any financial statements presented, including any interpretation that would result in some or all of the Company's goodwill (as restated) being presented as an intangible asset apart from goodwill.

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1. Significant accounting policies (cont'd)

v.) Business Combinations (cont'd)

The impact of the retroactive re-allocation of amounts previously allocated to subscribers and licences to "Subscribers and Licences," and "Goodwill" effective January 1, 2000 was as follows:

(In thousands of dollars)		
Subscribers and licences:		
As previously stated	$	1,124,856
Re-allocation to goodwill		1,119,946
As restated	$	4,910
Goodwill:		
As previously stated	$	344,735
Re-allocation from subscribers and licences		1,119,946
As restated	$	1,464,681

In addition, in connection with this re-evaluation of the accounting for the Company's prior business combinations, the Company determined that it was necessary to revise its amortization policies to provide for: (a) straight-line amortization of subscribers and licences over the estimated relationship period, and (b) straight-line amortization of goodwill over 40 years, instead of its prior method of amortizing subscribers and licences using an increasing charge method over 40 years at a discount rate of 4% per annum. This change was applied retroactively in 2000 with a restatement of prior years' financial statements effective January 1, 2000 as follows:

1. Significant accounting policies (cont'd)

v.) Business Combinations (cont'd)

(In thousands of dollars)	
Increase (decrease):	
Consolidated balance sheet:	
Goodwill	$ (117,729)
Subscribers and licences	(2,310)
Future income taxes	6,552
Deficit	126,591

These changes resulted in the following effects on the consolidated statement of income for the year ended December 31, 2000:

Increase (decrease):	
Consolidated statement of income:	
Depreciation and amortization	$ 11,108
Loss for the year	11,108
Earnings per share:	
Basic	(0.05)
Diluted	(0.04)

2. Acquisitions and Divestitures

a) Acquisitions

Cable Atlantic:

On February 7, 2001, the Company acquired 100% of the issued and outstanding shares of Cable Atlantic Inc. ("Cable Atlantic"), which has cable television systems serving approximately 75,000 basic subscribers in Newfoundland. As consideration for the purchase, the Company paid cash of $88.9 million, net of cash acquired, and issued 4,170,330 Class B Non-Voting shares with a value of $162.6 million. Additional Class B Non-Voting shares may be required to be issued to the vendor on February 7, 2003 if the quoted market value of the Company's Class B Non-Voting shares does not reach a weighted average price of $48.00 per share within two years of the closing date.

2. Acquisitions and divestitures (cont'd):

Sportsnet:

On November 1, 2001, the Company purchased an additional 40% interest which resulted in the Company obtaining control of CTV Sportsnet Inc. ("Sportsnet"), a Canadian sports TV specialty network for a purchase price of $132.8 million, net of cash acquired. The Company also exercised an option for 10% of the voting shares of Sportsnet, acquired in 2000 for $14.0 million, to bring the ownership interest of Sportsnet to 80%.

b) Divestitures

On November 19, 2001, the Company sold all of the shares of Rogers American Cablesystems, Inc. ("American Cablesystems"), a wholly owned subsidiary, to General Communication Inc. American Cablesystems' wholly owned subsidiary, Rogers Cablesystems of Alaska Inc., owns and operates cable systems in Alaska which, at the time of the sale, served approximately 7,400 basic cable subscribers. Total cash proceeds on the sale amounted to $29.4 million, subject to certain post-closing adjustments, which resulted in a gain on sale of $17.8 million before income taxes.

In September 2001, the Company sold the shares of its wholly owned media monitoring business, Bowdens Media Monitoring Limited, for total cash proceeds of $40.3 million which resulted in a gain on sale of $33.4 million before income taxes.

During 2001, the Company determined that a provision for certain potential liabilities in the amount of $35.0 million, relating to the sale of a subsidiary in a previous year was no longer required and, accordingly, recorded this amount in gain on sale of subsidiaries in the current year.

3. Goodwill and other intangible assets:

(in thousands of dollars)	2001	2000
	(Unaudited)	(Audited)
Goodwill	$ 2,086,719	$ 1,762,771
Spectrum licences	396,824	–
Subscribers and licences	5,200	5,200
Other intangible assets	–	119,926
	2,488,743	1,887,897
Less accumulated amortization	378,808	313,974
	$ 2,109,935	$ 1,573,923

3. Goodwill and other intangible assets (cont'd)

In a spectrum auction conducted by Industry Canada in February 2001, the Company purchased 23 personal communications services licences of 10 megahertz each, in the 1.9 gigahertz band in various regions across Canada at a cost of $396.8 million, including costs of acquisition. These licences have a 10-year term, subject to renewal in 2011. At December 31, 2001, no amortization of the cost of the licences has been recorded as the commercial launch of the services that utilized the spectrum had not commenced.

