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FINANCIAL RESULTS FOR THE THIRD QUARTER ENDED SEPTEMBER 30, 2013

MESSAGE TO THE SHAREHOLDERS

Montreal, November 5, 2013

TVA Group Inc. (the “Corporation”) recorded net income attributable to shareholders in the amount of $6.3 million, or $0.27 per share, in the third quarter of 2013, compared with $1.5 million, or $0.06 per share, in the same quarter of 2012.

Third quarter operating highlights:

- Consolidated operating income[1] increased $8,060,000 (+77.9%) to $18,401,000.
- The Television segment generated $14,658,000 in operating income, a $6,607,000 (+82.1%) increase mainly due to:
  - ⇒ recognition of $6,841,000 in retroactive royalties for distant signal retransmission for the years 2009 to 2012 and the first two quarters of 2013;
  - ⇒ improved operating results at the specialty services, particularly “addik^{TV},” “CASA” and “TVA Sports”;

Partially offset by:

  - ⇒ decrease in operating income from commercial production due to lower volume.

- The Publishing segment generated $3,743,000 in operating income, a $1,453,000 increase mainly due to:
  - ⇒ positive impact of the inclusion of the operating results of *La Semaine* magazine since July 18, 2013;
  - ⇒ cost reductions yielded by the cost-containment plan introduced in the second quarter of 2013; and
  - ⇒ contribution from increased volume at TVA Studio during the quarter.

In addition to the retroactive royalties on distant signal retransmission, the results of the last quarter also showed an improvement in operating income. This performance would not have been possible without the operational savings yielded by, among other things, the investments we have made in recent years in equipment and technological infrastructure. In the Television segment, TVA Network’s advertising revenues decreased by 7.9% during the last quarter while the specialty services continued their strong performance with 6.6% growth in advertising revenues and 9.8% growth in subscription revenues.

The Publishing segment registered remarkable operating income growth from the same quarter of 2012. The inclusion of the operating results of *La Semaine* magazine, acquired on July 18, 2013, contributed significantly to this growth as did the cost reductions TVA Publications has achieved since the second quarter of 2013. The integration of our new acquisition’s operations into TVA Publications’ existing business will continue during the fourth quarter. Excluding the acquisition, newsstand revenues decreased by 3.6% and advertising revenues by 5.6% in the third quarter. The decreases were less than those registered in the first two quarters of 2013. These results reflect our efforts since the beginning of the year to improve our products and marketing.

Cash flows provided by operating activities totalled $13.0 million in the third quarter of 2013, compared with $18.3 million in the same quarter of 2012. The $5.3 million decrease was essentially due to an unfavourable net change in non-cash items, including accounts receivable, programs, broadcast and distribution rights, and inventories, partially offset by an improvement in operating income.

[1] See definition of operating income (loss) below.

Definition

Operating income (loss)

In its analysis of operating results, the Corporation defines operating income (loss) as net income (loss) before amortization of property, plant and equipment and intangible assets, financial expenses, operational restructuring costs, impairment of assets and other costs, impairment of goodwill, gain on disposal of investments, tax expense, share of loss (income) of associated corporations and joint ventures, and net loss attributable to non-controlling interest. Operating income (loss) as defined above is not a measure of results that is consistent with International Financial Reporting Standards (“IFRS”). Neither is it intended to be regarded as an alternative to other financial performance measures or to the statement of cash flows as a measure of liquidity. This measure is not intended to represent funds available for debt service, dividend payment, reinvestment or other discretionary uses, and should not be considered in isolation or as a substitute for other performance measures prepared in accordance with IFRS. Operating income (loss) is used by the Corporation because management believes it is a meaningful measure of performance.

This measure is used by management and the Board of Directors to evaluate the Corporation’s consolidated results and the results of its business sectors. Measurements such as operating income (loss) are also commonly used by the investment community to analyze and compare the performance of companies in the industries in which the Corporation is active. The Corporation’s definition of operating income (loss) may not be identical to similarly titled measures reported by other companies.

TVA Group

TVA Group Inc., a subsidiary of Quebecor Media Inc., is an integrated communications company involved in the creation, production, broadcast and distribution of audiovisual products, and in magazine publishing. TVA Group Inc. is the largest broadcaster of French-language entertainment, information and public affairs programming and publisher of French-language magazines in North America, and one of the largest private-sector producers of French-language content in North America. The Corporation’s Class B shares are listed on the Toronto Stock Exchange under the ticker symbol TVA.B.

Pierre Dion
President and Chief Executive Officer

TVA GROUP INC.
Consolidated Statements of Income (Loss)

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

		Three-month periods ended September 30		Nine-month periods ended September 30	
	Note	**2013**	2012 (restated, note 2)	**2013**	2012 (restated, note 2)
Revenues	3	**$ 102,217**	$ 97,171	**$ 324,794**	$ 326,143
Purchases of goods and services	4	**52,051**	52,188	**183,966**	191,505
Employee costs		**31,765**	34,642	**100,592**	112,781
Amortization of property, plant and equipment and intangible assets		**5,494**	4,913	**15,956**	15,372
Financial expenses	5	**1,588**	1,673	**4,789**	5,555
Operational restructuring costs, impairment of assets and other costs	6	**875**	–	**3,874**	117
Impairment of goodwill	7	**–**	–	**–**	32,200
Gain on disposal of investments	8	**–**	–	**–**	(12,881)
Income (loss) before tax expense and share of income of associated corporations and joint ventures		**10,444**	3,755	**15,617**	(18,506)
Tax expense		**2,444**	356	**3,546**	1,392
Share of loss (income) of associated corporations and joint ventures		**1,675**	1,860	**4,653**	(182)
Net income (loss)		**$ 6,325**	$ 1,539	**$ 7,418**	$ (19,716)
Net income (loss) attributable to:					
Shareholders		**$ 6,325**	$ 1,539	**$ 7,418**	$ (15,302)
Non-controlling interest		**–**	–	**–**	(4,414)
Basic and diluted earnings (loss) per share attributable to shareholders	10 c)	**$ 0.27**	$ 0.06	**$ 0.31**	$ (0.64)

See accompanying notes to condensed consolidated financial statements.

TVA GROUP INC.
Consolidated Statements of Comprehensive Income (Loss)

(unaudited)
(in thousands of dollars)

	Three-month periods ended September 30		Nine-month periods ended September 30	
	2013	2012 (restated, note 2)	**2013**	2012 (restated, note 2)
Net income (loss)	**$ 6,325**	$ 1,539	**$ 7,418**	$ (19,716)
Other comprehensive items that will not be reclassified to income:				
Defined benefit plans:				
Actuarial gain	**24,000**	–	**24,000**	–
Deferred income taxes	**(6,500)**	–	**(6,500)**	–
	17,500	–	**17,500**	–
Comprehensive income (loss)	**$ 23,825**	$ 1,539	**$ 24,918**	$ (19,716)
Comprehensive income (loss) attributable to:				
Shareholders	**$ 23,825**	$ 1,539	**$ 24,918**	$ (15,302)
Non-controlling interest	**–**	–	**–**	(4,414)

See accompanying notes to condensed consolidated financial statements.

TVA GROUP INC.
Consolidated Statements of Equity

(unaudited)
(in thousands of dollars)

	Equity attributable to shareholders				Equity attributable to non-controlling interest	Total equity
	Capital stock (note 10)	Contributed surplus	Retained earnings	Accumulated other comprehensive loss - Defined benefit plans		
Balance as at December 31, 2011, as previously reported	$ 98,647	$ –	$ 176,993	$ –	$ 5,389	$ 281,029
Changes in accounting policies (note 2)	–	–	17,408	(18,323)	–	(915)
Balance as at December 31, 2011, as restated	98,647	–	194,401	(18,323)	5,389	280,114
Net loss	–	–	(15,302)	–	(4,414)	(19,716)
Contributions related to non-controlling interest (note 12)	–	–	–	–	3,528	3,528
Disposal of interest in SUN News (note 12)	–	581	–	–	(4,503)	(3,922)
Balance as at September 30, 2012	98,647	581	179,099	(18,323)	–	260,004
Net income	–	–	8,838	–	–	8,838
Other comprehensive loss	–	–	–	(2,297)	–	(2,297)
Balance as at December 31, 2012	98,647	581	187,937	(20,620)	–	266,545
Net income	–	–	7,418	–	–	7,418
Other comprehensive income	–	–	–	17,500	–	17,500
Balance as at September 30, 2013	**$ 98,647**	**$ 581**	**$ 195,355**	**$ (3,120)**	**$ –**	**$ 291,463**

See accompanying notes to condensed consolidated financial statements.

TVA GROUP INC.
Consolidated Balance Sheets

(unaudited)
(in thousands of dollars)

	Note	**September 30, 2013**	December 31, 2012 (restated, note 2)
Assets			
Current assets			
Cash		**$ 7,163**	$ 10,619
Accounts receivable		**116,194**	115,925
Income taxes		**1,438**	3,152
Programs, broadcast and distribution rights and inventories	6	**73,418**	67,579
Prepaid expenses		**2,093**	2,426
		200,306	199,701
Non-current assets			
Broadcast and distribution rights	6	**31,792**	33,563
Investments		**15,146**	17,651
Property, plant and equipment		**99,192**	98,494
Licences and other intangible assets		**112,634**	112,056
Goodwill	7	**44,504**	39,781
Deferred income taxes		**1,515**	725
		304,783	302,270
Total assets		**$ 505,089**	$ 501,971

See accompanying notes to condensed consolidated financial statements.

