QUEBECOR INC.

October 31, 2001 05/01

For immediate release

QUEBECOR INC. ANNOUNCES THIRD QUARTER RESULTS

Montreal, Quebec – Quebecor Inc. recorded total revenues of $3.01 billion, or $3.06 billion on a pro forma basis, in the third quarter ended September 30, 2001, a 10.7% increase over the same period of 2000. Earnings before interest, taxes, depreciation and amortization amounted to $521.6 million, or $527.4 million on a pro forma basis, compared with $471.2 million during the third quarter of 2000, a 10.7% increase. “Our results, which reflect the acquisition of Groupe Vidéotron, show a sustained increase in revenues and operating income during tough times for the entire industry,” commented Pierre Karl Péladeau, President and Chief Executive Officer of Quebecor. “The figures reflect the measures taken by Quebecor in response to the economic slowdown and demonstrate once again our ability to adapt to change in a timely manner and to manage the Company’s affairs prudently.”

The results of the Cable Television segment and of TVA Group Inc. have been consolidated since May 2001 and September 2001 respectively, i.e. the date on which the CRTC approved the takeover of Vidéotron ltée and the date on which the conditions set by the CRTC for the takeover of TVA Group Inc. were satisfied. The pro forma figures present the results of Quebecor and Quebecor Media as if the takeover of Vidéotron ltée and TVA Group had occurred on January 1, 2001.

For the nine-month period ended September 30, 2001, Quebecor’s revenues were $8.49 billion, or $8.93 billion on a pro forma basis, an increase of 6.7%. Operating income totalled $1.35 billion, or $1.48 billion on a pro forma basis, compared with $1.28 billion pour the first nine months of 2000. Cash flow from continued operations was $103.1 million in the third quarter of 2001 and $287.3 million in the nine-month period ended September 30, 2001.

Quebecor’s net loss in the third quarter of 2001 was $26.9 million, or $0.41 per share, compared with net income of $54.2 million, or $0.84 per share, in the third quarter of 2000. The loss was mainly due to the increase in depreciation and financial expenses associated with the acquisition of Groupe Vidéotron in October 2000, and the mark-to-market of temporary investments.

Quebecor Media: strong increase in operating income

Quebecor Media's revenues for the third quarter of 2001 totalled $503.6 million, or $547.6 million on a pro forma basis, compared with $302.5 million during the same quarter of the previous year. For the nine-month period ended September 30, revenues were $1.24 billion, or $1.68 billion on a pro forma basis, compared with $898.7 million during the same period of 2000.

Quebecor Media generated operating income of $122.8 million in the third quarter of 2001, or $128.7 million on a pro forma basis, compared with $43.6 million in the same quarter of 2000. During the first nine months of 2001, Quebecor Media generated operating income of $242.7 million, or $372.3 million on a pro forma basis, compared with $136.1 million during the same period of 2000.

As at September 30, 2001, Quebecor Media had $145 million in cash on hand and unused credit facilities totalling $275 million, giving the Company all the financial flexibility it needs for its operational requirements.

Cable TV: 17% growth in operating income on a comparable basis

Vidéotron ltée posted revenues of $178.4 million in the third quarter of 2001 and operating income of $68.0 million, a significant increase over the revenues of $164.6 million and operating income of $58.1 million reported for the same quarter of last year. On a comparable basis, Vidéotron's revenues rose 8.4% in the third quarter of 2001 and operating income rose 17.2%. Profitability improved, therefore, and the operating income margin increased to 38%, compared with 35% in the third quarter of 2000.

In the first nine months of the year, revenues for the period of May to September amounted to $296.5 million, or $529.6 million on a pro forma basis, and operating income for May to September was $112.5 million, or $201.3 million on a pro forma basis. Revenues and operating income rose 8.4% and 14% respectively during the period, up from the revenues of $488.5 million and operating income of $176.7 million in the same period of the previous year. The operating income margin increased to 38% during the first nine months of the year, compared with 36.2% during the same period of the previous year. The number of subscribers to Vidéotron's high-speed cable Internet service has doubled over the last year to 200,000. That increase and the corrective measures implemented since November 2000 have had a positive impact on the subsidiary's revenues and earnings. Also during the quarter, the number of subscribers to Vidéotron's digital television service broke through the 100,000 mark and Vidéotron launched its Illico digital and interactive television service, the initial response to which has been strongly positive. Vidéotron generated cash flow in the order of $35 million during the first nine months of 2001.