In March 2001, in association with Wireless' participation in the Industry Canada PCS Spectrum Auction, RCI subscribed to approximately 60.4% of Wireless' $422.6 million Class B Restricted Voting share rights offering. RCI paid $255.3 million for the Wireless Class B Restricted Voting share rights, with the non-controlling shareholders funding $167.3 million. This transaction increased the Company's ownership in Wireless to 52.47%, thereby increasing goodwill and non-controlling interest by $35.9 million.

4. Investments

(in thousands of dollars)	**Number**	**Description**	**December 31, 2001 Quoted Market Value**	**December 31, 2001**	**December 31, 2000**
				(Unaudited)	(Audited)
Investments, accounted for by the equity method					
Toronto Blue Jays				$ 183,986	$ -
SportsNet				-	37,781
Other				16,872	12,337
				200,858	50,118
Investments, recorded at cost, net of writedowns					
Publicly traded companies					
Long-term investments:					
AT&T Canada (see note 4(b))	25,002,100	Class B Deposit Receipts	1,204,351	$ 450,104	$ 450,104
Cogeco Cable Inc.("Cogeco Cable")	4,253,800	Subordinate Voting Common	91,840	187,167	187,167
Cogeco Inc.("Cogeco")	2,724,800	Subordinate Voting Common	56,076	120,818	120,818
				758,089	758,089
Temporary investments:					
Liberate Technologies, Inc.("Liberate")	886,888	Common	16,251	16,343	20,938
	200,000	Warrants	1,462	-	-
Terayon Communications Systems, Inc.("Terayon")	2,267,618	Common	29,818	1	1
Other			16,362	15,681	34,489
				32,025	55,428
Private companies				56,916	109,013
				$ 1,047,888	**$ 972,648**

4. Investments (cont'd)

(a) Investments accounted for by the equity method:

(i) Toronto Blue Jays Baseball Club:

Effective December 31, 2000, the Company purchased an 80% interest in the Toronto Blue Jays Baseball Club ("Blue Jays") for cash of $163.9 million, net of cash acquired.

Effective April 1, 2001, Rogers Telecommunications Ltd. ("RTL"), a company controlled by the controlling shareholder of the Company, acquired the Class A Preferred Shares of the subsidiary of RCI that owns the Blue Jays ("Blue Jays Holdco") for $30.0 million. These Class A Preferred Shares are voting and redeemable for cash of $30.0 million plus any accrued unpaid dividends at the option of Blue Jays Holdco at any time after September 14, 2004. Any such redemption requires the consent of a committee of the Board of Blue Jays Holdco comprised of directors that are not related to RTL, RTL's affiliates or its controlling shareholder and requires the prior written consent of the Board of Directors of the Company. These Class A Preferred Shares may be acquired by the Company at its option at any time; however, the Company does not intend to exercise this option in the foreseeable future. The Class A Preferred Shares pay dividends at a rate of 9.167% per annum. For periods up to July 31, 2004, Blue Jays Holdco may satisfy the cumulative dividends on its Class A Preferred Shares in kind by transferring to RTL income tax loss carryforwards, having an agreed value equal to the amount of the dividends.

During 2001, the Company contributed $52.3 million to the Blue Jays to finance a portion of its operating losses. It is the Company's intention to continue to finance cash requirements of the Blue Jays in 2002, which are expected to be approximately $55.0 million.

The Company has the option to acquire the minority interest in the Blue Jays at any time, and the minority interest owner has the right to require the Company to purchase its interest at any time after December 15, 2003, for approximately $45.0 million (U.S. $28.0 million), plus interest at 9% per annum from December 15, 2000. This obligation has been recorded as a liability by the Company.

As a result of the issuance of the Class A Preferred Shares of Blue Jays Holdco to RTL, the Company no longer has voting control of the Blue Jays. Accordingly, effective April 1, 2001 the Company accounts for its investment in the Blue Jays using the equity method and the Blue Jays are no longer consolidated. The 20%

4. Investments (cont'd)

minority interest owner of the Blue Jays is not required to fund operating losses of the Blue Jays and, as a result, as required under GAAP the Company has recorded 100% of the equity and operating losses of the Blue Jays in 2001. During the period April 1 to December 31, the Company recorded equity losses of $82.6 million. The results of operations of the Blue Jays for the three months ended March 31, 2001 are consolidated in the statement of income of the Company.