TVA GROUP INC.
Consolidated Balance Sheets (continued)

(unaudited)
(in thousands of dollars)

	Note	September 30, 2013	December 31, 2012 (restated, note 2)
Liabilities and equity			
Current liabilities			
Accounts payable and accrued liabilities		**$ 82,578**	$ 89,092
Income taxes		**767**	816
Broadcast and distribution rights payable		**18,544**	16,966
Provisions		**626**	862
Deferred revenues		**8,816**	6,136
		111,331	113,872
Non-current liabilities			
Long-term debt		**74,589**	74,438
Other liabilities		**9,752**	38,499
Deferred income taxes		**17,954**	8,617
		102,295	121,554
Equity			
Capital stock	10	**98,647**	98,647
Contributed surplus	12	**581**	581
Retained earnings		**195,355**	187,937
Accumulated other comprehensive loss		**(3,120)**	(20,620)
Equity attributable to shareholders		**291,463**	266,545
Total liabilities and equity		**$ 505,089**	$ 501,971

See accompanying notes to condensed consolidated financial statements.

On November 5, 2013, the Board of Directors approved the condensed consolidated financial statements for the three-month and nine-month periods ended September 30, 2013 and 2012.

TVA GROUP INC.
Consolidated Statements of Cash Flows

(unaudited)
(in thousands of dollars)

	Note	Three-month periods ended September 30		Nine-month periods ended September 30	
		2013	2012 (restated, note 2)	**2013**	2012 (restated, note 2)
Cash flows related to operating activities					
Net income (loss)		**$ 6,325**	$ 1,539	**$ 7,418**	$ (19,716)
Non-cash items:					
Amortization		**5,544**	5,020	**16,107**	15,687
Impairment of assets	6	**611**	–	**1,610**	–
Impairment of goodwill	7	**–**	–	**–**	32,200
Gain on disposal of investments	8	**–**	–	**–**	(12,881)
Share of loss (income) of associated corporations and joint ventures		**1,675**	1,860	**4,653**	(182)
Deferred income taxes		**339**	7	**1,248**	380
		14,494	8,426	**31,036**	15,488
Net change in non-cash items		**(1,497)**	9,886	**(9,852)**	7,075
Cash flows provided by operating activities		**12,997**	18,312	**21,184**	22,563
Cash flows related to investing activities					
Additions to property, plant and equipment		**(4,642)**	(5,566)	**(14,190)**	(17,668)
Additions to intangible assets		**(773)**	(892)	**(1,695)**	(2,195)
Business (acquisition) disposal	9,12	**(6,607)**	765	**(6,607)**	765
Net change in investments	8,12	**(1,477)**	(1,493)	**(2,148)**	19,470
Cash of SUN News at the date of deconsolidation	12	**–**	–	**–**	(430)
Cash flows used in investing activities		**(13,499)**	(7,186)	**(24,640)**	(58)
Cash flows related to financing activities					
Net change in bank overdraft		**–**	(4,943)	**–**	(3,980)
Net change in revolving credit facility		**–**	(454)	**–**	(17,736)
Financing costs		**–**	–	**–**	(344)
Non-controlling interest	12	**–**	–	**–**	3,528
Cash flows used in financing activities		**–**	(5,397)	**–**	(18,532)
Net change in cash		**(502)**	5,729	**(3,456)**	3,973
Cash at beginning of period		**7,665**	–	**10,619**	1,756
Cash at end of period		**$ 7,163**	$ 5,729	**$ 7,163**	$ 5,729
Interest and taxes reflected as operating activities					
Interest paid		**$ 130**	$ 48	**$ 2,326**	$ 2,795
Income taxes (received) paid		**(575)**	(1,501)	**814**	1,971

See accompanying notes to condensed consolidated financial statements.

TVA Group Inc. ("TVA Group" or the "Corporation") is governed by the *Quebec Business Corporations Act*. TVA Group is an integrated communications company with two operating segments: Television and Publishing (note 13). The Corporation is a subsidiary of Quebecor Media Inc. ("Quebecor Media" or the "parent corporation") and the ultimate parent corporation is Quebecor Inc. ("Québecor"). The Corporation's head office is located at 1600 de Maisonneuve Boulevard East, Montreal, Quebec, Canada.

The Corporation's businesses experience significant seasonality due, among other factors, to seasonal advertising patterns and influences on people's viewing, reading and listening habits. Because the Corporation depends on the sale of advertising for a significant portion of its revenue, operating results are also sensitive to prevailing economic conditions, including changes in local, regional and national economic conditions, particularly as they may affect advertising expenditures. Accordingly, the results of operations for interim periods should not necessarily be considered indicative of full-year results.

1. Basis of presentation

These consolidated financial statements were prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"), except that they do not include all disclosures required under IFRS for annual consolidated financial statements. In particular, these consolidated financial statements were prepared in accordance with IAS 34, *Interim Financial Reporting*, and accordingly, they are condensed consolidated financial statements. They are presented in Canadian dollars, which is the currency of the primary economic environment in which the Corporation and its subsidiaries operate ("functional currency"). These condensed consolidated financial statements should be read in conjunction with the Corporation's 2012 annual consolidated financial statements, which describe the accounting policies used to prepare these financial statements.

Comparative figures for the three-month and nine-month periods ended September 30, 2012 have been restated to conform to the presentation adopted for the three-month and nine-month periods ended September 30, 2013.

2. Changes in accounting policies

On January 1, 2013, the Corporation adopted retrospectively the following standards. Unless otherwise indicated, the adoption of these new standards did not have a material impact on prior period comparative figures.

i) IFRS 10 *Consolidated Financial Statements* replaces SIC 12 *Consolidation – Special Purpose Entities* and parts of IAS 27 *Consolidated and Separate Financial Statements* and provides additional guidance regarding the concept of control as the determining factor in whether an entity should be included in the consolidated financial statements of the parent corporation.

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

2. Changes in accounting policies (continued)

ii) IFRS 11 *Joint Arrangements* replaces IAS 31 *Interests in Joint Ventures* with guidance that focuses on the rights and obligations of the arrangement, rather than its legal form. It also withdraws the option to proportionately consolidate an entity's interest in joint ventures. The new standard requires that such interests be recognized using the equity method.

The adoption of the standard had the following impacts on comparative figures for the nine-month period ended September 30, 2012 (no impact for the three-month period ended September 30, 2012 (note 8)):

Consolidated Statement of Income

Increase (decrease)	
Revenues	$ (4,219)
Purchases of goods and services	(2,512)
Financial expenses	7
Loss before tax expense and share of income of associated corporations and joint ventures	1,714
Share of loss (income) of associated corporations and joint ventures	(1,714)
Net income	$ –

iii) IFRS 12 *Disclosure of Interests in Other Entities* is a new and comprehensive standard on disclosure requirements for all forms of interests in other entities, including joint arrangements, associates, special purpose entities and other off-balance sheet vehicles.

iv) IFRS 13 *Fair Value Measurement* is a new and comprehensive standard that sets out a framework for measuring at fair value and that provides guidance on required disclosures about fair value measurements.

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

2. Changes in accounting policies (continued)

v) IAS 1 *Presentation of Financial Statements* was amended and the principal change resulting from amendments to this standard is the requirement to present separately other comprehensive items that may be reclassified to income and other comprehensive items that will not be reclassified to income.

vi) IAS 19 *Employee Benefits (Amended)* involves, among other changes, the immediate recognition of the re-measurement component in other comprehensive income, thereby removing the accounting option previously available in IAS 19 to recognize or to defer recognition of changes in defined benefit obligations and in the fair value of plan assets directly in the consolidated statement of income. IAS 19 also introduces a net interest approach that replaces the expected return on assets and interest costs on the defined benefit obligation with a single net interest component determined by multiplying the net defined benefit liability or asset by the discount rate used to determine the defined benefit obligation. In addition, all past service costs are required to be recognized in profit or loss when the employee benefit plan is amended and no longer spread over any future service period. IAS 19 also allows amounts recorded in other comprehensive income to be recognized either immediately in retained earnings or as a separate category within equity. The Corporation has elected to immediately recognize in accumulated other comprehensive income the amounts recorded in other comprehensive income.

The adoption of the amended standard had the following impacts on prior period comparative figures:

Consolidated Statements of Income

Increase (decrease)	Three-month period ended September 30, 2012	Nine-month period ended September 30, 2012
Employee costs	$ 343	$ 1,027
Financial expenses	462	1,387
Deferred income tax expense	(217)	(650)
Net income	$ (588)	$ (1,764)

Consolidated balance sheets

Increase (decrease)	December 31, 2012	December 31, 2011
Other liabilities	$ –	$ 1,251
Deferred income tax liability	–	(336)
Retained earnings	20,620	17,408
Accumulated other comprehensive income	(20,620)	(18,323)

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

3. Revenues

The breakdown of revenues between services rendered and product sales is as follows:

	Three-month periods ended September 30		Nine-month periods ended September 30	
	2013	2012 (restated, note 2)	**2013**	2012 (restated, note 2)
Services rendered[1]	**$ 77,711**	$ 72,458	**$ 250,555**	$ 249,345
Product sales	**24,506**	24,713	**74,239**	76,798
	$ 102,217	$ 97,171	**$ 324,794**	$ 326,143

[1] The Corporation collects royalties on the retransmission of its television signal in markets located outside the local service areas of its over-the-air stations. During the third quarter of 2013, the Copyright Board of Canada (the "Board") completed its consultations on the issues surrounding an agreement on a new division of royalties between copyright collective societies for the 2009-2013 period, whereby the Corporation's share of the royalties is significantly increased. The agreement was endorsed by the Board. Accordingly, based on the confirmed new information, the Corporation recorded in the third quarter of 2013 an amount to reflect the increase in its share of the royalties, of which $6,111,000 applied to the years 2009 to 2012 and $730,000 to the first two quarters of 2013.

