

condensed interim consolidated statements of income and  
other comprehensive income

(unaudited)

| Periods ended September 30 (millions except per share amounts) <i>Note</i>                                  | Three months  |               | Nine months     |                 |
|---|---------------|---------------|-----------------|-----------------|
|   | 2015          | 2014          | 2015            | 2014            |
| <b>OPERATING REVENUES</b>   |               |               |                 |                 |
| Service   | \$ 2,934      | \$ 2,801      | \$ 8,647        | \$ 8,252        |
| Equipment   | 207           | 199           | 597             | 560             |
| Revenues arising from contracts with customers  | 3,141         | 3,000         | 9,244           | 8,812           |
| Other operating income 6  | 14            | 28            | 41              | 62              |
|   | <b>3,155</b>  | <b>3,028</b>  | <b>9,285</b>    | <b>8,874</b>    |
| <b>OPERATING EXPENSES</b>   |               |               |                 |                 |
| Goods and services purchased  | 1,394         | 1,333         | 4,050           | 3,823           |
| Employee benefits expense 7   | 693           | 630           | 1,951           | 1,836           |
| Depreciation 16   | 361           | 363           | 1,069           | 1,057           |
| Amortization of intangible assets 17  | 110           | 96            | 322             | 309             |
|   | <b>2,558</b>  | <b>2,422</b>  | <b>7,392</b>    | <b>7,025</b>    |
| <b>OPERATING INCOME</b>   | <b>597</b>    | <b>606</b>    | <b>1,893</b>    | <b>1,849</b>    |
| Financing costs 8   | 106           | 124           | 333             | 341             |
| <b>INCOME BEFORE INCOME TAXES</b>   | <b>491</b>    | <b>482</b>    | <b>1,560</b>    | <b>1,508</b>    |
| Income taxes 9  | 126           | 127           | 439             | 395             |
| <b>NET INCOME</b>   | <b>365</b>    | <b>355</b>    | <b>1,121</b>    | <b>1,113</b>    |
| <b>OTHER COMPREHENSIVE INCOME</b> 10  |               |               |                 |                 |
| <b>Items that may subsequently be reclassified to income</b>  |               |               |                 |                 |
| Change in unrealized fair value of derivatives designated as cash flow hedges                               | 1             | (4)           | (1)             | (4)             |
| Foreign currency translation adjustment arising from translating financial statements of foreign operations | 12            | 3             | 17              | 4               |
| Change in unrealized fair value of available-for-sale financial assets                                      | 1             | 2             | (2)             | (2)             |
|   | <b>14</b>     | <b>1</b>      | <b>14</b>       | <b>(2)</b>      |
| <b>Item never subsequently reclassified to income</b>   |               |               |                 |                 |
| Employee defined benefit plan re-measurements   | (156)         | (14)          | (41)            | 207             |
|   | <b>(142)</b>  | <b>(13)</b>   | <b>(27)</b>     | <b>205</b>      |
| <b>COMPREHENSIVE INCOME</b>   | <b>\$ 223</b> | <b>\$ 342</b> | <b>\$ 1,094</b> | <b>\$ 1,318</b> |
| <b>NET INCOME PER COMMON SHARE</b> 11   |               |               |                 |                 |
| Basic   | \$ 0.61       | \$ 0.58       | \$ 1.85         | \$ 1.80         |
| Diluted   | \$ 0.61       | \$ 0.58       | \$ 1.85         | \$ 1.80         |
| <b>TOTAL WEIGHTED AVERAGE COMMON SHARES OUTSTANDING</b>   |               |               |                 |                 |
| Basic   | 601           | 613           | 605             | 617             |
| Diluted   | 603           | 615           | 606             | 619             |