Condensed consolidated financial information of Blue Jays Holdco after giving pro forma effect to the acquisition adjustments to allocate the cost of the Company's purchase of the Blue Jays is presented below:

(In thousands of dollars)	Year ended December 31, 2001 (Unaudited)
Revenue	$ 125,086
Operating expenses	(202,018)
	(76,932)
Depreciation and amortization	(19,893)
Interest expense	(1,503)
Loss for the year	$ (98,328)

(In thousands of dollars)	As at December 31, 2001 (Unaudited)
Assets	
Cash and accounts receivable	$ 24,049
Deferred compensation	27,625
Goodwill and other intangible assets	203,442
Other assets	23,950
	$ 279,066
Liabilities and Shareholders' Equity	
Accounts payable and accrued liabilities	$ 21,076
Deferred obligations	50,442
	71,518
Shareholders' equity	207,548
	$ 279,066

4. Investments (cont'd)

(ii) Sportsnet:

Effective November 1, 2001, the Company acquired an additional 50.1% interest in Sportsnet and, accordingly, consolidates its investment in Sportsnet from that date.

(b) Long-term investments:

The shareholders of AT&T Canada, including the Company, have a contractual right to realize a minimum share price of $37.50 per share, increasing at 16% per annum from June 30, 2000, the "accreted floor price", until June 30, 2003 or such earlier time as a minority shareholder of AT&T Canada exercises its obligation to acquire all of the shares of AT&T Canada.

In 2000 and 2001, the Company entered into certain transactions which resulted in the monetization of a substantial portion of the Company's investment in AT&T Canada (see note 6(ii)). The Company received cash of approximately $1.186 billion in these transactions based on the accreted floor price of its 25,000,000 Class B deposit receipts of AT&T Canada. Although no accounting gain was recorded on these transactions, the Company has realized a substantial portion of the economic value of its investment in AT&T Canada as a result of these transactions. An accounting gain will be recorded when the Company disposes of its investment in AT&T Canada.

(c) Investment gains:

In 2001 and 2000, the Company sold certain investments resulting in the following gains being recorded:

	Year ended December 31, 2001	2000
(In thousands of dollars)	(Unaudited)	(Audited)
Liberate	$ 7,058	$ 8,753
Terayon	16,195	30,891
CanCom	–	74,508
	$ 23,253	$ 114,152

4. Investments (cont'd)

(d) Investment write downs:

During 2001 and 2000, the Company recorded the following investment write downs:

	Year ended December 31, 2001	2000
(In thousands of dollars)	(Unaudited)	(Audited)
Temporary investments	35,200	1,680
Private companies	26,000	–
	$ 61,200	$ 1,680

5. Long-term debt

(in thousands of dollars)	Interest Rate	December 31, 2001	December 31, 2000
(A) Corporate:		(Unaudited)	(Audited)
(i) Convertible Debentures, due 2005	5-3/4%	$ 311,721	$ 283,924
(ii) Senior Notes, due 2006	9-1/8%	87,024	81,975
(iii) Senior Notes, due 2006	10-1/2%	75,000	75,000
(iv) Senior Notes, due 2007	8-7/8%	306,600	292,245
(v) Senior Notes, due 2007	8-3/4%	165,000	165,000
(B) Wireless:			
(i) Bank credit facility	Floating	52,000	-
(ii) Senior Secured Notes, due 2006	10-1/2%	160,000	160,000
(iii) Senior Secured Notes, due 2007	8.30%	280,110	272,162
(iii) Senior Secured Notes, due 2011	9-5/8%	770,400	-
(iv) Senior Secured Debentures, due 2008	9-3/8%	433,121	433,121
(v) Senior Secured Debentures, due 2016	9-3.4%	231,528	222,005
(vi) Senior Subordinated Notes, due 2007	8.80%	342,409	322,543
(C) Cable:			
(i) Bank credit facility	Floating	-	-
(ii) Senior Secured Second Priority Notes, due 2002	9-5/8%	116,389	116,389
(iii) Senior Secured Note due 2002	Floating	300,000	300,000
(iv) Senior Secured Second Priority Notes, due 2005	10%	412,894	412,146
(v) Senior Secured Second Priority Debentures, due 2007	10%	146,223	146,223
(vi) Senior Secured Second Priority Debentures, due 2012	10-1/8%	172,867	172,867
(vii) Senior Secured Second Priority Debentures, due 2014	9.65%	300,000	300,000
(vii) Senior Subordinated Debentures, due 2015	11%	164,968	164,264
(D) Media:			
Bank credit facility	Floating	126,000	-
(E) Obligations under mortgages and capital leases	Various	36,103	37,798
		$ 4,990,357	$ 3,957,662