4. Purchases of goods and services

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

	Three-month periods ended September 30		Nine-month periods ended September 30	
	2013	2012 (restated, note 2)	**2013**	2012 (restated, note 2)
Royalties, rights and production costs	**$ 30,771**	$ 30,359	**$ 112,481**	$ 113,075
Printing and distribution	**5,024**	4,856	**14,342**	17,298
Marketing, advertising and promotion	**3,896**	2,098	**12,271**	11,470
Buildings costs	**2,134**	2,270	**6,526**	7,355
Services rendered by parent corporation	**4,570**	3,602	**16,542**	12,817
Other	**5,656**	9,003	**21,804**	29,490
	$ 52,051	$ 52,188	**$ 183,966**	$ 191,505

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

5. Financial expenses

	Three-month periods ended September 30		Nine-month periods ended September 30	
	2013	2012 (restated, note 2)	**2013**	2012 (restated, note 2)
Interest on long-term debt	**$ 1,139**	$ 1,148	**$ 3,387**	$ 3,846
Amortization of financing costs	**50**	107	**151**	315
Interest on net defined benefit liability	**420**	462	**1,260**	1,387
Other	**(21)**	(44)	**(9)**	7
	$ 1,588	$ 1,673	**$ 4,789**	$ 5,555

6. Operational restructuring costs, impairment of assets and other costs

During the three-month period ended September 30, 2013, the Corporation recorded an additional $611,000 inventory impairment charge in connection with the discontinuation of its TVA Boutiques division's home shopping and online shopping operations. For the nine-month period ended September 30, 2013, the impairment charge related to the discontinuation of operations totalled $1,223,000 in addition to a $303,000 provision for operational restructuring costs.

In the three-month period ended September 30, 2013, the Corporation recorded $138,000 in operational restructuring costs in connection with staff reductions, mainly in the Publishing segment ($1,784,000 for the nine-month period ended September 30, 2013, including $879,000 in the Television segment and $905,000 in the Publishing segment). In the nine-month period ended September 30, 2012, the Corporation recorded $117,000 in operational restructuring costs in connection with staff reductions in the Publishing segment.

During the nine-month period ended September 30, 2013, the Corporation also recorded a $387,000 impairment charge related to its long-term distribution rights inventory following its decision in the first quarter of 2013 to discontinue theatrical distribution of new Quebec films.

7. Impairment of goodwill

During the first quarter of 2012, following the adoption of new rates for business contributions towards the cost of waste recovery and recycling services provided by Quebec municipalities, the Corporation had to review its business plan for the related activities and perform an impairment test on the Publishing cash-generating unit (“CGU”). The Corporation concluded that the recoverable amount based on value in use was less than the carrying amount of the Publishing CGU and a goodwill impairment charge of $32,200,000 was recorded.

8. Gain on disposal of investments

On May 31, 2012, following Canadian Radio-television and Telecommunications Commission approval, the Corporation completed the sale of its 51% interest in “The Cave” and its 50% interest in “Mystery TV” to its partner in the joint ventures, Shaw Media Global Inc., for a total cash consideration of $20,963,000. A $12,881,000 gain on disposal of investments, before income taxes, was recorded. The transaction did not give rise to any income tax charge because the Corporation used unrecorded capital losses to eliminate the capital gains tax on disposal of investments.

9. Business acquisition

On July 18, 2013, the Corporation acquired all of the issued and outstanding shares of Les Publications Charron & Cie inc., publisher of *La Semaine* magazine, for a total consideration of $7,638,000, of which $438,000 remains unpaid in respect of acquired working capital items. As part of this transaction, the Corporation also acquired all of the issued and outstanding shares of Charron Éditeur inc., a publishing house, and simultaneously transferred its operations to Sogides Group, a corporation under common control, for the equivalent of the price paid, namely an agreed price of $212,000, net of transferred working capital items. The results of the new subsidiary, Les Publications Charron & Cie inc., have been included in the Corporation’s consolidated results since July 18, 2013. As the purchase price allocation process was not completed as of September 30, 2013, the amounts allocated to assets and liabilities may be changed subsequently.

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

9. Business acquisition (continued)

The preliminary allocation of the acquisition price of Les Publications Charron & Cie inc. is as follows:

		2013
Assets acquired		
Cash	$	**593**
Current assets		**1,138**
Property, plant and equipment		**94**
Intangible assets		**3,030**
Goodwill		**4,723**
Deferred income taxes		**28**
		9,606
Liabilities assumed		
Current liabilities		**(1,293)**
Deferred income taxes		**(675)**
		(1,968)
Net assets acquired at fair value	**$**	**7,638**
Consideration		
Cash		**7,200**
Liability related to the preliminary adjustment in working capital		**438**
	$	**7,638**

The Corporation's consolidated revenues and its consolidated pro forma net income would not have been materially different from the actual numbers if the business acquisition had occurred at the beginning of the nine-month period ended September 30, 2013.

No goodwill is deductible for income tax purposes.

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

10. Capital stock

a) Authorized capital stock

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

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

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

b) Issued and outstanding capital stock

	September 30, 2013	December 31, 2012
4,320,000 Class A Common Shares	$ 72	$ 72
19,450,906 Class B shares	98,575	98,575
	$ 98,647	$ 98,647

c) Earnings (loss) per share attributable to shareholders

The following table sets forth the computation of basic and diluted earnings (loss) per share attributable to shareholders:

	Three-month periods ended September 30		Nine-month periods ended September 30	
	2013	2012 (restated, note 2)	**2013**	2012 (restated, note 2)
Net income (loss) attributable to shareholders	**$ 6,325**	$ 1,539	**$ 7,418**	$ (15,302)
Weighted average number of basic and diluted shares outstanding	**23,770,906**	23,770,906	**23,770,906**	23,770,906
Basic and diluted earnings (loss) per share attributable to shareholders (in dollars)	**$ 0.27**	$ 0.06	**$ 0.31**	$ (0.64)

The diluted earnings (loss) per share calculation does not take into consideration the potential dilutive effect of stock options of the Corporation since their impact is anti-dilutive.

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

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

	Nine-month period ended September 30, 2013			
	Corporation's Class B stock options		Quebecor Media stock options	
	Number	Weighted average exercise price	Number	Weighted average exercise price
Balance as at December 31, 2012	819,421	$ 16.34	213,416	$ 46.55
Granted	–	–	207,000	57.64
Exercised	–	–	(41,884)	46.70
Cancelled	(128,345)	15.29	(32,500)	47.68
Options related to executives transferred to Quebecor Media	–	–	(14,625)	46.48
Balance as at September 30, 2013	**691,076**	**$ 16.54**	**331,407**	**$ 53.35**

Of the options outstanding as at September 30, 2013, 691,076 Corporation Class B stock options at an average exercise price of $16.54 and 46,407 Quebecor Media stock options at an average price of $45.76 could be exercised.

During the three-month period ended September 30, 2013, no Quebecor Media stock options were exercised. During the nine-month period ended September 30, 2013, 41,884 Quebecor Media stock options were exercised for a cash consideration of $471,000 (113,728 stock options were exercised for a cash consideration of $629,000 during the three-month and nine-month periods ended September 30, 2012).

During the three-month and nine-month periods ended September 30, 2013, the Corporation recorded compensation expense reversals of $99,000 and $130,000 respectively (compensation expense reversals of $19,000 and $264,000 respectively in the same periods of 2012) in relation to the Corporation's Class B stock options, and it recorded compensation expenses of $387,000 and $317,000 respectively (compensation expense reversal of $64,000 and compensation expense of $482,000 respectively in the same periods of 2012) in relation to Quebecor Media stock options.

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

12. Related party transactions

Capital contributions to SUN News

During the three-month period ended September 30, 2013, the partners in SUN News made a capital contribution of $4,500,000 ($3,600,000 in 2012), including $2,205,000 from the Corporation ($1,764,000 in 2012) and $2,295,000 from Sun Media Corporation, a company under common control ($1,836,000 in 2012).

During the nine-month period ended September 30, 2013, the partners in SUN News made a capital contribution of $7,500,000 ($10,800,000 in 2012), including $3,675,000 from the Corporation ($5,436,000 in 2012) and $3,825,000 from Sun Media Corporation ($5,364,000 in 2012).

Disposal of interest in SUN News

On June 30, 2012, the Corporation sold a 2% interest in SUN News to Sun Media Corporation for a cash consideration of $765,000.The Corporation now holds a 49% interest in SUN News and Sun Media Corporation owns 51%. The difference between the amount paid and the book value of the interest yielded a $581,000 gain, which was accounted for in contributed surplus. Following the loss of control, SUN News' results are no longer consolidated as of July 1, 2012, and the investment in SUN News is now accounted for using the equity method.

The following table shows details of the net assets of SUN News, which were reclassified as an investment using the equity method at the date of deconsolidation.

Current assets		
Cash	$	430
Accounts receivable and other current assets		2,792
		3,222
Non-current assets		
Property, plant and equipment		8,873
Intangible assets		650
		12,745
Current liabilities		
Accounts payable and accrued liabilities		3,555
Net assets		9,190
Sun Media Corporation interest		(4,687)
Investment using equity method	$	4,503

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

13. Segmented information

The Corporation's business segments are:

– The Television segment, which includes the operations of TVA Network (including the subsidiaries and divisions TVA Productions Inc., TVA Sales and Marketing Inc., TVA Accès, TVA Nouvelles, TVA Interactif), specialty services, the marketing of digital products associated with the different televisual brands, the home and online shopping services of the TVA Boutiques division up to the second quarter of 2013, and the distribution of audiovisual products by the TVA Films division.

– The Publishing segment, which includes the operations of TVA Publications Inc. and Les Publications Charron & Cie inc. – which publish French-language magazines in various fields such as the arts, entertainment, television, fashion and decoration, and market digital products associated with the different magazine brands – and the operations of the TVA Studio division, which specializes in custom publishing, commercial print production and premedia services.