Newspapers: improved operating margin

Sun Media Corporation's revenues totalled $197.3 million in the third quarter of 2001, compared with $202.3 million in the same quarter of 2000, a 2.5% decrease. The drop was due primarily to lower circulation revenues and a decline in advertising lineage. Sun Media's operating income remained virtually unchanged in the third quarter of 2001, totalling $44.4 million compared with $44.3 million in the same quarter of 2000. Higher newsprint prices continued to cut into Sun Media's profits, but were offset by the effect of restructuring measures. Sun Media generated free cash flow of $56 million in the first nine months of 2001. The operating income margin was 22.5% in the third quarter, compared with 21.9% in the third quarter of 2000, attesting to the Company's cost containment efforts.

On October 17, 2001, after the end of the quarter, Sun Media announced the consolidation of the business operations of Bowes Publishing, which publishes over 190 community newspapers, and its metropolitan dailies in order to eliminate duplications and realize efficiencies. Sun Media also decided to close down its free commuter daily in Toronto, *FYI Toronto.* These measures, combined with other expense reductions, will result in the elimination of 125 positions and will yield annual savings in the order of $10 million.

Broadcasting: higher operating income due to the inclusion of TVA Group

Following the sale of its interest in TQS Inc., Quebecor will obtain $62 million in addition to a reimbursement of $12 million in cash advances that Quebecor had extended to TQS, bringing the total proceeds to $74 million. TQS was transferred to the control of a trustee and Quebecor Media assumed effective control of TVA Group.

The Broadcasting segment's third quarter results include TQS's results for the months of July and August and TVA Group's results for the month of September. The segment's revenues increased from $11.1 million in the third quarter of 2000 to $33.3 million in the same quarter of 2001, due primarily to the inclusion of TVA Group's results for September 2001 and the improvement in TQS's operating results. The Broadcasting segment posted operating income of $4.0 million in the third quarter of 2001, a $6.2 million increase in comparison with the operating loss before interest, taxes, depreciation and amortization of $2.2 million in the same quarter of 2000.

Leisure and Entertainment: high increase in operating income

In the third quarter, the revenues of the Leisure and Entertainment segment, which includes our book, magazine, music and video operations, amounted to $65.2 million, a 21% increase in comparison with the same quarter of 2000. Operating income was $9.2 million, up 88% from the $4.9 million recorded in the same quarter of 2000. The strong increase in the segment's revenues and operating income was due primarily to the addition of the results of Le SuperClub Vidéotron in 2001.

Internet/Portals: lower operating loss

Netgraphe's revenues in the third quarter of 2001 were $7.0 million, compared with $1.6 million during the same period of 2000. The operating loss before interest, taxes, depreciation and amortization was $3.2 million in the third quarter of 2001, compared with $5.3 million during the same period of 2000. The improved results were chiefly attributable to the rationalization of operations and workforce reductions. During the quarter, Netgraphe refocused its development efforts on its core properties in Quebec and the rest of Canada. The Company closed down some sites which had bleak breakeven prospects in the foreseeable future, including canoe.fr in France and six FYI and ICI city sites in as many Canadian cities. It also streamlined its management team by cutting the number of vice presidents. Together, these measures will support continued growth by establishing a cost structure that is more consistent with the Company's revenue prospects.

Web Integration/Technology

Nurun posted revenues of $33 million for the quarter ended September 30, 2001, compared with $37 million for the same quarter of the previous year. The segment's lower revenues were mainly caused by weak volume in e-commerce solutions. Nurun's operating loss before interest, taxes, depreciation and amortization was $823,000 in the third quarter of 2001, compared with EBITDA of $1,500,000 in the same quarter of 2000.

Convergence

Throughout the quarter, Quebecor Media continued to promote integration and collaboration among its properties. Examples include the use of our advertising vehicles to promote our products, the use of our retail outlets to sell our products, the creation of a convergence sales team, the rationalization of various technical operations, the integration of content and rationalized use of real estate.

Quebecor is adjusting to the current business environment by applying the stringent management practices that have been the basis of its success for decades. Our new properties are being integrated into the group at a fast pace and we remain confident that, in the long term, the value of the whole will be greater than the sum of its parts.