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

## condensed interim consolidated statements of financial position

(unaudited)

| As at (millions)                         | Note  | September 30,<br>2015 | December 31,<br>2014 |
|--|-------|-----------------------|----------------------|
| <b>ASSETS</b>                            |       |                       |                      |
| <b>Current assets</b>                    |       |                       |                      |
| Cash and temporary investments, net      |       | \$ 141                | \$ 60                |
| Accounts receivable                      | 25(a) | 1,430                 | 1,483                |
| Income and other taxes receivable        |       | 17                    | 97                   |
| Inventories                              | 25(a) | 407                   | 320                  |
| Prepaid expenses                         |       | 331                   | 199                  |
| Real estate joint venture advances       | 18(c) | 57                    | —                    |
| Current derivative assets                | 4(e)  | 40                    | 27                   |
|  |       | <b>2,423</b>          | <b>2,186</b>         |
| <b>Non-current assets</b>                |       |                       |                      |
| Property, plant and equipment, net       | 16    | 9,592                 | 9,123                |
| Intangible assets, net                   | 17    | 9,873                 | 7,797                |
| Goodwill, net                            | 17    | 3,761                 | 3,757                |
| Real estate joint venture advances       | 18(c) | —                     | 120                  |
| Real estate joint ventures               | 18(c) | 25                    | 21                   |
| Other long-term assets                   | 25(a) | 262                   | 213                  |
|  |       | <b>23,513</b>         | <b>21,031</b>        |
|  |       | <b>\$ 25,936</b>      | <b>\$ 23,217</b>     |
| <b>LIABILITIES AND OWNERS' EQUITY</b>    |       |                       |                      |
| <b>Current liabilities</b>               |       |                       |                      |
| Short-term borrowings                    | 19    | \$ 101                | \$ 100               |
| Accounts payable and accrued liabilities | 25(a) | 2,100                 | 2,019                |
| Income and other taxes payable           |       | 11                    | 2                    |
| Dividends payable                        | 12    | 252                   | 244                  |
| Advance billings and customer deposits   | 25(a) | 753                   | 753                  |
| Provisions                               | 20    | 133                   | 126                  |
| Current maturities of long-term debt     | 21    | 1,512                 | 255                  |
| Current derivative liabilities           | 4(e)  | 1                     | —                    |
|  |       | <b>4,863</b>          | <b>3,499</b>         |
| <b>Non-current liabilities</b>           |       |                       |                      |
| Provisions                               | 20    | 384                   | 342                  |
| Long-term debt                           | 21    | 10,200                | 9,055                |
| Other long-term liabilities              | 25(a) | 1,081                 | 931                  |
| Deferred income taxes                    |       | 1,988                 | 1,936                |
|  |       | <b>13,653</b>         | <b>12,264</b>        |
| <b>Liabilities</b>                       |       | <b>18,516</b>         | <b>15,763</b>        |
| <b>Owners' equity</b>                    |       |                       |                      |
| Common equity                            | 22    | 7,420                 | 7,454                |
|  |       | <b>\$ 25,936</b>      | <b>\$ 23,217</b>     |

Contingent Liabilities

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The accompanying notes are an integral part of these condensed interim consolidated financial statements.

| As at<br>September 30,<br>2015<br>(millions) | Non-derivative                                      |                                       |   |   | Derivative  |           |       |  |        |           |  |
|--|---|---------------------------------------|---|---|---|-----------|-------|--|--------|-----------|--|
|  | Non-interest<br>bearing<br>financial<br>liabilities | Short-term<br>borrowings <sup>1</sup> | Construction<br>credit facilities<br>commitment<br>(Note 18) <sup>2</sup> | Composite long-term debt                    |   |           | Other | Currency swap agreement<br>amounts to be exchanged |        | Total     |  |
|  |   |                                       |   | Long-term<br>debt <sup>1</sup><br>(Note 21) | Currency swap agreement<br>amounts to be exchanged <sup>3</sup> |           |       |  |        |           |  |
|  |   |                                       |   |   | (Receive)   | Pay       |       | (Receive)  | Pay    |           |  |
| 2015 (fourth<br>quarter)                     | \$ 1,109  | \$ —                                  | \$ 143  | \$ 1,040                                    | \$ (787)  | \$ 780    | \$ —  | \$ (138)   | \$ 127 | \$ 2,274  |  |
| 2016   | 797   | 101                                   | —   | 1,060                                       | —   | —         | —     | (211)  | 197    | 1,944     |  |
| 2017   | 17  | —                                     | —   | 1,132                                       | —   | —         | 3     | —  | —      | 1,152     |  |
| 2018   | 8   | —                                     | —   | 663   | —   | —         | —     | —  | —      | 671       |  |
| 2019   | 6   | —                                     | —   | 1,411                                       | —   | —         | —     | —  | —      | 1,417     |  |
| Thereafter                                   | 14  | —                                     | —   | 11,838                                      | —   | —         | —     | —  | —      | 11,852    |  |
| Total  | \$ 1,951  | \$ 101                                | \$ 143  | \$ 17,144                                   | \$ (787)  | \$ 780    | \$ 3  | \$ (349)   | \$ 324 | \$ 19,310 |  |
|  |   |                                       |   | Total (Note 21(f))                          |   | \$ 17,137 |       |  |        |           |  |