	Three-month periods ended September 30		Nine-month periods ended September 30	
	2013	2012 (restated, note 2)	**2013**	2012 (restated, note 2)
Revenues				
Television	**$ 83,734**	$ 81,646	**$ 277,268**	$ 279,379
Publishing	**19,211**	16,854	**49,986**	49,973
Intersegment items	**(728)**	(1,329)	**(2,460)**	(3,209)
	$ 102,217	$ 97,171	**$ 324,794**	$ 326,143
Operating income[1]				
Television	**14,658**	8,051	**34,253**	19,011
Publishing	**3,743**	2,290	**5,983**	2,846
	18,401	10,341	**40,236**	21,857
Amortization of property, plant and equipment and intangible assets	**5,494**	4,913	**15,956**	15,372
Financial expenses	**1,588**	1,673	**4,789**	5,555
Operational restructuring costs, impairment of assets and other costs	**875**	–	**3,874**	117
Impairment of goodwill	**–**	–	**–**	32,200
Gain on disposal of investments	**–**	–	**–**	(12,881)
Income (loss) before tax expense and share of income of associated corporations and joint ventures	**$ 10,444**	$ 3,755	**$ 15,617**	$ (18,506)

13. Segmented information (continued)

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

(1) The Chief Executive Officer uses operating income as a measure of financial performance for assessing the performance of each of the Corporation's segments. Operating income is defined as net income (loss) before amortization of property, plant and equipment and intangible assets, financial expenses, operational restructuring costs, impairment of assets and other costs, impairment of goodwill, gain on disposal of investments, tax expense, share of loss (income) of associated corporations and joint ventures, and net loss attributable to non-controlling interest. Operating income as defined above is not a measure of results that is consistent with IFRS.

CORPORATE PROFILE

TVA Group Inc. ("TVA Group" or the "Corporation"), a subsidiary of Quebecor Media Inc. ("QMI"), is a communications company with operations in two business segments: Television and Publishing. In the Television segment, the Corporation creates, produces and broadcasts entertainment, information and public affairs programming, distributes audiovisual products and films, and is engaged in commercial production. It operates North America's largest private French-language television network as well as 8 specialty services. TVA Group also holds minority interests in the Évasion specialty service and in the English-language specialty service SUN News Network ("SUN News"). In the Publishing segment, TVA Group produces over 50 titles, making it Quebec's largest publisher of French-language magazines. It also offers custom publishing, commercial printing and premedia services that promote customers' brands through print media. The Corporation's Class B shares are listed on the Toronto Stock Exchange under the ticker symbol TVA.B.

This Interim Management's Discussion and Analysis covers the Corporation's main activities during the third quarter of 2013, and the major changes from the previous financial year. The Corporation's condensed consolidated financial statements for the three- and nine-month periods ended September 30, 2013 and 2012 have been prepared in accordance with International Financial Reporting Standards ("IFRS").

All the amounts presented in this Management's Discussion and Analysis are in Canadian dollars. This report should be read in conjunction with the information in the annual Consolidated Financial Statements and Management's Discussion and Analysis for the financial year ended December 31, 2012 and in the Condensed Consolidated Financial Statements as of September 30, 2013.

BUSINESS SEGMENTS

The Corporation's operations consist of the following segments:

- The Television segment, which includes the operations of TVA Network (including the subsidiaries and divisions TVA Productions Inc., TVA Sales and Marketing Inc., TVA Accès, TVA Nouvelles, TVA Interactif), specialty services, the marketing of digital products associated with the different televisual brands, the home and online shopping services of the TVA Boutiques division up to the second quarter of 2013, and the distribution of audiovisual products by the TVA Films division.

- The Publishing segment, which includes the operations of TVA Publications Inc. ("TVA Publications") and Les Publications Charron & Cie inc. ("Publications Charron") – which publish French-language magazines in various fields such as the arts, entertainment, television, fashion and decoration, and market digital products associated with the different magazine brands – and the operations of the TVA Studio division, which specializes in custom publishing, commercial print production and premedia services.

HIGHLIGHTS SINCE END OF SECOND QUARTER 2013

- On August 31, 2013, the Corporation discontinued the operations of its TVA Boutiques division, which was engaged in home shopping and online shopping.

- On August 8, 2013, the Canadian Radio-television and Telecommunications Commission ("CRTC") rejected SUN News Network's application for mandatory carriage as part of basic service in Canada. However, the CRTC did issue a call for comments on the terms and conditions of distribution for Canadian Category C national news specialty services.

- During the third quarter of 2013, the Corporation recorded revenues in the amount of $6,841,000 in respect of its share of retroactive royalties for the retransmission of distant signals for the years 2009 to 2012 and the first two quarters of 2013.

- During the third quarter of 2013, the operations of Publications Charron were integrated into the Publishing segment.

NON-IFRS FINANCIAL MEASURES

To evaluate its financial performance, the Corporation uses certain measures that are not calculated in accordance with or recognized under IFRS. The Corporation uses these non-IFRS financial measures because it believes that they are meaningful measures of its performance. The Corporation's method of calculating non-IFRS financial measures may differ from the methods used by other companies and, as a result, the financial measures presented in this Management's Discussion and Analysis may not be comparable to other measures with similar names reported by other companies.

Operating income (loss)

In its analysis of operating results, the Corporation defines operating income (loss) as net income (loss) before amortization of property, plant and equipment and intangible assets, financial expenses, operational restructuring costs, impairment of assets and other costs, impairment of goodwill, gain on disposal of investments, tax expense, share of loss (income) of associated corporations and joint ventures, and net loss attributable to non-controlling interest. Operating income (loss) as defined above is not a measure of results that is consistent with IFRS. Neither is it intended to be regarded as an alternative to other financial performance measures or to the statement of cash flows as a measure of liquidity. This measure is not intended to represent funds available for debt service, dividend payment, reinvestment or other discretionary uses, and should not be considered in isolation or as a substitute for other performance measures prepared in accordance with IFRS. Operating income (loss) is used by the Corporation because management believes it is a meaningful measure of performance. This measure is used by management and the Board of Directors to evaluate the Corporation's consolidated results and the results of its segments. Measurements such as operating income (loss) are also commonly used by the investment community to analyze and compare the performance of companies in the industries in which the Corporation is active. The Corporation's definition of operating income (loss) may not be identical to similarly titled measures reported by other companies.

Table 1 below presents a reconciliation of operating income to net income (loss) attributable to shareholders as disclosed in the Corporation's condensed consolidated financial statements.

Table 1
Reconciliation of the operating income used in this report to the net income (loss) attributable to shareholders measure used in the condensed consolidated financial statements
(in thousands of dollars)

	Three-months ended September 30		Nine-months ended September 30	
	2013	2012 (restated)	**2013**	2012 (restated)
Operating income:				
Television	**$ 14,658**	$ 8,051	**$ 34,253**	$ 19,011
Publishing	**3,743**	2,290	**5,983**	2,846
	18,401	10,341	**40,236**	21,857
Amortization of property, plant and equipment and intangible assets	**5,494**	4,913	**15,956**	15,372
Financial expenses	**1,588**	1,673	**4,789**	5,555
Operational restructuring costs, impairment of assets and other costs	**875**	–	**3,874**	117
Impairment of goodwill	**–**	–	**–**	32,200
Gain on disposal of investments	**–**	–	**–**	(12,881)
Tax expense	**2,444**	356	**3,546**	1,392
Share of loss (income) of associated corporations and joint ventures	**1,675**	1,860	**4,653**	(182)
Non-controlling interest	**–**	–	**–**	(4,414)
Net income (loss) attributable to shareholders	**$ 6,325**	$ 1,539	**$ 7,418**	$ (15,302)

ANALYSIS OF CONSOLIDATED RESULTS

Operating revenues: $102,217,000, an increase of $5,046,000 (5.2%).

- $2,088,000 (2.6%) increase in the Television segment (Table 2) due primarily to a 5.8% increase in revenues from TVA Network resulting from recognition of $6,841,000 in retroactive royalties for the retransmission of distant signals (see “Distant signal retransmission royalties” in the analysis of the Television segment’s results below) as well as an 8.8% increase in revenues from the specialty services. These increases were partially offset by the unfavourable impact of the discontinuation of the operations of the TVA Boutiques division and a 17.1% decrease in revenues at the TVA Accès division.

- $2,357,000 (14.0%) increase in the Publishing segment (Table 2) primarily due to a 20.3% increase in newsstand revenues as a result of the inclusion of *La Semaine* magazine since July 18, 2013 and to a 50.6% increase in the TVA Studio division’s operating revenues.

Table 2
Operating revenues
(in thousands of dollars)

	Three-months ended September 30		Nine-months ended September 30	
	2013	2012 (restated)	**2013**	2012 (restated)
Television	**$ 83,734**	$ 81,646	**$ 277,268**	$ 279,379
Publishing	**19,211**	16,854	**49,986**	49,973
Intersegment items	**(728)**	(1,329)	**(2,460)**	(3,209)
	$ 102,217	$ 97,171	**$ 324,794**	$ 326,143

Operating income: $18,401,000, an $8,060,000 favourable variance compared with the same quarter of 2012.

- $6,607,000 favourable variance in the Television segment (Table 3) due primarily to the increase in TVA Network's operating income resulting from recognition of retroactive royalties for the retransmission of distant signals and improved results at the specialty services, partially offset by a decrease in operating income at TVA Accès caused by a slowdown in commercial production activities.

- $1,453,000 favourable variance in the Publishing segment (Table 3), mainly reflecting the positive impact of the inclusion of the operating results of *La Semaine* magazine since July 18, 2013, increased volume at TVA Studio and cost reductions since the second quarter of 2013.

