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PRESS RELEASE

For immediate release

**Vidéotron continues roll-out of residential cable telephone
in 24 new sectors in Saguenay-Lac-St-Jean and Montérégie**

Montréal, August 3, 2006 – As of August 9, Vidéotron will gradually roll out its residential cable telephone service in the Saguenay-Lac-St-Jean region and Montérégie, mainly in Sorel. This new extension covering 24 Quebec sectors targets more than 90,000 potential households, and brings to 74% the proportion of Vidéotron's territory served by this service.

Residents of these sectors will have the opportunity to benefit from substantial savings on their phone bill, especially if they are already subscribers to one or more Vidéotron services. They will have access to residential telephone, cable television and Internet services from a single provider and enjoy the advantages of one-stop shopping at Vidéotron: one call to customer service, one technician, one bill for all their services. In addition, subscribing to Vidéotron's new telephone service couldn't be easier: customers can keep their existing telephone number and equipment.

The popularity of our service is unquestionable. As of March 31, 2006, more than 227,000 Quebec households had chosen the cable telephone service. This number of clients puts Vidéotron as one of the front runners among telecommunications companies offering IP (*Internet Protocol*) technology-based cable telephone service in Canada.

Unlike most telephone services based on IP technology, Vidéotron's technology does not require an Internet connection. Rather, it uses the Internet Protocol, a data transport protocol which carries the voice on Vidéotron's private network, entirely managed by the company. Consequently, calls do not travel on Internet's public network, as is the case for other service providers.

"We are particularly pleased to offer our telephone service to an increasing number of people in Quebec. Vidéotron's cable telephone service represents a very attractive alternative to conventional telephone service, and residents in these regions will now have the opportunity to take advantage of it. When we reach out to additional Quebec households, we contribute to stimulating competition. As a matter of fact, Vidéotron is proud to give Quebecers a real opportunity to choose their telephone service provider", said Manon Brouillette, Vice President, Marketing and Product Development, Consumer Division.

An attractive offer

Vidéotron has an unbeaten offer for its clients consisting in basic telephone service starting at \$16.95 per month.

"The satisfaction rate of our clients regarding this product is 94%. This high rate is directly related to the fact that large numbers of consumers were waiting for a reliable alternative to conventional telephone service. However, we must keep in mind that our move into residential cable telephone service has opened only a small breach in a market largely dominated by one player", notes Ms. Brouillette.

Free long-distance calls between Vidéotron telephone service subscribers

Long-distance calls between subscribers to Vidéotron's residential telephone service are free – an exclusive service supported by the *infinite power of cable*. For example, a Vidéotron telephone service subscriber living in Chicoutimi can therefore call a Vidéotron telephone service subscriber in Montreal toll free.

Vidéotron telephone service customers can keep their existing phone number. Vidéotron offers a reliable first-line service and access to other services customers are accustomed to, such as call display, voice mail, call waiting, assistance (0, 411, 911 and 611), long distance and calling cards.

Our voice message service by e-mail is available free for cable telephone customers subscribing to both our five-option package and to one of our Internet cable services. Therefore, these customers benefit from a six-option package for the same price as the five-option package offered at \$10.00 a month.

As a reminder, in January 2005, Vidéotron gradually introduced its cable telephone service on the South Shore of Montreal, followed by Laval, the North Shore of Montreal, Quebec City Region and Montreal. In May 2006, 23 municipalities were added to the list. Starting this August 9, part of the Saguenay-Lac St-Jean and Montérégie Regions will be able to access the service, thanks to 25 new sectors opened throughout Quebec.

Following is the list of sectors and municipalities gradually having access to the cable telephone service, as of August 9, 2006:

- Saguenay-Lac-St-Jean: Chicoutimi, Jonquière, Laterrière, Canton Tremblay, Lac-Kénogami, Alouette, Saint-Fulgence, Saint-Honoré-de-Chicoutimi, Falardeau, Shipshaw, Saint-Ambroise, Dolbeau-Mistassini, Albanel and La Doré.
- Montérégie: Sorel-Tracy, Sainte-Victoire, Saint-Ours, Saint-Joseph-de-Sorel, Saint-Roch-de-Richelieu, Sainte-Anne-de-Sorel, Saint-Robert, Saint-Antoine-sur-Richelieu, Saint-Denis-sur-Richelieu, Saint-Charles-sur-Richelieu and Saint-Marc-sur-Richelieu.

To check the availability of the cable telephone service in each regional address, please visit www.videotron.com/telephonie/disponibilite.

Vidéotron Itée (www.videotron.com), a wholly-owned subsidiary of Quebecor Media Inc., is an integrated communications company in cable broadcasting, interactive multimedia development, Internet access services and residential telephone service. Vidéotron is a leader in new technologies with its illico interactive television system and its broadband network, which supports high-speed cable Internet access, analog and digital cable television, and other services. As of March 31, 2006, Vidéotron was serving 1,520,000 cable television customers in Quebec, including 512,000 illico subscribers. Vidéotron is also the Quebec leader in high-speed Internet access, with 699,000 subscribers to its cable modem and dial-up services. Vidéotron provides residential telephone service to more than 227,000 customers in Quebec.