- Interest payment cash outflows in respect of short-term borrowings, commercial paper and amounts drawn under our credit facilities (if any) have been calculated based upon the interest rates in effect as at September 30, 2015.
- The drawdowns on the construction credit facilities are expected to occur as construction progresses through 2018.
- The amounts included in the undiscounted non-derivative long-term debt in respect of U.S. dollar denominated long-term debt, and the corresponding amounts in the long-term debt currency swaps receive column, have been determined based upon the rates in effect as at September 30, 2015. The U.S. dollar denominated long-term debt contractual maturity amounts, in effect, are reflected in the long-term debt currency swaps pay column as gross cash flows are exchanged pursuant to the currency swap agreements.

| As at December 31, 2014 (millions) | Non-derivative                                      |                                       |   |  | Derivative   |        |           | Total |
|------------------------------------|---|---------------------------------------|---|--|--|--------|-----------|-------|
|                                    | Non-interest<br>bearing<br>financial<br>liabilities | Short-term<br>borrowings <sup>1</sup> | Construction<br>credit facilities<br>commitment<br>(Note 18) <sup>2</sup> | Long-term debt <sup>1</sup><br>(Note 21) | Currency swap agreement<br>amounts to be exchanged |        |           |       |
|                                    |   |                                       |   |  | (Receive)  | Pay    |           |       |
| 2015                               |   |                                       |   |  |  |        |           |       |
| First quarter                      | \$ 1,195  | \$ —                                  | \$ 85   | \$ 214                                   | \$ (49)  | \$ 47  | \$ 1,492  |       |
| Balance of year                    | 604   | 1                                     | —   | 471                                      | (114)  | 111    | 1,073     |       |
| 2016                               | 6   | 102                                   | —   | 1,011                                    | —  | —      | 1,119     |       |
| 2017                               | 9   | —                                     | —   | 1,083                                    | —  | —      | 1,092     |       |
| 2018                               | 4   | —                                     | —   | 365                                      | —  | —      | 369       |       |
| 2019                               | 3   | —                                     | —   | 1,365                                    | —  | —      | 1,368     |       |
| Thereafter                         | 7   | —                                     | —   | 9,696                                    | —  | —      | 9,703     |       |
| Total                              | \$ 1,828  | \$ 103                                | \$ 85   | \$ 14,205                                | \$ (163)   | \$ 158 | \$ 16,216 |       |

- Interest payment cash outflows in respect of short-term borrowings, commercial paper and amounts drawn under our credit facilities (if any) have been calculated based upon the interest rates in effect as at December 31, 2014.
- The drawdowns on the construction credit facilities are expected to occur as construction progresses through 2016.

### (c) Currency risk

Our functional currency is the Canadian dollar, but certain routine revenues and operating costs are denominated in U.S. dollars and some inventory purchases and capital asset acquisitions are sourced internationally. The U.S. dollar is the only foreign currency to which we have a significant exposure.

Our foreign exchange risk management includes the use of foreign currency forward contracts and currency options to fix the exchange rates on short-term U.S. dollar denominated transactions, commitments and commercial paper. Hedge accounting is applied to these short-term foreign currency forward contracts and currency options on a limited basis.