Table 3
Operating income
(in thousands of dollars)

	Three-months ended September 30		Nine-months ended September 30	
	2013	2012 (restated)	**2013**	2012 (restated)
Television	**$ 14,658**	$ 8,051	**$ 34,253**	$ 19,011
Publishing	**3,743**	2,290	**5,983**	2,846
	$ 18,401	$ 10,341	**$ 40,236**	$ 21,857

Net income attributable to shareholders: $6,325,000 ($0.27 per basic and diluted share) in the third quarter of 2013, compared with $1,539,000 ($0.06 per basic and diluted share) in the same period of 2012.

- The positive variance of $4,786,000 ($0.21 per basic and diluted share) was essentially due to:

    - $8,060,000 increase in operating income;

    - $185,000 favourable variance related to the Corporation's share of loss of associated corporations;

Partially offset by:

- $581,000 unfavourable variance in amortization of property, plant and equipment and intangible assets;

- $2,088,000 unfavourable variance in income tax; and

- $875,000 unfavourable variance in operational restructuring costs, impairment of assets and other costs.

- The calculation of earnings per share was based on a weighted average of 23,770,906 outstanding diluted shares for the quarters ended September 30, 2013 and 2012.

Amortization of property, plant and equipment and intangible assets: $5,494,000, a $581,000 increase.

- The increase was mainly due to accelerated amortization of the intangible assets of the TVA Boutiques division following discontinuation of its operations during the quarter, as well as to the implementation of major technical projects during the past year.

Financial expenses: $1,588,000, a slight $85,000 decrease.

Operational restructuring costs, impairment of assets and other costs: $875,000 in the third quarter of 2013, compared with nil in the same quarter of 2012.

- During the second quarter of 2013, the Corporation announced that the operations of its TVA Boutiques division would be discontinued. As a result of this repositioning, which was completed during the third quarter, an additional $611,000 inventory impairment charge was recognized.
- In the three-month period ended September 30, 2013, the Corporation recorded $138,000 in operational restructuring costs in connection with staff reductions, mainly in the Publishing segment.
- During the same period, the Corporation recorded professional fees totalling $126,000 in connection with the acquisition of Publications Charron and an appeal in a legal dispute related to a former subsidiary's production activities.

Income tax expense: $2,444,000 (effective tax rate of 23.4%) in the third quarter of 2013, compared with $356,000 (effective tax rate of 9.5%) in the same period of 2012.

- In the third quarters of 2012 and 2013, the tax rate was lower than the Corporation's statutory tax rate of 26.9%, mainly because of the Corporation's share of the tax savings generated by SUN News' losses.

Share of loss of associated corporations: $1,675,000 in the third quarter of 2013, compared with $1,860,000 in the same quarter of 2012. The $185,000 favourable variance was due to the improved financial results of SUN News during the three-month period ended September 30, 2013.

2013/2012 year-to-date comparison

Operating revenues: $324,794,000, a decrease of $1,349,000 (-0.4%).

- $2,111,000 (-0.8%) decrease in the Television segment (Table 2), due mainly to the unfavourable impact of the deconsolidation of the results of SUN News, the discontinuation of the operations of TVA Boutiques, and a 1.2% decrease in TVA Network's revenues, partially offset by an 11.8% increase in revenues at the specialty services.

- Relatively stable revenues in the Publishing segment, with a slight $13,000 (0.0%) increase.

Operating income: $40,236,000, an $18,379,000 favourable variance compared with the same nine-month period of 2012.

- $15,242,000 favourable variance in the Television segment (Table 3), primarily because of the sale of part of the Corporation's interest in SUN News (see "SUN News" section) and 20.8% growth in TVA Network's operating income, mainly reflecting recognition in the third quarter of 2013 of retroactive royalties for distant signal retransmission.

- $3,137,000 favourable variance in the Publishing segment (Table 3), mainly attributable to the impact of recognition in the first half of 2012 of retroactive charges for the years 2010 and 2011 resulting from the adoption of new rates for business contributions toward the costs of waste recovery and recycling services provided by Quebec municipalities ("EEQ") and the favourable impact of the inclusion of the operating results of *La Semaine* magazine since July 18, 2013.

Net income attributable to shareholders: $7,418,000 ($0.31 per basic and diluted share) for the first nine months of 2013, compared with a $15,302,000 net loss (-$0.64 per basic and diluted share) in the same period of 2012.

- The positive variance of $22,720,000 ($0.95 per basic and diluted share) was essentially due to:

    - $32,200,000 goodwill impairment charge in the Publishing segment recorded in the first quarter of 2012;

    - $18,379,000 increase in operating income;

    Partially offset by:

    - $12,881,000 unfavourable variance in the gain on disposal of investments, due to a $12,881,000 gain recorded in the Television segment in the second quarter of 2012;

    - $4,835,000 unfavourable variance in the share of loss (income) of associated corporations and joint ventures;

    - $4,414,000 decrease in non-controlling interest;

    - $3,757,000 unfavourable variance in operational restructuring costs, impairment of assets and other costs; and

    - $2,154,000 unfavourable variance in income taxes.

- The calculation of earnings per share is based on a weighted average of 23,770,906 outstanding diluted shares for the first nine months of 2013 and 2012.

Amortization of property, plant and equipment and intangible assets: $15,956,000, an increase of $584,000, essentially because of the same factors as those noted above in the 2013/2012 third quarter comparison.

Financial expenses: $4,789,000, a $766,000 decrease essentially due to lower average indebtedness in the first nine months of 2013 compared with the same period of 2012 resulting primarily from receipt of proceeds from disposal of the Corporation's interest in "Mystery TV" and "The Cave" at the end of the second quarter of 2012.

Operational restructuring costs, impairment of assets and other costs: $3,874,000 in the first nine months of 2013, compared with $117,000 in the same period of 2012.

- The $3,757,000 unfavourable variance was essentially due to:
  - $1,223,000 total inventory impairment charge and $303,000 charge for operational restructuring costs recorded in connection with the discontinuation of tele-shopping operations;
  - $1,784,000 in operational restructuring costs in connection with staff reductions in the Television and Publishing segments during the 2013 period, compared with $117,000 in the same period of 2012;
  - $101,000 net charge in connection with a legal dispute related to a former subsidiary's production activities;
  - $76,000 in professional fees related to the acquisition of Publications Charron; and
  - $387,000 impairment charge related to the long-term distribution rights inventory following the announcement in the first quarter of 2013 that theatrical distribution of new Quebec films would be discontinued.

Goodwill impairment: Nil in the first nine months of 2013 compared with $32,200,000 in the same period of 2012.

- During the first quarter of 2012, following the adoption of new rates for business contributions toward the costs of waste recovery and recycling services provided by Quebec municipalities, the Corporation had to review its business plan for the related activities and perform an impairment test on the Publishing cash-generating unit ("CGU"). The Corporation concluded that the recoverable amount, based on value in use, was less than the carrying amount of the Publishing CGU and a goodwill impairment charge of $32,200,000, without any tax consequences, was recorded.

Gain on disposal of investments: Nil for the first nine months of 2013 compared with a $12,881,000 gain in the same period of 2012.

- The variance was due to the gain before income tax, recorded in the second quarter of 2012, related to the sale of the Corporation's 51% interest in the specialty service "The Cave" and its 50% interest in the specialty service "Mystery TV" to Shaw Media Global Inc.

Income tax expense: $3,546,000 (effective tax rate of 22.7%) in the first nine months of 2013, compared with $1,392,000 (effective tax rate of -7.5%) in the same period of 2012.

- In the first nine months of 2013, the tax rate was lower than the Corporation's statutory tax rate of 26.9%, mainly because of the Corporation's share of the tax savings generated by SUN News' losses for the period, partially offset by permanent differences related to non-deductible items.

- In the first nine months of 2012, the tax rate was lower than the Corporation's statutory tax rate of 26.9%, primarily because of the net effect of a non-deductible goodwill impairment charge and the use of unrecorded capital losses to eliminate capital gains tax on the disposal of investments, as well as the Corporation's share of the tax savings generated by SUN News' losses for the period.

Share of loss of associated corporations and joint ventures: $4,653,000 in the first nine months of 2013, compared with a $182,000 share of income of associated corporations and joint ventures in the same period of 2012. The $4,835,000 unfavourable variance was mainly due to the impact of the sale of part of the Corporation's interest in SUN News on June 30, 2012 and the sale of the Corporation's interest in joint ventures on May 31, 2012.

Non-controlling interest: Nil in the first nine months of 2013, compared with $4,414,000 in the same period of 2012. The 2012 figure represented Sun Media Corporation's share of the pre-tax loss of SUN News. Since July 1, 2012, that entity has been recorded as an investment using the equity method and its results are no longer consolidated by the Corporation.

SEGMENTED ANALYSIS

Television

2013/2012 third quarter comparison

Operating revenues: $83,734,000, an increase of $2,088,000 (2.6%), primarily due to:

- 5.8% increase in TVA Network's revenues resulting from recognition of $6,841,000 in retroactive "Retransmission royalties" (see paragraph below) including a 7.9% decrease in advertising revenues;

- combined growth of 9.8% in subscription revenues from the specialty services. The majority of the specialty services posted increases: subscription revenues rose by 36.1%, 13.9%, 11.2% and 7.4% at "MOI&cie," "addik^{TV}," "LCN" and "TVA Sports" respectively;

- 6.7% increase in advertising revenues at the specialty services, generated mainly by "Prise 2," "Casa" and "addik^{TV}," which recorded increases of 98.4%, 35.3% and 32.9% respectively;

Partially offset by:

- unfavourable variance resulting from the discontinuation of the operations of the TVA Boutiques division in the third quarter of 2013;

- 17.1% decrease in revenues from TVA Accès as a result of a slowdown in commercial production activities.