Quebecor World: measures to offset the impact of the continuing economic slowdown

Quebecor World Inc. reported total third quarter revenues of $2.51 billion, an increase of nearly 4% in comparison with the same period of 2000. Operating income declined from $424.3 million in the third quarter of 2000 to $399.2 million in the same quarter of 2001. The decrease in operating income was chiefly due to the downturn in the North American economy, which has worsened in the last few months. The Company has moved quickly and flexibly to adapt to the new market environment. Shortly after the end of the quarter, Quebecor World announced that, in view of the economic slowdown and the resulting drop in advertising spending in North America and Europe, the Company is implementing measures to cut its costs, improve its efficiency and maintain its profit margins. On October 9, 2001, the Company announced a restructuring plan which calls for the closing of 7 of Quebecor World's 160 facilities around the world and a 6% reduction in its workforce. Quebecor World estimates that these rationalization measures, necessary under the circumstances, will result in charges in the order of US$225 million in the fourth quarter of 2001. It is expected that once the measures have been fully implemented, they will generate annual savings in the order of US$45 million.

Appointments

At TVA's next annual meeting, Quebecor will propose the appointment of Jean Neveu to the position of Chairman of TVA Group, taking over from Claude Chagnon, who was Chairman until his resignation on August 29. The position has since remained vacant. Mr. Neveu has been a key contributor to the success of Quebecor and Quebecor World for many years, having been President and CEO of Quebecor World for 10 years as well as Chairman of Quebecor World and Quebecor for many years. We are also pleased to announce that Quebecor will propose the appointment of Mr. Brian Mulroney to the position of Chairman of Quebecor World at the next shareholders' meeting. Mr. Mulroney will replace Mr. Neveu, who will continue to sit on Quebecor World's Board of Directors and its Executive Committee. Mr. Mulroney is a Director of Quebecor World, Quebecor Inc. and Quebecor Media. Also, Mr. Érik Péladeau has been appointed to the position of Vice Chairman of Quebecor World.

Dividend

The Board of Directors of Quebecor Inc. has decided to suspend the payment of dividends on the Company's shares in view of Quebecor Media strong growth and the need to reinvest earnings in the Company's development. The decision is consistent with the standard media industry practice of reinvesting income in business development and growth. The Company also considered it appropriate to preserve its cash assets and manage prudently in the current difficult business environment.

Forward-looking statements

Except for the historical information contained herein, the matters discussed in this release include forward-looking statements made pursuant to the safe harbour provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are subject to known and unknown risks and uncertainties that could cause Quebecor's actual results to differ materially from those set forth in the forward-looking statements. These risks include changes in demand for the Company's products, changes in the cost and availability of raw materials and equipment, seasonal fluctuations in customer orders, price pressure created by competitors, and changes in the general economic environment.

The Company

Quebecor Inc. (TSE: QBR.A, QBR.B) is a communications company with operations in North America, Europe, Latin America and Asia. It has two operating subsidiaries, Quebecor World Inc. and Quebecor Media Inc. Quebecor World Inc. is the largest commercial printer in the world. Quebecor Media's subsidiary Vidéotron ltée is the largest cable operator in Quebec and a major Internet Service Provider. Its subsidiary Sun Media Corporation is Canada's second-largest newspaper group. Its subsidiary TVA Group operates the largest French-language general-interest television network in Quebec. Subsidiary Netgraphe operates the CANOE network of Internet properties in Canada (in English and French) and Spain. Subsidiary Nurun Inc. is a leading Web agency in Canada and Europe. Quebecor Media also has interests in book and magazine publishing and operates Archambault, the largest chain of music stores in eastern Canada, and Le SuperClub Vidéotron, a chain of video rental and retail stores. In all, Quebecor Inc. has operations in 17 countries.

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QUEBECOR INC. AND ITS SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS

QUARTERS ENDED SEPTEMBER 30, 2001 AND 2000

QUEBECOR INC. AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME

(Unaudited)
(in millions of Canadian dollars, except (loss) earnings
per share data)