### (d) Market risk

Net income and other comprehensive income for the nine-month periods ended September 30, 2015 and 2014, could have varied if the Canadian dollar: U.S. dollar exchange rates and our Common Share price varied by reasonably possible amounts from their actual statement of financial position date values.

The sensitivity analysis of our exposure to currency risk at the reporting date has been determined based upon a hypothetical change taking place at the relevant statement of financial position date. The U.S. dollar denominated balances and derivative financial instrument notional amounts as at the statement of financial position dates have been used in the calculations.

The sensitivity analysis of our exposure to other price risk arising from share-based compensation at the reporting date has been determined based upon a hypothetical change taking place at the relevant statement of financial position date. The relevant notional number of Common Shares at the statement of financial position date, which includes those in the cash-settled equity swap agreements, has been used in the calculations.

Income tax expense, which is reflected net in the sensitivity analysis, reflects the applicable weighted average statutory income tax rates for the reporting periods.

| (millions)   | Amount of gain (loss) recognized in other comprehensive income (effective portion) (Note 10) |             | Location                     | Gain (loss) reclassified from other comprehensive income to income (effective portion) (Note 10) |             |
|--|--|-------------|------------------------------|--|-------------|
|  | 2015   | 2014        |                              | Amount   |             |
|  |  |             |                              | 2015   | 2014        |
| <b>NINE-MONTH PERIODS ENDED SEPTEMBER 30</b>                                       |  |             |                              |  |             |
| Derivatives used to manage:  |  |             |                              |  |             |
| Currency risks arising from U.S. dollar denominated purchases                      | \$ 6   | \$ —        | Goods and services purchased | \$ —   | \$ 2        |
| Changes in share-based compensation costs (Note 13(c))                             | (1)  | 4           | Employee benefits expense    | 7  | 6           |
| Currency risks arising from U.S. dollar denominated commercial paper (Note 21 (c)) | 7  | —           | Financing costs              | 7  | —           |
|  | <b>\$ 12</b>   | <b>\$ 4</b> |                              | <b>\$ 14</b>   | <b>\$ 8</b> |

The following table sets out the gains and losses arising from derivative instruments that are classified as held for trading and that are not designated as being in a hedging relationship, and their location within the condensed interim consolidated statements of income and other comprehensive income.

| Periods ended September 30 (millions)     | Location        | Gain (loss) recognized in income on derivatives |      |             |      |
|---|-----------------|---|------|-------------|------|
|   |                 | Three months                                    |      | Nine months |      |
|   |                 | 2015  | 2014 | 2015        | 2014 |
| Derivatives used to manage currency risks | Financing costs | \$ 10   | \$ 8 | \$ 19       | \$ 2 |

## 5 segmented information

### General

The operating segments that are regularly reported to our Chief Executive Officer (our chief operating decision-maker) are wireless and wireline. Operating segments are components of an entity that engage in business activities from which they earn revenues and incur expenses (including revenues and expenses related to transactions with the other component(s)) and whose operating results are regularly reviewed by a chief operating decision-maker to make resource allocation decisions and to assess performance.

As we do not currently aggregate operating segments, our reportable segments are also wireless and wireline. The wireless segment includes network revenues (data and voice) and equipment sales. The wireline segment includes data (which includes Internet protocol; television; hosting, managed information technology and cloud-based services; business process outsourcing; and certain healthcare solutions), voice, and other telecommunications services excluding wireless. Segmentation is based on similarities in technology, the technical expertise required to deliver the services and products, customer characteristics, the distribution channels used and regulatory treatment. Intersegment sales are recorded at the exchange value, which is the amount agreed to by the parties.