Distant signal retransmission royalties ("Retransmission royalties")

The Corporation collects royalties on the retransmission of its television signal in markets located outside the local service areas of its over-the-air stations. During the third quarter of 2013, the Copyright Board of Canada (the "Board") completed its consultations on the issues surrounding an agreement on a new division of royalties between copyright collective societies for the 2009-2013 period, whereby the Corporation's share of the royalties is significantly increased. The agreement was endorsed by the Board. Accordingly, based on the confirmed new information, the Corporation recorded in the third quarter of 2013 an amount to reflect the increase in its share of the royalties, of which $6,111,000 applied to the years 2009 to 2012 and $730,000 to the first two quarters of 2013.

French-language market ratings

TVA Group's total market share for the period of July 1 to September 30, 2013 was 31.5, compared with 30.3 in the same period of 2012, despite strong competition in the television market. The combined market share of TVA Group's French-language specialty services increased slightly from 8.4 to 8.5. The "Casa" service grew its share by 0.2 while "TVA Sports," "MOI&cie" and "Yoopa" each grew their shares by 0.1. TVA Network remains in the lead with a 23.0% market share, more than its two main conventional rivals combined. TVA Network carried 4 of the 5 most-watched programs in Quebec, including *Le Banquier, La grande rentrée TVA* and *Occupation Double en Espagne,* which each drew more than 1,500,000 viewers.

Table 4
French-language market ratings
(Market share in %)

Summer 2013 vs Summer 2012			
	2013	**2012**	**Difference**
French-language conventional broadcasters:			
TVA	**23.0**	21.9	+ 1.1
SRC	**12.0**	10.3	+ 1.7
V	**7.4**	8.8	- 1.4
	42.4	41.0	+ 1.4
French-language specialty and pay services:			
TVA	**8.5**	8.4	+ 0.1
SRC	**5.0**	5.5	- 0.5
Bell Media*	**18.7**	20.3	- 1.6
Other	**17.6**	17.2	+ 0.4
	49.8	51.4	- 1.6
Total English-language and others:	**7.8**	7.6	+ 0.2
TVA Group	**31.5**	30.3	+ 1.2

Source: BBM Ratings, French Quebec, July 1st to September 30, 2013, Mon-Sun, 2:00 – 2:00, All 2+.

***** Based on its properties following the Bell-Astral transaction completed on July 5, 2013.

Operating expenses: $69,076,000, a decrease of $4,519,000 (-6.1%).

- The decrease was due primarily to:
  - favourable impact of implementation of a cost-containment plan and strict cost controls, enabling TVA Network to reduce its operating expenses by 6.4%;
  - decrease in the TVA Boutiques division's operating expenses as a result of the discontinuation of its operations during the quarter;

  Partially offset by:

  - 4.6% increase in operating expenses at the specialty services due to higher programming investments at the majority of the services.

Operating income: $14,658,000, a $6,607,000 favourable variance due primarily to:

- increase in TVA Network's operating income due to recognition of retroactive distant signal retransmission royalties;
- improved operating results at the specialty services, particularly "addikTV," "CASA" and "TVA Sports";

Partially offset by:

- decrease in the operating income of TVA Accès caused by a slowdown in commercial production activities.

Analysis of cost/revenue ratio: Operating expenses for the Television segment's activities (expressed as a percentage of revenues) decreased from 90.1% during the three-month period ended September 30, 2012 to 82.5% in the same period of 2013. The decrease was mainly due to the revenue increase generated by recognition of retroactive "Retransmission royalties" and implementation of a cost-containment plan in the Television segment.

<u>2013/2012 year-to-date comparison</u>

Operating revenues: $277,268,000, a decrease of $2,111,000 (-0.8%), primarily due to:

- unfavourable impact of the deconsolidation of the results of SUN News;
- loss of revenues resulting from the discontinuation of the operations of the TVA Boutiques division in the third quarter of 2013;
- 5.4% decrease in TVA Network's advertising revenues, partially offset by the recognition of retroactive "Retransmission royalties";

Partially offset by:

- 15.5% increase in subscription revenues at the specialty services:
    - o the "LCN" and "TVA Sports" services accounted for 36.2% and 21.9% of the increase respectively;
    - o the "MOI&cie," "Yoopa" and "addik^{TV}" services logged increases of 41.4%, 18.1% and 13.7% respectively;
- 5.3% increase in advertising revenues at the specialty services, generated mainly by "addik^{TV}," which accounted for 71.6% of the increase.

Operating expenses: $243,015,000, a decrease of $17,353,000 (-6.7%).

- The decrease was due primarily to:
    - o favourable impact of deconsolidation of the results of SUN News;
    - o 5.8% decrease in operating expenses at TVA Network due to the introduction of a cost-containment plan and an adjustment to a provision for CRTC licence fees in the second quarter of 2013;
    - o decrease in operating expenses of the TVA Boutiques division following the discontinuation of its operations;

    Partially offset by:

    - o higher operating expenses at the specialty services due to increased programming investments at the majority of the services.

Operating income: $34,253,000, a $15,242,000 favourable variance due primarily to:

- positive impact on operating income of the sale of part of the Corporation's interest in SUN News in June 2012;
- increase in TVA Network's operating income as a result of recognition of retroactive distant signal retransmission royalties and implementation of a cost-containment plan, which outweighed the decrease in revenues.

Analysis of cost/revenue ratio: Operating expenses for the Television segment's activities (expressed as a percentage of revenues) decreased from 93.2% during the nine-month period ended September 30, 2012 to 87.6% in the same period of 2013. The decrease was essentially due to the same factors as those noted above in the 2013/2012 third quarter comparison.

Publishing

2013/2012 third quarter comparison

Operating revenues: $19,211,000, an increase of $2,357,000 (+14.0%), primarily due to:

- inclusion of the operating revenues of *La Semaine* magazine since July 18, 2013; and
- 50.6% increase in TVA Studio's operating revenues, particularly in print commercial production.

Excluding *La Semaine*, advertising revenues decreased by 5.6% compared with the same quarter of 2012 and newsstand sales declined 3.6%. Subscription revenues decreased slightly by 1.8% compared with the third quarter of 2012.

Readership and market share statistics

- Together, TVA Publications magazines hold 54.2% of cumulative monthly Quebec French-language readership, according to data compiled by the PMB (Print Measurement Bureau - Spring 2013).
- The weeklies reach more than 2.5 million Canadian readers cumulatively per week according to PMB (Print Measurement Bureau - Spring 2013).
    - The showbiz and celebrity news magazine *7 Jours* alone has a weekly readership of 712,000.
    - *La Semaine* magazine, which carries exclusive reports on celebrities in the news, reaches 496,000 readers per week.

Operating expenses: $15,468,000, an increase of $904,000 (+6.2%) due mainly to:

- inclusion of the operating expenses of *La Semaine* magazine since July 18, 2013; and
- the increase in operating expenses related to increased volume at TVA Studio.

Excluding *La Semaine* magazine and the level of activity at TVA Studio, operating expenses decreased by 5.4% in comparison with the same quarter of 2012, mainly because of the $4 million operating-cost-containment plan introduced in the second quarter of 2013.

Operating income: $3,743,000, a $1,453,000 (+63.4%) increase primarily due to:

- the positive impact of the inclusion of the operating results of *La Semaine* magazine since July 18, 2013;
- the contribution from increased volume at TVA Studio during the quarter; and
- cost reductions yielded by the cost-containment plan.

Analysis of cost/revenue ratio: Operating expenses for the Publishing segment's activities (expressed as a percentage of revenues) were 80.5% in the third quarter of 2013, compared with 86.4% in the same period of 2012. The variance was essentially due to the inclusion of the results of Publications Charron in the Publishing segment since July 18, 2013.

Acquisition of Publications Charron

On July 18, 2013, the Corporation acquired the magazine publisher Publications Charron. Its publications include the weekly *La Semaine*, which has average weekly sales of 36,300 to 42,700 copies. The revenues generated by its operations are included in the Publishing segment's results as of the third quarter of 2013. The addition of these operations to the Publishing segment's existing magazines generated a 23.9% increase in newsstand sales in the third quarter of 2013.

2013/2012 year-to-date comparison

Operating revenues: $49,986,000, a slight increase of $13,000 (+0.0%), primarily due to:

- positive impact of the inclusion of the operating revenues of *La Semaine* magazine since July 18, 2013;
- increased volume at TVA Studio during the period, particularly in the third quarter;

Partially offset by:

- 9.0% decrease[1] in newsstand sales; and
- 7.8%[1] decrease in advertising revenues.

[1] Excluding *La Semaine* magazine

Canada Periodical Fund ("CPF")

The Government of Canada launched the Canada Periodical Fund (CPF) on April 1, 2010. The CPF provides financial assistance to the Canadian magazine and non-daily newspaper industries so they can continue to produce and distribute Canadian content. All assistance related to this program is fully recorded under operating revenues. It amounted to 10.1% of the segment's operating revenues for the nine-month period ended September 30, 2013 (8.8% in the same period of 2012).

Operating expenses: $44,003,000, a decrease of $3,124,000 (-6.6%) due mainly to:

- $2,653,000 favourable variance related to the charge for business contributions toward the costs of waste recovery and recycling services provided by Quebec municipalities (Eco Entreprises), since in the same period of 2012 retroactive charges for the years 2010 and 2011 were included in operating expenses;
- 3.6% average decrease in other operating expenses, due to volume-related cost savings and cost reductions yielded by the cost-containment plan introduced in the second quarter of 2013;

Partially offset by:

- inclusion of operating expenses for *La Semaine* magazine since July 18, 2013.

Operating income: $5,983,000, a $3,137,000 favourable variance due primarily to:

- impact of the recognition in the first half of 2012 of the charge resulting from the adoption of new EEQ rates; and
- the positive impact of the inclusion of the operating results of *La Semaine* magazine since July 18, 2013.