	Three months ended September 30			Nine months ended September 30		
	2001	**2001** (Pro forma) (note 3)	2000	**2001**	**2001** (Pro forma) (note 3)	2000
REVENUES:						
Printing	**$ 2,509.7**	**$ 2,509.7**	$ 2,420.1	**$ 7,234.1**	**$ 7,234.1**	$ 7,082.2
Cable Television	**178.4**	**178.4**	-	**296.5**	**529.6**	-
Newspapers	**197.3**	**197.3**	202.3	**616.6**	**616.6**	625.7
Broadcasting	**33.3**	**77.7**	11.1	**65.4**	**273.5**	39.4
Leisure and Entertainment	**65.2**	**65.2**	53.9	**180.6**	**180.6**	147.8
Web Integration/Technology	**33.0**	**33.0**	37.0	**108.3**	**108.3**	90.2
Internet/Portals	**7.0**	**7.0**	1.6	**20.0**	**20.0**	5.3
Inter-segment	**(11.3)**	**(11.8)**	(9.8)	**(32.3)**	**(37.4)**	(31.5)
	3,012.6	**3,056.5**	2,716.2	**8,489.2**	**8,925.3**	7,959.1
OPERATING COSTS	**(2,491.0)**	**(2,529.1)**	(2,245.0)	**(7,140.1)**	**(7,446.6)**	(6,678.3)
OPERATING INCOME BEFORE UNDERNOTED ITEMS	**521.6**	**527.4**	471.2	**1,349.1**	**1,478.7**	1,280.8
Amortization	**(187.2)**	**(189.7)**	(135.0)	**(503.8)**	**(552.5)**	(420.8)
Financial expenses	**(184.9)**	**(185.9)**	(97.8)	**(486.2)**	**(515.9)**	(296.1)
Reserve for restructuring of operations (note 5)	**(3.7)**	**(3.7)**	-	**(24.3)**	**(24.3)**	-
Gain on sale of shares of a subsidiary and of a portfolio investment (note 6)	**-**	**-**	-	**44.7**	**44.7**	-
Write-down of temporary investments (note 6)	**(40.2)**	**(40.2)**	-	**(99.8)**	**(99.8)**	-
Gains on dilution from issuance of capital stock by a subsidiary	**-**	**-**	-	**1.5**	**1.5**	-
INCOME BEFORE INCOME TAXES	**105.6**	**107.9**	238.4	**281.2**	**332.4**	563.9
Income taxes:						
Current	**13.3**	**17.2**	26.9	**37.1**	**50.4**	75.2
Future	**24.7**	**23.8**	36.3	**73.7**	**82.2**	88.0
	38.0	**41.0**	63.2	**110.8**	**132.6**	163.2
	67.6	**66.9**	175.2	**170.4**	**199.8**	400.7
Equity income (loss) from non-consolidated subsidiaries and companies subject to significant influence	**1.5**	**0.1**	-	**(15.6)**	**0.6**	-
Dividends on preferred shares of subsidiaries	**(8.6)**	**(8.6)**	(3.8)	**(20.6)**	**(20.6)**	(11.3)
Non-controlling interest	**(55.5)**	**(52.7)**	(98.9)	**(116.9)**	**(139.1)**	(228.6)
INCOME BEFORE AMORTIZATION OF GOODWILL	**5.0**	**5.7**	72.5	**17.3**	**40.7**	160.8
Amortization of goodwill, net of non-controlling interest	**(31.9)**	**(32.6)**	(18.3)	**(73.2)**	**(96.6)**	(53.1)
(LOSS) INCOME FROM CONTINUED OPERATIONS	**(26.9)**	**(26.9)**	54.2	**(55.9)**	**(55.9)**	107.7
Net income from the discontinued operatior	**-**	**-**	-	**-**	**-**	246.1
NET (LOSS) INCOME	**$ (26.9)**	**$ (26.9)**	$ 54.2	**$ (55.9)**	**$ (55.9)**	$ 353.8
BASIC AND DILUTED (LOSS) EARNINGS PER SHARE:						
Before amortization of goodwill and the discontinued operation	**$ 0.08**	**$ 0.09**	$ 1.12	**$ 0.27**	**$ 0.63**	$ 2.49
From continued operations	**$ (0.41)**	**$ (0.41)**	$ 0.84	**$ (0.86)**	**$ (0.86)**	$ 1.67
Net (loss) income	**$ (0.41)**	**$ (0.41)**	$ 0.84	**$ (0.86)**	**$ (0.86)**	$ 5.48
Average number of shares outstanding (in millions)	**64.6**	**64.6**	64.6	**64.6**	**64.6**	64.6

See accompanying notes to consolidated financial statement:

QUEBECOR INC. AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME (continued)

(Unaudited)
(in millions of Canadian dollars, except (loss) earnings
per share data)