The following segmented information is regularly reported to our chief operating decision-maker.

| Three-month periods ended September 30 (millions)     | Wireless        |                 | Wireline        |                 | Eliminations   |                | Consolidated                      |                 |                 |
|---|-----------------|-----------------|-----------------|-----------------|----------------|----------------|-----------------------------------|-----------------|-----------------|
|   | 2015            | 2014            | 2015            | 2014            | 2015           | 2014           | 2015                              | 2014            |                 |
| <b>Operating revenues</b>                             |                 |                 |                 |                 |                |                |                                   |                 |                 |
| External revenue                                      | \$ 1,767        | \$ 1,684        | \$ 1,388        | \$ 1,344        | \$ —           | \$ —           | \$ 3,155                          | \$ 3,028        |                 |
| Intersegment revenue                                  | 16              | 13              | 44              | 46              | (60)           | (59)           | —                                 | —               |                 |
|   | <b>\$ 1,783</b> | <b>\$ 1,697</b> | <b>\$ 1,432</b> | <b>\$ 1,390</b> | <b>\$ (60)</b> | <b>\$ (59)</b> | <b>\$ 3,155</b>                   | <b>\$ 3,028</b> |                 |
| <b>EBITDA<sup>1</sup></b>                             | <b>\$ 715</b>   | <b>\$ 700</b>   | <b>\$ 353</b>   | <b>\$ 365</b>   | <b>\$ —</b>    | <b>\$ —</b>    | <b>\$ 1,068</b>                   | <b>\$ 1,065</b> |                 |
| CAPEX, excluding spectrum licences <sup>2</sup>       | \$ 209          | \$ 251          | \$ 414          | \$ 406          | \$ —           | \$ —           | \$ 623                            | \$ 657          |                 |
| <b>EBITDA less CAPEX, excluding spectrum licences</b> | <b>\$ 506</b>   | <b>\$ 449</b>   | <b>\$ (61)</b>  | <b>\$ (41)</b>  | <b>\$ —</b>    | <b>\$ —</b>    | <b>\$ 445</b>                     | <b>\$ 408</b>   |                 |
|   |                 |                 |                 |                 |                |                | <b>Operating revenues (above)</b> | <b>\$ 3,155</b> | <b>\$ 3,028</b> |
|   |                 |                 |                 |                 |                |                | Goods and services purchased      | <b>1,394</b>    | <b>1,333</b>    |
|   |                 |                 |                 |                 |                |                | Employee benefits expense         | <b>693</b>      | <b>630</b>      |
|   |                 |                 |                 |                 |                |                | <b>EBITDA (above)</b>             | <b>1,068</b>    | <b>1,065</b>    |
|   |                 |                 |                 |                 |                |                | Depreciation                      | <b>361</b>      | <b>363</b>      |
|   |                 |                 |                 |                 |                |                | Amortization                      | <b>110</b>      | <b>96</b>       |
|   |                 |                 |                 |                 |                |                | <b>Operating income</b>           | <b>597</b>      | <b>606</b>      |
|   |                 |                 |                 |                 |                |                | Financing costs                   | <b>106</b>      | <b>124</b>      |
|   |                 |                 |                 |                 |                |                | <b>Income before income taxes</b> | <b>\$ 491</b>   | <b>\$ 482</b>   |

1 Earnings before interest, income taxes, depreciation and amortization (EBITDA) does not have any standardized meaning prescribed by IFRS-IASB and is therefore unlikely to be comparable to similar measures presented by other issuers; we define EBITDA as operating revenues less goods and services

## 7 employee benefits expense

| Periods ended September 30 (millions)     | Note  | Three months  |               | Nine months     |                 |
|---|-------|---------------|---------------|-----------------|-----------------|
|   |       | 2015          | 2014          | 2015            | 2014            |
| <b>Employee benefits expense – gross</b>  |       |               |               |                 |                 |
| Wages and salaries                        |       | \$ 653        | \$ 614        | \$ 1,873        | \$ 1,799        |
| Share-based compensation <sup>1</sup>     | 13    | 35            | 29            | 99              | 86              |
| Pensions – defined benefit                | 14(a) | 27            | 21            | 81              | 65              |
| Pensions – defined contribution           | 14(b) | 24            | 22            | 69              | 64              |
| Restructuring costs <sup>1</sup>          | 15(b) | 34            | 16            | 68              | 34              |
| Other                                     |       | 38            | 36            | 115             | 113             |
|   |       | <b>811</b>    | <b>738</b>    | <b>2,305</b>    | <b>2,161</b>    |
| <b>Capitalized internal labour costs</b>  |       |               |               |                 |                 |
| Property, plant and equipment             |       | (82)          | (73)          | (241)           | (220)           |
| Intangible assets subject to amortization |       | (36)          | (35)          | (113)           | (105)           |
|   |       | <b>(118)</b>  | <b>(108)</b>  | <b>(354)</b>    | <b>(325)</b>    |
|   |       | <b>\$ 693</b> | <b>\$ 630</b> | <b>\$ 1,951</b> | <b>\$ 1,836</b> |