5. Long-term debt (cont'd)

i. In April 2001, Wireless amended its bank credit facility to provide the Company with a revolving credit facility of Cdn $700 million with no reduction until April 30, 2006 and a final maturity on April 30, 2008.

ii. In May 2001, Wireless issued U.S. $500.0 million (Cdn $770.4 million) Senior Secured Notes maturing in May 2011. These notes are redeemable in whole or in part, at the option of the Company, at any time subject to a prepayment premium.

iii. In August, 2001, Media entered into a new credit facility with a consortium of Canadian financial institutions to provide Media with a revolving credit facility of $500.0 million with no reduction until final maturity on September 30, 2006.

iv. At December 31, 2001, total U.S. dollar denominated long-term debt amounted to U.S. $2.6 billion (2000 – U.S. $2.1 billion). The Company has entered into several cross-currency interest rate exchange agreements in order to reduce the Company's exposure to changes in the exchange rate of the U.S. dollar as compared to the Canadian dollar. At December 31, 2001, U.S. $1.8 billion (2000 – U.S. $1.3 billion) or 68.4% (2000 – 61.1%) is hedged through cross-currency interest rate exchange agreements at an average exchange rate of Cdn. $1.3755 to U.S. $1.00.

6. Shareholders' Equity

(in thousands of dollars)		December 31, 2001 (Unaudited)	December 31, 2000 (Audited)
Capital stock issued, at stated value:			
Preferred shares:			
Held by subsidiary companies			
4,500	Series XXIII (2000-105,500)	$ 4,500	$ 105,500
-	Series XXVI (2000 -253,500)	-	253,500
60,000	Series XXVII (2000 - 150,000)	60,000	150,000
-	Series XXIX (2000 - 30,000)	-	30,000
818,300	Series XXX	10,000	10,000
300,000	Series XXXI	300,000	300,000
300,000	Series XXXII	300,000	300,000
Held by members of the Company's share purchase plans:			
133,632	Series B (2000 - 160,221)	1,684	2,019
153,361	Series E (2000 - 170,852)	2,622	2,922
Common shares:			
56,240,494	Class A Voting shares	72,320	72,320
153,551,874	Class B Non-Voting shares (December 31, 2000 - 147,856,858)	249,488	240,235
		1,000,614	1,466,496
Deduct:			
Amounts receivable from employees under certain share purchase plans		(3,282)	(4,249)
Preferred shares of the Company held by subsidiary companies		(674,500)	(1,149,000)
Total capital stock		322,832	313,247
Convertible preferred securities		576,000	576,000
Warrants to purchase Class B Non-Voting shares		24,000	24,000
Collateralized Equity		245,632	-
Preferred securities		1,009,205	952,147
Contributed surplus		786,644	613,825
Deficit		(548,139)	(63,041)
		$ 2,416,174	$ 2,416,178

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6. Shareholders' Equity (cont'd)

(i.) During 2001, the Company completed the following capital stock transactions:

(a) 101,000 Series XXIII Preferred shares were redeemed from a subsidiary company for $101.0 million and cancelled;

(b) 253,500 Series XXVI Preferred shares were redeemed from a subsidiary company for $253.5 million and cancelled;

(c) 90,000 Series XXVII Preferred shares were redeemed from a subsidiary company for $90.0 million and cancelled;

(d) 30,000 Series XXIX Preferred shares were redeemed from a subsidiary company for $30.0 million and cancelled;

(e) 26,589 Series B and 17,491 Series E Convertible Preferred shares with a value of $0.6 million were converted to 44,080 Class B Non-Voting shares;

(f) 4,170,330 Class B Non-Voting shares with a value of $162.6 million were issued as partial consideration for the acquisition of Cable Atlantic Inc. (note 2(a));

(g) 1,062,109 Class B Non-Voting shares were issued to employees upon the exercise of options for cash of $8.1 million; and

(h) 418,497 Class B Non-Voting shares were issued to employees pursuant to the employee share purchase plan for cash of $10.7 million.

As a result of the above transactions, $172.8 million of the issued amounts related to Class B Non-Voting shares was recorded in contributed surplus.