Analysis of cost/revenue ratio: Operating expenses for the Publishing segment's activities (expressed as a percentage of revenues) were 88.0% in the first nine months of 2013, compared with 94.3% in the same period of 2012. The decrease was essentially due to the inclusion in the 2012 results of retroactive Eco Entreprises charge for the years 2010 and 2011.

CASH FLOWS AND FINANCIAL POSITION

Table 5 below shows a summary of cash flows related to operating activities, investing activities and financing activities:

Table 5
Summary of the Corporation's cash flows
(in thousands of dollars)

	Three-months ended September 30		Nine-months ended September 30	
	2013	2012 (restated)	**2013**	2012 (restated)
Cash flows related to operating activities	**$ 12,997**	$ 18,312	**$ 21,184**	$ 22,563
Additions to property, plant and equipment and intangible assets	**(5,415)**	(6,458)	**(15,885)**	(19,863)
Net change in investments	**(1,477)**	(1,493)	**(2,148)**	19,470
Business (acquisition) disposal	**(6,607)**	765	**(6,607)**	765
Non-controlling interest	**–**	–	**–**	3,528
Other	**(50)**	(107)	**(151)**	(745)
(Increase in) reimbursement of net debt	**$ (552)**	$ 11,019	**$ (3,607)**	$ 25,718

	September 30, 2013	December 31, 2012
At period end:		
Long-term debt	**$ 74,589**	$ 74,438
Less: cash	**(7,163)**	(10,619)
Net debt	**$ 67,426**	$ 63,819

Operating Activities

Cash flows provided by operating activities: $12,997,000 in the third quarter of 2013, compared with $18,312,000 in the same quarter of 2012. The $5,315,000 decrease was mainly due to the unfavourable net change in non-cash items, resulting in part from unfavourable variances in accounts receivable and in programs, broadcast and distribution rights, and inventories, which were partially offset by the increase in operating income.

Cash flows provided by operating activities: $21,184,000 in the first nine months of 2013, compared with $22,563,000 in the same period of 2012. The $1,379,000 decrease was mainly due to the unfavourable variance in accounts payable and accrued liabilities, partially offset by the favourable variance in operating income.

Working capital of TVA Group**:** $88,975,000 as of September 30, 2013, compared with $85,829,000 as of December 31, 2012. The $3,146,000 increase was mainly due to the decrease in accounts payable and accrued liabilities and the increase in programs, broadcast and distribution rights, and inventories. These favourable factors were partially offset by a decrease in cash and current tax assets, as well as the increase in deferred revenues.

Investing Activities

Acquisition of property, plant and equipment and intangible assets: $5,415,000 in the third quarter of 2013, compared with $6,458,000 in the same period of 2012. The $1,043,000 (-16.2%) decrease was mainly due to investments required in 2012 for continuation of the Corporation's program to convert its production equipment to high definition, particularly for the "LCN" service, in addition to investments in its real estate assets.

Acquisition of property, plant and equipment and intangible assets: $15,885,000 in the first nine months of 2013, compared with $19,863,000 in the same period of 2012, a decrease of $3,978,000 (-20.0%). The decrease was essentially due to the same factors as those noted above.

Business acquisition: $6,607,000 for the three- and nine-month periods ended September 30, 2013 due to the acquisition of Publications Charron on July 18, 2013 for a total consideration of $7,638,000, of which $438,000 remains unpaid in respect of acquired working capital items, which included $593,000 in cash. During the three- and six-month periods ended September 30, 2012, the Corporation received the $765,000 in proceeds from the sale of a 2% interest in SUN News to Sun Media Corporation.

Net change in investments: $1,477,000 in the third quarter of 2013, compared with $1,493,000 in the third quarter of 2012. The variance essentially reflects capital contributions to SUN News.

Net change in investments: $2,148,000 in the first nine months of 2013, compared with $19,470,000 in the same period of 2012. For the first nine months of 2013, the net variance in investments essentially reflects a $3,675,000 capital contribution to SUN News and receipt of $1,256,000 related to a portfolio investment. In the same period of 2012, the Corporation received the $20,963,000 in proceeds from the sale of its 51% interest in "The Cave" and its 50% interest in "Mystery TV" to Shaw Media Global Inc. and made a capital contribution of $1,764,000 to SUN News.

Financing Activities

Long-term debt (excluding deferred financing costs): Unchanged from December 31, 2012 at $75,000,000 as of September 30, 2013.

Financial position as of September 30, 2013

Net available liquid assets: $106,738,000, consisting of a $99,575,000 unused and available revolving credit facility and $7,163,000 in cash.

As of September 30, 2013, minimum principal payments on long-term debt in the coming 12-month periods were as follows:

Table 6
TVA Group minimum principal payments on long-term debt
12-month periods ended September 30
(in thousands of dollars)

2014	$ –
2015	75,000
2016	–
2017	–
2018 and thereafter	–
Total	$ 75,000

The weighted average term of TVA Group's debt was approximately 1.1 year at September 30, 2013 (1.9 year at December 31, 2012). The debt consisted entirely of fixed-rate debt as of September 30, 2013 and December 31, 2012.

The Corporation's management believes that the cash flows generated on an annual basis by continuing operating activities and by available sources of financing should be sufficient to meet its commitments in regard to capital investments, working capital, interest payments, debt repayment, pension plan contributions and dividend payments (or distribution of capital) in the future.

Under its credit agreements, the Corporation is subject to certain covenants, including maintenance of certain financial ratios. As at September 30, 2013, the Corporation was in compliance with all the terms of its credit agreements.

Analysis of consolidated balance sheet as of September 30, 2013

Table 7
Consolidated balance sheets of TVA Group
Analysis of main variances between September 30, 2013 and December 31, 2012
(in thousands of dollars)

		September 30, 2013		December 31, 2012		Difference	Main reasons for difference
Assets							
Programs, broadcast and distribution rights and inventories	**$**	**73,418**	$	67,579	$	5,839	Impact of current and seasonal variations in activities. Larger inventory for the fall season.
Goodwill	**$**	**44,504**	$	39,781	$	4,723	Impact of acquisition of Publications Charron.
Liabilities							
Accounts payable and accrued liabilities	**$**	**82,578**	$	89,092	$	(6,514)	Impact of current and seasonal variations in activities.
Other liabilities	**$**	**9,752**	$	38,499	$	(28,747)	Impact related primarily to recognition of an actuarial gain in the third quarter of 2013.
Deferred income taxes	**$**	**17,954**	$	8,617	$	9,337	Impact related primarily to deferred income taxes resulting from recognition of an actuarial gain in the third quarter of 2013.

ADDITIONAL INFORMATION

Contractual obligations

As of September 30, 2013, material contractual commitments of operating activities included capital repayment and interest on long-term debt, payments under broadcast and distribution rights acquisition contracts, and payments under other contractual commitments, such as operating leases for services and office space. These contractual obligations are summarized in Table 8.

Table 8
Material contractual obligations of TVA Group as of September 30, 2013
(in thousands of dollars)

	Less than 1 year	1-3 years	3-5 years	More than 5 years	Total
Long-term debt	$ –	$ 75,000	$ –	$ –	$ 75,000
Payment of interest[1]	4,505	2,778	175	–	7,458
Broadcast and distribution rights	63,303	31,418	8,217	–	102,938
Other commitments	11,492	9,979	4,747	2,813	29,031
Total	**$ 79,300**	**$ 119,175**	**$ 13,139**	**$ 2,813**	**$ 214,427**

[1] Estimated interest payable on long-term debt is based on interest rates as of September 30, 2013. Interest is calculated on a constant debt level equal to that at September 30, 2013 and includes standby fees on the revolving term loan.

Related-party transactions

The Corporation entered into the following transactions with related parties in the normal course of business. These transactions were carried out under terms equivalent to those of arm's length transactions and were recognized according to the consideration agreed between the parties.

In the third quarter of 2013, the Corporation sold advertising space and content to, recognized subscription revenues from, and provided production, postproduction and other services to corporations under common control and affiliated corporations for an aggregate amount of $17,188,000 ($17,732,000 in the third quarter of 2012).

In the third quarter of 2013, the Corporation recorded broadcast rights expenses, telecommunications service costs, advertising space acquisition costs, professional service fees and commissions on sales and news gathering services arising from transactions with corporations under common control and affiliated corporations totalling $7,421,000 ($5,444,000 in the third quarter of 2012).

The Corporation also recorded management fees to the parent corporation in the amount of $1,080,000 in the third quarter of 2013 ($1,080,000 in the third quarter of 2012).

During the first nine months of 2013, the Corporation sold advertising space and content to, recorded subscription revenues from, and provided production, postproduction and other services to corporations under common control and affiliated corporations in the total amount of $54,345,000 ($56,795,000 during the first nine months of 2012).

In the first nine months of 2013, the Corporation recorded broadcast rights expenses, telecommunications service costs, advertising space acquisition costs, professional service fees and commissions on sales and news gathering services arising from transactions with corporations under common control and affiliated corporations totalling $26,954,000 ($25,115,000 in the first nine months of 2012).

The Corporation also recorded management fees to the parent corporation in the amount of $3,240,000 in the first nine months of 2013 ($3,240,000 in the first nine months of 2012).

SUN News

On June 30, 2012, the Corporation sold a 2% interest in SUN News to Sun Media Corporation for a cash consideration of $765,000. The Corporation has since held a 49% interest in SUN News; Sun Media Corporation owns 51%. Since the loss of control, the investment in SUN News has been accounted for using the equity method and SUN News' results have no longer been consolidated since July 1, 2012.

During the three-month period ended September 30, 2013, the partners in SUN News made a capital contribution of $4,500,000 ($3,600,000 in the same period of 2012), including $2,205,000 from the Corporation ($1,764,000 during the same period of 2012) and $2,295,000 from Sun Media Corporation, a company under common control ($1,836,000 during the same period of 2012).