1 For the three-month and nine-month periods ended September 30, 2015, \$11 of share-based compensation was included in restructuring costs (2014 – \$NIL).

## 8 financing costs

| Periods ended September 30 (\$ in millions)        | Note  | Three months  |               | Nine months   |               |
|--|-------|---------------|---------------|---------------|---------------|
|  |       | 2015          | 2014          | 2015          | 2014          |
| <b>Interest expense</b>                            |       |               |               |               |               |
| Interest on long-term debt - gross                 |       | \$ 128        | \$ 111        | \$ 368        | \$ 318        |
| Capitalized long-term debt interest <sup>1</sup>   |       | (18)          | —             | (27)          | —             |
| Interest on long-term debt – net                   |       | 110           | 111           | 341           | 318           |
| Interest on short-term borrowings and other        |       | 2             | 1             | 5             | 5             |
| Interest accretion on provisions                   | 20    | 3             | 2             | 9             | 6             |
| Long-term debt prepayment premium                  |       | —             | 13            | —             | 13            |
|  |       | 115           | 127           | 355           | 342           |
| <b>Employee defined benefit plans net interest</b> | 14(a) | 7             | 1             | 20            | 2             |
| <b>Foreign exchange</b>                            |       | (16)          | (4)           | (21)          | (2)           |
|  |       | <b>106</b>    | <b>124</b>    | <b>354</b>    | <b>342</b>    |
| <b>Interest income</b>                             |       |               |               |               |               |
| Interest on income tax refunds                     |       | —             | —             | (20)          | —             |
| Other  |       | —             | —             | (1)           | (1)           |
|  |       | —             | —             | (21)          | (1)           |
|  |       | <b>\$ 106</b> | <b>\$ 124</b> | <b>\$ 333</b> | <b>\$ 341</b> |

1 Long-term debt interest at a composite rate of 3.31% was capitalized to intangible assets with indefinite lives.

## 9 income taxes

| Periods ended September 30 (millions)   | Three months  |               | Nine months   |               |
|---|---------------|---------------|---------------|---------------|
|   | 2015          | 2014          | 2015          | 2014          |
| <b>Current income tax expense (recovery)</b>  |               |               |               |               |
| For current reporting period  | \$ 118        | \$ 90         | \$ 462        | \$ 307        |
| Adjustments recognized in the current period for income tax of prior periods              | (23)          | —             | (100)         | —             |
|   | <b>95</b>     | <b>90</b>     | <b>362</b>    | <b>307</b>    |
| <b>Deferred income tax expense (recovery)</b>   |               |               |               |               |
| Arising from the origination and reversal of temporary differences                        | 12            | 37            | (48)          | 90            |
| Revaluation of deferred income tax liability to reflect future statutory income tax rates | —             | —             | 48            | —             |
| Adjustments recognized in the current period for income tax of prior periods              | 19            | —             | 77            | (2)           |
|   | <b>31</b>     | <b>37</b>     | <b>77</b>     | <b>88</b>     |
|   | <b>\$ 126</b> | <b>\$ 127</b> | <b>\$ 439</b> | <b>\$ 395</b> |

## 15 restructuring and other like costs

### (a) Details of restructuring and other like costs

With the objective of reducing ongoing costs, we incur associated incremental, non-recurring restructuring costs, as discussed further in (b) following. We may also incur atypical charges when undertaking major or transformational changes to our business or operating models. We also include incremental external costs incurred in connection with business acquisition or disposition activity in other like costs.