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6. Shareholders' Equity (cont'd)

(ii) On October 23, 2001 the Company entered into certain equity derivative contracts which served to monetize an additional portion of the accreted floor price of its AT&T Canada deposit receipts after taking into account the monetization through the preferred securities issued in August 2000. The settlement terms of these contracts enable the Company to settle or net settle in Class B Non-Voting shares, the number of which is based on the trading value of the Class B Non-Voting shares, or physically settle or net cash settle these contracts, in whole or in part, or in any combination thereof, at the Company's option. The Company received proceeds of approximately $248.9 million which, less fees and expenses, resulted in net proceeds of $245.6 million.

Security for this transaction consists of a pledge of the shares of the two wholly owned subsidiaries of RCI in which the deposit receipts of AT&T Canada are held and cash held in escrow of approximately $25.8 million as at December 31, 2001. RCI also postponed and assigned intercompany debt owing by these wholly owned subsidiaries. Recourse under the pledge of shares is limited to all amounts, other property and/or rights received by the two wholly owned subsidiaries from the deposit receipts of AT&T Canada after satisfaction in full of all the rights and interests of the holders of the preferred securities. In addition there is recourse to RCI as at December 31, 2001 limited to approximately $86.1 million, which includes the approximate $25.8 million cash collateral. This recourse to the Company is scheduled to reduce to nil by December 31, 2002 and the cash collateral is scheduled to be released in quarterly installments, with interest, by December 31, 2002.

7. Cable systems integration, workforce reduction and At Home termination costs

The cable systems integration, workforce reduction and At Home termination costs consist of the following:

	Year ended December 31, 2001	2000
(In thousands of dollars)	(Unaudited)	(Audited)
Cable systems integration costs (a)	$ 16,462	$ 10,612
Workforce reduction costs (b)	13,078	–
At Home termination (c)	43,974	–
	$ 73,514	$ 10,612

7. Cable systems Integration, workforce reduction and At Home termination costs (cont'd)

(a) Cable systems integration costs:

During 2001 and 2000, the Company incurred integration costs related to the exchange of cable systems with Shaw and the acquisition of Cable Atlantic.

(b) Workforce reduction costs:

During 2001, the Company reduced its workforce in Media by approximately 170 employees in technology, editorial, sales and marketing and administrative departments in two of its divisions. The Company incurred $13.1 million in costs primarily related to severance. Of this amount $8.3 million has not been paid at December 31, 2001 and will be paid in 2002.

(c) At Home termination:

The Company had offered high-speed Internet access through an exclusive agreement with At Home Corporation ("At Home"), a U.S. based broadband access provider. At Home provided the Company's high-speed Internet subscribers with broadband content, access to the Internet and applications, including email.

On September 28, 2001, At Home filed for bankruptcy protection under Chapter 11 of the U.S. Bankruptcy Code. During 2001 the Company accelerated plans to develop its own high-speed Internet network as an alternative to the network provided by At Home and to transition all of its high-speed Internet subscribers to the Company's own network. As a result, during 2001 the Company incurred incremental operating expenses of $44.0 million, primarily comprised of a U.S. $15.0 million payment under a transitional agreement and identifiable incremental customer service and customer communication expenses.

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8. Segmented Information

For the three months ended December 31, 2001

(in thousands of dollars)	Cable	Wireless	Media	Corporate Items and Eliminations	Consolidated Totals
(Unaudited)					
Revenue	$ 371,837	$ 455,330	$ 212,237	$ 22	$ 1,039,426
Operating, general and administrative expenses	239,101	363,842	186,821	8,888	798,652
Operating income (loss) before the undernoted:	132,736	91,488	25,416	(8,866)	240,774
Management fees	7,451	2,671	2,963	(13,085)	-
Cable system integration, workforce reduction and (At) Home termination costs	43,974	-	13,078	-	57,052
Depreciation and amortization	129,908	101,143	19,388	2,624	253,063
Operating income	(48,597)	(12,326)	(10,013)	1,595	(69,341)
Interest Expense					
Third party	40,493	49,841	3,312	26,218	119,864
Intercompany	1,473	-	15,230	(16,703)	-
Intercompany Dividends	(5,384)	-	(17,807)	23,191	-
Gain on sale of subsidiaries	(17,807)	-	-	(35,000)	(52,807)
Gain on sale of assets and investments	(16,195)	-	-	(185)	(16,380)
Write down of investments	26,000	-	-	35,200	61,200
Loss from investments accounted for by the equity method	-	-	1,028	16,967	17,995
Investment and other income (loss)	(15,535)	15,035	(7,782)	(9,524)	(17,806)
Income tax expense (recovery)	1,567	1,576	1,036	21,663	25,842
Non-controlling interest	-	-	-	(31,021)	(31,021)
Net Income (loss) for the period	$ (63,209)	$ (78,778)	$ (5,030)	$ (29,211)	$ (176,228)
Capital expenditures,net	$ 274,035	$ 126,426	$ 4,374	$ 266	$ 405,101