During the nine-month period ended September 30, 2013, the partners in SUN News made a capital contribution of $7,500,000 ($10,800,000 during the same period of 2012), including $3,675,000 from the Corporation ($5,436,000 during the same period of 2012) and $3,825,000 from Sun Media Corporation, a company under common control ($5,364,000 during the same period of 2012).

Impairment of goodwill

During the first quarter of 2012, following the adoption of new rates for business contributions toward the costs of waste recovery and recycling services provided by Quebec municipalities, the Corporation had to review its business plan for the related activities and perform an impairment test on the Publishing CGU. The Corporation concluded that the recoverable amount based on value in use was less than the carrying amount of the Publishing CGU and a goodwill impairment charge of $32,200,000 was recorded.

Gain on disposal of investments

On May 31, 2012, following CRTC approval, the Corporation completed the sale of its 51% interest in "The Cave" and its 50% interest in "Mystery TV" to its partner in the joint ventures, Shaw Media Global Inc., for a total cash consideration of $20,963,000. A $12,881,000 gain on disposal of investments, before income taxes, was recorded. The transaction did not give rise to any income tax charge because the Corporation used unrecorded capital losses to eliminate the capital gains tax on disposal of investments.

Capital stock

Table 9 below presents information on the Corporation's capital stock as at October 31, 2013. In addition, 691,076 Class B stock options and 331,407 QMI stock options were outstanding as of October 31, 2013.

Table 9
Number of shares outstanding as at October 31, 2013
(in shares and dollars)

	Issued and outstanding	Carrying amount
Class A common shares	4,320,000	$ 0.02
Class B shares	19,450,906	$ 5.07

Changes in accounting policies

On January 1, 2013, the Corporation adopted retrospectively the following standards. Unless otherwise indicated, the adoption of these new standards did not have a material impact on prior period comparative figures.

IFRS 10 *Consolidated Financial Statements* replaces *SIC 12 Consolidation – Special Purpose Entities* and parts of *IAS 27 Consolidated and Separate Financial Statements* and provides additional guidance regarding the concept of control as the determining factor in whether an entity should be included in the consolidated financial statements of the parent corporation.

IFRS 11 *Joint Arrangements* replaces *IAS 31 Interests in Joint Ventu*res with guidance that focuses on the rights and obligations of the arrangement, rather than its legal form. It also withdraws the option to proportionately consolidate an entity's interest in joint ventures. The new standard requires that such interests be recognized using the equity method. The adoption of the standard had the following impacts on comparative figures for the nine-month period ended September 30, 2012 (no impact for the three-month period ended September 30, 2012):

Consolidated Statement of Income

Increase (decrease)		
Revenues	$	(4,219)
Purchases of goods and services		(2,512)
Financial expenses		7
Loss before tax expense and share of income of associated corporations and joint ventures		1,714
Share of loss (income) of associated corporations and joint ventures		(1,714)
Net income	$	–

IFRS 12 *Disclosure of Interests in Other Entities* is a new and comprehensive standard on disclosure requirements for all forms of interests in other entities, including joint arrangements, associates, special purpose entities and other off-balance sheet vehicles.

IFRS 13 *Fair Value Measurement* is a new and comprehensive standard that sets out a framework for measuring at fair value and that provides guidance on required disclosures about fair value measurements.

IAS 1 *Presentation of Financial Statements* was amended and the principal change resulting from amendments to this standard is the requirement to present separately other comprehensive items that may be reclassified to income and other comprehensive items that will not be reclassified to income.

IAS 19 *Employee Benefits (Amended)* involves, among other changes, the immediate recognition of the re-measurement component in other comprehensive income, thereby removing the accounting option previously available in IAS 19 to recognize or to defer recognition of changes in defined benefit obligations and in the fair value of plan assets directly in the consolidated statement of income. IAS 19 also introduces a net interest approach that replaces the expected return on assets and interest costs on the defined benefit obligation with a single net interest component determined by multiplying the net defined benefit liability or asset by the discount rate used to determine the defined benefit obligation. In addition, all past service costs are required to be recognized in profit or loss when the employee benefit plan is amended and no longer spread over any future service period. IAS 19 also allows amounts recorded in other comprehensive income to be recognized either immediately in retained earnings or as a separate category within equity. The Corporation has elected to immediately recognize in accumulated other comprehensive income the amounts recorded in other comprehensive income.

The adoption of the amended standard had the following impacts on prior period comparative figures:

Consolidated Statements of Income (Loss)

Increase (decrease)	Three-month period ended September 30, 2012	Nine-month period ended September 30, 2012
Employee costs	$ 343	$ 1,027
Financial expenses	462	1,387
Deferred income tax expense	(217)	(650)
Net income	$ (588)	$ (1,764)

Consolidated balance sheets

Increase (decrease)	December 31, 2012	December 31, 2011
Other liabilities	$ –	$ 1,251
Deferred income tax liability	–	(336)
Retained earnings	20,620	17,408
Accumulated other comprehensive income	(20,620)	(18,323)

Disclosure controls and procedures

The purpose of internal controls over financial reporting is to provide reasonable assurance as to the reliability of the Corporation's financial reporting and the preparation of its financial statements in accordance with IFRS. No changes to internal controls over financial reporting have come to the attention of management during the three-month period ended September 30, 2013 that have materially adversely affected, or are reasonably likely to materially adversely affect, the Corporation's internal controls over financial reporting.

Additional information

The Corporation is a reporting issuer under the securities acts of all the provinces of Canada; it is therefore required to file financial statements, an information circular and an annual information form with the various securities regulatory authorities. Copies of those documents are available free of charge from the Corporation on request, and on the Web at www.sedar.com.

Forward-looking information disclaimer

The statements in this Management's Discussion and Analysis that are not historical facts may be forward-looking statements and are subject to important known and unknown risks, uncertainties and assumptions which could cause the Corporation's actual results for future periods to differ materially from those set forth in the forward-looking statements. Forward-looking statements generally can be identified by the use of the conditional or by forward-looking terminology such as "propose," "will," "expect," "may," "anticipate," "intend," "estimate," "plan," "foresee," "believe" or the negative of those terms or variations of them or similar terminology. Certain factors that may cause actual results to differ from current expectations include seasonality, operational risks (including pricing actions by competitors), programming, content and production cost risks, credit risk, government regulation risks, government assistance risks, changes in economic conditions, fragmentation of the media landscape, and labour relation risks.

The forward-looking statements in this document are made to give investors and the public a better understanding of the Corporation's circumstances and are based on assumptions it believes to be reasonable as of the day on which they were made. Investors and others are cautioned that the foregoing list of factors that may affect future results is not exhaustive and that undue reliance should not be placed on any forward-looking statements.

For more information on the risks, uncertainties and assumptions that could cause the Corporation's actual results to differ from current expectations, please refer to the Corporation's public filings available at www.sedar.com and http://groupetva.ca, including, in particular, the "Risks and Uncertainties" section of the Corporation's annual Management's Discussion and Analysis for the year ended December 31, 2012 and the "Risk Factors" section in the Corporation's 2012 annual information form.

The forward-looking statements in this Management's Discussion and Analysis reflect the Corporation's expectations as of November 5, 2013, and are subject to change after this date. The Corporation expressly disclaims any obligation or intention to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, unless required by the applicable securities laws.

Montreal, Quebec
November 5, 2013

TVA Group Inc.
SELECTED QUARTERLY FINANCIAL DATA
(in thousands of dollars, except for per-share data)

	2013			2012
	September 30	June 30	March 31	Dec. 31 (restated)
Operations				
Operating revenues	**$ 102,217**	$ 111,507	$ 111,070	$ 127,004
Operating income	**$ 18,401**	$ 20,940	$ 895	$ 20,625
Net income (loss) attributable to shareholders	**$ 6,325**	$ 6,981	$ (5,888)	$ 8,838
Basic per-share data				
Basic earnings (loss) per share	**$ 0.27**	$ 0.29	$ (0.25)	$ 0.37
Weighted average number of outstanding shares (in thousands)	**23,771**	23,771	23,771	23,771
Diluted per-share data				
Diluted earnings (loss) per share	**$ 0.27**	$ 0.29	$ (0.25)	$ 0.37
Weighted average number of outstanding diluted shares (in thousands)	**23,771**	23,771	23,771	23,771

	2012			2011
	Sept. 30 (restated)	June 30 (restated)	March 31 (restated)	Dec. 31 (restated)
Operations				
Operating revenues	$ 97,171	$ 113,509	$ 115,463	$ 129,037
Operating income (loss)	$ 10,341	$ 18,522	$ (7,006)	$ 19,675
Net income (loss) attributable to shareholders	$ 1,539	$ 23,088	$ (39,929)	$ 11,052
Basic per-share data				
Basic earnings (loss) per share	$ 0.06	$ 0.97	$ (1.68)	$ 0.46
Weighted average number of outstanding shares (in thousands)	23,771	23,771	23,771	23,771
Diluted per-share data				
Diluted earnings (loss) per share	$ 0.06	$ 0.97	$ (1.68)	$ 0.46
Weighted average number of outstanding diluted shares (in thousands)	23,771	23,771	23,771	23,771

- Most of the Corporation’s operating revenues are derived from the sale of advertising or advertising services. These advertising revenues are usually seasonal and are impacted by the cyclical nature and economic character of the industry and of the markets in which the advertisers operate. The Corporation’s second and fourth quarters are customarily the most favourable periods for advertising revenues, especially for the Television segment.
- In the Television segment, operating expenses vary mainly as a result of programming costs, which are directly related to programming strategies; in the Publishing segment, operating expenses fluctuate according to the arrival of magazines on newsstands.