Restructuring and other like costs are presented in the condensed interim consolidated statements of income and other comprehensive income as set out in the following table:

| Periods ended September 30 (millions) | Three months |       | Nine months |       |
|---------------------------------------|--------------|-------|-------------|-------|
|                                       | 2015         | 2014  | 2015        | 2014  |
| Goods and services purchased          | \$ 17        | \$ 14 | \$ 59       | \$ 15 |
| Employee benefits expense             | 34           | 16    | 68          | 34    |
|                                       | \$ 51        | \$ 30 | \$ 127      | \$ 49 |

### (b) Restructuring provisions

Employee related provisions and other provisions, as presented in *Note 20*, include amounts in respect of restructuring activities. In 2015, restructuring activities included ongoing efficiency initiatives such as: business integrations; business process outsourcing; internal offshoring and reorganizations; and consolidation of real estate. These initiatives were intended to improve our long-term operating productivity and competitiveness.

| Three-month periods ended September 30 (millions) | 2015                          |                    |                    | 2014                          |                    |                    |
|---|-------------------------------|--------------------|--------------------|-------------------------------|--------------------|--------------------|
|   | Employee related <sup>1</sup> | Other <sup>1</sup> | Total <sup>1</sup> | Employee related <sup>1</sup> | Other <sup>1</sup> | Total <sup>1</sup> |
| <b>Restructuring costs</b>                        |                               |                    |                    |                               |                    |                    |
| Additions   | \$ 38                         | \$ 18              | \$ 56              | \$ 16                         | \$ 14              | \$ 30              |
| Reversal  | (4)                           | (1)                | (5)                | —                             | —                  | —                  |
| Expense   | 34                            | 17                 | 51                 | 16                            | 14                 | 30                 |
| Use   | (17)                          | (17)               | (34)               | (9)                           | (12)               | (21)               |
| Expenses greater (less) than disbursements        | 17                            | —                  | 17                 | 7                             | 2                  | 9                  |
| <b>Restructuring accruals and provisions</b>      |                               |                    |                    |                               |                    |                    |
| Balance, beginning of period                      | 40                            | 64                 | 104                | 23                            | 26                 | 49                 |
| Balance, end of period                            | \$ 57                         | \$ 64              | \$ 121             | \$ 30                         | \$ 28              | \$ 58              |

<sup>1</sup> The transactions and balances in this column, excepting share-based compensation amounts, are included in, and thus are a subset of, the transactions and balances in the column with the same caption in *Note 20*.

| Nine-month periods ended September 30 (millions) | 2015                          |                    |                    | 2014                          |                    |                    |
|--|-------------------------------|--------------------|--------------------|-------------------------------|--------------------|--------------------|
|  | Employee related <sup>1</sup> | Other <sup>1</sup> | Total <sup>1</sup> | Employee related <sup>1</sup> | Other <sup>1</sup> | Total <sup>1</sup> |
| <b>Restructuring costs</b>                       |                               |                    |                    |                               |                    |                    |
| Additions  | \$ 72                         | \$ 60              | \$ 132             | \$ 34                         | \$ 16              | \$ 50              |
| Reversal   | (4)                           | (1)                | (5)                | —                             | (1)                | (1)                |
| Expense  | 68                            | 59                 | 127                | 34                            | 15                 | 49                 |
| Use  | (52)                          | (23)               | (75)               | (39)                          | (20)               | (59)               |
| Expenses greater (less) than disbursements       | 16                            | 36                 | 52                 | (5)                           | (5)                | (10)               |
| <b>Restructuring accruals and provisions</b>     |                               |                    |                    |                               |                    |                    |
| Balance, beginning of period                     | 41                            | 28                 | 69                 | 35                            | 33                 | 68                 |
| Balance, end of period                           | \$ 57                         | \$ 64              | \$ 121             | \$ 30                         | \$ 28              | \$ 58              |

<sup>1</sup> The transactions and balances in this column, excepting share-based compensation amounts, are included in, and thus are a subset of, the transactions and balances in the column with the same caption in *Note 20*.