For the three months ended December 31, 2000

(in thousands of dollars)	Cable	Wireless	Media	Corporate Items and Eliminations	Consolidated Totals
(Unaudited)					
Revenue	$ 337,074	$ 437,449	$ 199,829	$ -	$ 974,352
Operating, general and administrative expenses	217,733	365,058	164,009	4,060	750,860
Operating income (loss) before the undernoted:	119,341	72,391	35,820	(4,060)	223,492
Management fees	6,774	2,593	3,020	(12,387)	-
Cable system integration, workforce reduction and (At) Home termination costs	10,612	-	-	-	10,612
Depreciation and amortization	97,174	90,430	8,399	6,338	202,341
Operating income	4,781	(20,632)	24,401	1,989	10,539
Interest Expense					
Third party	38,230	32,933	(281)	17,856	88,738
Intercompany	3,170	3,410	29,064	(35,644)	-
Intercompany Dividends	(10,211)	-	(52,861)	63,072	-
Gain on sale of assets and investments	(8,412)	-	-	(5,781)	(14,193)
Investment and other income (loss)	510	292	50	(6,936)	(6,084)
Income tax expense (recovery)	(2,077)	1,132	(428)	(7,076)	(8,449)
Non-controlling interest	-	-	-	(28,363)	(28,363)
Net Income (loss) for the period	$ (16,429)	$ (58,399)	$ 48,857	$ 4,861	$ (21,110)
Capital expenditures,net	$ 234,790	$ 163,733	$ 9,603	$ 1,323	$ 409,449

8. Segmented Information (cont'd)

For the year ended December 31, 2001 *(in thousands of dollars)*	Cable	Wireless	Media	Corporate Items and Eliminations	Consolidated Totals
(Unaudited)					
Revenue	$ 1,433,029	$ 1,753,145	$ 721,710	$ 4,772	$ 3,912,656
Operating, general and administrative expenses	916,224	1,341,200	653,404	49,307	2,960,135
Operating income (loss) before the undernoted:	516,805	411,945	68,306	(44,535)	952,521
Management fees	28,781	10,684	10,677	(50,142)	-
Cable system integration, workforce reduction and (At) Home termination costs	60,436	-	13,078	-	73,514
Depreciation and amortization	446,892	391,839	47,119	35,067	920,917
Operating income	(19,304)	9,422	(2,568)	(29,460)	(41,910)
Interest Expense					
Third party	162,865	190,529	4,882	72,035	430,311
Intercompany	11,761	13,517	94,268	(119,546)	-
Intercompany Dividends	(32,228)	-	(109,014)	141,242	-
Gain on sale of subsidiaries	(17,807)		(33,391)	(35,000)	(86,198)
Gain on sale of investments	(16,195)	-	-	(7,058)	(23,253)
Write down of investments	26,000			35,200	61,200
Loss from investments accounted for by the equity method	-		3,005	78,625	81,630
Investment and other income (loss)	(698)	(2,596)	(638)	(20,575)	(24,507)
Income tax expense (recovery)	5,314	6,945	1,713	29,078	43,050
Non-controlling interest	-	-	-	(89,852)	(89,852)
Net Income (loss) for the period	$ (158,316)	$ (198,973)	$ 36,607	$ (113,609)	$ (434,291)
Capital expenditures,net	$ 749,747	$ 654,457	$ 18,439	$ (1,896)	$ 1,420,747
Goodwill acquired	$ 216,733	$ -	$ 182,056	$ 35,927	$ 434,716
Identifiable assets	$ 3,669,423	$ 3,136,784	$ 1,589,113	$ 565,388	$ 8,960,708

For the year ended December 31, 2000 *(in thousands of dollars)*	Cable	Wireless	Media	Corporate Items and Eliminations	Consolidated Totals
(Unaudited)					
Revenue	$ 1,291,161	$ 1,639,104	$ 681,023	$ -	$ 3,611,288
Operating, general and administrative expenses	833,384	1,228,180	603,633	28,366	2,693,563
Operating income (loss) before the undernoted:	457,777	410,924	77,390	(28,366)	917,725
Management fees	25,949	10,374	10,309	(46,632)	-
Cable system integration, workforce reduction and (At) Home termination costs	10,612				10,612
Depreciation and amortization	348,294	334,619	29,306	18,560	730,779
Operating income	72,922	65,931	37,775	(294)	176,334
Interest Expense					
Third party	158,124	128,472	826	72,190	359,612
Intercompany	33,901	4,107	110,092	(148,100)	-
Intercompany Dividends	(39,380)	-	(125,537)	164,917	-
Gain on sale of investments	(30,891)	-	(1,292)	(81,969)	(114,152)
Write-down of investments	-	-	-	1,680	1,680
Proceeds received on termination of merger agreement, net	-	-	-	(222,456)	(222,456)
Losses from investments accounted for by the equity method	-	-	3,464	(748)	2,716
Investment and other income (loss)	3,359	577	178	(9,238)	(5,124)
Income tax expense (recovery)	(32,497)	4,524	100	75,335	47,462
Non-controlling interest	-	-	-	(34,846)	(34,846)
Net Income (loss) for the period	$ (19,694)	$ (71,749)	$ 49,944	$ 182,941	$ 141,442
Capital expenditures,net	$ 650,349	$ 525,993	$ 34,097	$ 2,295	$ 1,212,734
Goodwill acquired	$ -	$ -	$ 40,424	$ 108,360	$ 148,784
Identifiable assets	$ 3,113,355	$ 2,364,343	$ 653,370	$ 1,735,227	$ 7,866,295

9. Recent Canadian Accounting Pronouncements

(i) Business combinations and goodwill:

In 2001, the CICA approved Handbook Sections 1581, "Business Combinations", and 3062, "Goodwill and Other Intangible Assets". The new standards mandate the purchase method of accounting for business combinations initiated on or after July 1, 2001. These new standards also establish criteria for identifying and measuring intangible assets acquired in business combinations that are recorded and reported apart from goodwill. Goodwill and intangible assets with indefinite useful lives are no longer amortized, but instead are tested for impairment at least annually by comparing their fair values with their book values. The new standards do not change the accounting for intangible assets with determinable lives, so they continue to be amortized over their estimated useful lives and tested for impairment by comparing their book values with the undiscounted cash flow expected to be received from their use. The new standards are substantially consistent with United States GAAP.

Effective July 1, 2001, goodwill acquired in business combinations completed after June 30, 2001 is not amortized. In addition, the criteria for recognition of intangible assets apart from goodwill and the valuation of the shares issued in a business combination apply to business combinations completed after June 30, 2001.

Upon adoption of the standards beginning January 1, 2002, the Company will discontinue amortization of all existing goodwill, evaluate existing intangible assets and make any necessary reclassifications in order to conform with the new criteria for recognition of intangible assets apart from goodwill and test for impairment in accordance with the new standards. If the Company determines that it has any intangible assets having indefinite lives under the new standards, such intangible assets will be tested for impairment within the first interim reporting period by comparing their fair values with their book values. Any impairment losses will be recorded as a charge to opening retained earnings for 2002, without restatement of prior period financial statements.

If goodwill continues to be reported under the new standards, this goodwill will be tested to determine if there is any indication that this goodwill is impaired. To accomplish this, the Company will identify its "reporting units" and determine the book value of each reporting unit by assigning assets and liabilities, including the existing goodwill and intangible assets, to those reporting units. The Company then has until June 30, 2002 to calculate the fair value of each reporting unit and compare it to the reporting unit's book value. If the reporting unit's book value exceeds its fair value, the Company will be required to perform the second step of the transitional impairment test, by calculating the "implied fair value" of the reporting unit's goodwill, and comparing it to the book value of the goodwill. Any shortfall of the implied fair value of the goodwill compared to its book value will be recognized as an effect of a change in accounting policy and will be charged to opening retained earnings for 2002, without restatement of prior periods.

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9. Recent Canadian Accounting Pronouncements (cont'd)

As of December 31, 2001, the Company has unamortized goodwill of approximately $1.7 billion and unamortized intangible assets of approximately $400.0 million, all of which are subject to the transitional provisions of Sections 1581 and 3062. Amortization expense related to goodwill was $69.1 million for 2001. The Company has not determined the impact of adopting these standards in its financial statements, including whether it will be required to recognize any identifiable intangible assets apart from goodwill or any transitional impairment losses.

(ii) Stock-based compensation and other stock-based payments:

In 2001, the CICA issued Handbook Section 3870, which establishes standards for the recognition, measurement and disclosure of stock-based compensation and other stock-based payments made in exchange for goods and services provided by employees and non-employees. The standard requires that a fair value based method of accounting be applied to all stock-based payments to non-employees and to employee awards that are direct awards of stock, that call for settlement in cash or other assets or are stock appreciation rights that call for settlement by the issuance of equity instruments. However, the new standard permits the Company to continue its existing policy of recording no compensation cost on the grant of stock options to employees. Consideration paid by employees on the exercise of stock options is recorded as share capital. The standard is effective for the Company's fiscal year beginning January 1, 2002 for awards granted on or after that date. The Company's current accounting policies are consistent with the new standard.

(iii) Foreign currency translation and hedging relationships:

In 2001, the CICA amended Section 1650 to eliminate the deferral and amortization of foreign currency translation gains and losses on long-lived monetary items, effective January 1, 2002. This amended section is substantially consistent with U.S. GAAP. At December 31, 2001, the Company had approximately $130.3 million of unamortized foreign exchange losses within deferred charges on its balance sheet that will be affected by this change. On adoption of the section, the Company's Deferred Charges will be reduced by approximately $130.3 million with a corresponding reduction in opening retained earnings as of January 1, 2002. In addition, the section will require restatement of prior periods. Accordingly for the purposes of comparative figures in 2002 the Company's loss for the year ended December 31, 2001 will be increased by approximately $29.1 million ($0.14 per share). The CICA also approved Accounting Guideline AcG-13, which establishes the criteria for identification and documentation, effective for the Company's 2003 fiscal year. The Company plans to comply with the requirements of AcG-13, such that all of its current hedges will continue to qualify for hedge accounting when the guideline becomes effective.

10. Commitments

(a) In August 2001, the Company entered into an agreement, which is subject to the prior approval of the CRTC, with Standard Radio Inc. to purchase the assets of 13 radio stations for total cash consideration of $100.0 million. The stations operate as an AM station in Toronto (the "FAN"), an FM station in Orillia, an AM and an FM station in Timmins and two FM stations and an AM station in each of Sudbury, Sault Ste. Marie and North Bay.

(b) In the ordinary course of business and in addition to the amounts recorded on the consolidated balance sheet, the Company has entered into agreements to acquire broadcasting rights to programs and films over the next five years at a total cost of approximately $65.5 million.

11. Subsequent Events

(a) On January 31, 2002, a subsidiary of the Company (Cable) entered into a new amended and restated bank credit facility (the "New Bank Credit Facility") providing a bank credit facility of up to $1.075 billion. This New Bank Credit Facility replaces the existing bank facilities. The New Bank Credit Facility provides for two separate facilities: (i) a $600 million senior secured revolving credit facility ("New Tranche A Credit Facility") which will mature on January 2, 2009 and (ii) a $475 million senior secured reducing/revolving credit facility ("New Tranche B Credit Facility") which is subject to reduction on an annual basis and which will be scheduled to reduce to nil on January 2, 2009. Cable's obligations under the New Bank Credit Facility are secured by a bond issued under a deed of trust in the same manner as the existing bank facilities. Upon cancellation of Cable's previous bank facilities, the RCI guarantee and pledge of shares of Wireless required under those facilities were released.

(b) On February 5, 2002, a subsidiary of the Company (Cable) raised gross proceeds of $450 million through the issuance of Senior (Secured) Second Priority Notes due 2007. The net proceeds from this offering were used by Cable to prepay its $300 million floating rate notes due 2002, with the balance used to fund capital expenditures and for general corporate purposes.

Note for investors: This news release includes certain "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995 that involve risks and uncertainties. The Company cautions that actual future performance will be affected by a number of factors, including technological change, regulatory change, and competitive factors, many of which are beyond the Company's control. Therefore, future events and results may vary substantially from what the Company currently foresees. The Company is under no obligation to (and expressly disclaims any such obligation to) update or alter its forward-looking statements whether as a result of new information, future events or otherwise. Important additional information identifying risks and uncertainties is contained in the Company's most recent Annual Information Form filed with the Ontario Securities Commission.

A live and fully accessible Webcast of the quarterly results conference call with the investment community will be broadcast via the Internet at http://www.rogers.com/webcast beginning 10:00 a.m. E.T. February 22, 2002. A re-broadcast of this call will be available on the Webcast Archive page of the Investor Relations section of http://www.rogers.com following the call for a period of at least two weeks.

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