	Three months ended September 30			Nine months ended September 30		
	2001	**2001** (Pro forma) (note 3)	2000	**2001**	**2001** (Pro forma) (note 3)	2000
SEGMENTED INFORMATION						
Operating income before amortization, financial expenses, reserve for restructuring, gain on sale of shares, write-down of temporary investments and gains on dilution						
Printing	**$ 399.2**	**$ 399.2**	$ 424.3	**$ 1,108.4**	**$ 1,108.4**	$ 1,139.3
Cable Television	**68.0**	**68.0**	-	**112.5**	**201.3**	-
Newspapers	**44.4**	**44.4**	44.3	**132.5**	**132.5**	147.7
Broadcasting	**4.0**	**9.8**	(2.2)	**4.3**	**45.1**	(4.5)
Leisure and Entertainment	**9.2**	**9.2**	4.9	**18.5**	**18.5**	8.5
Web Integration/Technology	**(0.8)**	**(0.8)**	1.5	**(8.8)**	**(8.8)**	4.7
Internet/Portals	**(3.2)**	**(3.2)**	(5.3)	**(17.2)**	**(17.2)**	(17.5)
General corporate revenues (expenses)	**0.8**	**0.8**	3.7	**(1.1)**	**(1.1)**	2.6
	$ 521.6	**$ 527.4**	$ 471.2	**$ 1,349.1**	**$ 1,478.7**	$ 1,280.8
Amortization						
Printing	**$ 132.6**	**$ 132.6**	$ 125.0	**$ 388.5**	**$ 388.5**	$ 391.4
Cable Television	**34.7**	**34.7**	-	**56.7**	**95.7**	-
Newspapers	**6.5**	**6.5**	6.3	**19.2**	**19.2**	19.1
Broadcasting	**1.7**	**4.2**	0.8	**3.3**	**13.0**	2.2
Leisure and Entertainment	**3.4**	**3.4**	1.1	**10.4**	**10.4**	3.3
Web Integration/Technology	**5.2**	**5.2**	1.1	**17.9**	**17.9**	2.7
Internet/Portals	**2.2**	**2.2**	0.6	**5.0**	**5.0**	1.6
Head Office	**0.9**	**0.9**	0.1	**2.8**	**2.8**	0.5
	$ 187.2	**$ 189.7**	$ 135.0	**$ 503.8**	**$ 552.5**	$ 420.8

See accompanying notes to consolidated financial statements

CONSOLIDATED STATEMENTS OF RETAINED EARNINGS

(Unaudited)
(in millions of Canadian dollars)

	Three months ended September 30			Nine months ended September 30		
	2001	**2001** (Pro forma) (note 3)	2000	**2001**	**2001** (Pro forma) (note 3)	2000
Balance at beginning of period	**$ 2,382.1**	**$ 2,382.1**	$ 1,659.8	**$ 2,427.9**	**$ 2,427.9**	$ 1,376.9
Net (loss) income	**(26.9)**	**(26.9)**	54.2	**(55.9)**	**(55.9)**	353.8
	2,355.2	**2,355.2**	1,714.0	**2,372.0**	**2,372.0**	1,730.7
Dividends	**(8.4)**	**(8.4)**	(8.4)	**(25.2)**	**(25.2)**	(24.5)
Premium paid on redemption of shares	**-**	**-**	-	**-**	**-**	(0.6)
Balance at end of period	**$ 2,346.8**	**$ 2,346.8**	$ 1,705.6	**$ 2,346.8**	**$ 2,346.8**	$ 1,705.6

See accompanying notes to consolidated financial statements

QUEBECOR INC. AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS

(Unaudited)
(in millions of Canadian dollars)

	Three months ended September 30			Nine months ended September 30		
	2001	**2001** (Pro forma) (note 3)	2000	**2001**	**2001** (Pro forma) (note 3)	2000
Cash flows related to continued operations:						
(Loss) income from continued operations	**$ (26.9)**	**$ (26.9)**	$ 54.2	**$ (55.9)**	**$ (55.9)**	$ 107.7
Adjustments for:						
Amortization of property, plant and equipment	**169.1**	**170.9**	128.7	**457.3**	**504.2**	395.2
Amortization of goodwill and deferred charges	**88.3**	**89.7**	42.7	**215.4**	**259.8**	132.5
Amortization of deferred financing costs and long-term debt discount	**25.5**	**25.5**	3.9	**46.1**	**46.1**	11.8
Future income taxes	**24.7**	**23.8**	36.3	**73.7**	**82.2**	88.0
Non-controlling interest	**17.2**	**14.4**	80.8	**21.2**	**24.2**	174.8
Equity (income) loss from non-consolidated subsidiaries and companies subject to significant influence	**(1.5)**	**(0.1)**	-	**15.6**	**(0.6)**	-
Gain on sale of shares of a subsidiary and of a portfolio investment	**-**	**-**	-	**(44.7)**	**(44.7)**	-
Write-down of temporary investments	**40.2**	**40.2**	-	**99.8**	**99.8**	-
Gains on dilution from issuance of capital stock by a subsidiary	**-**	**-**	-	**(1.5)**	**(1.5)**	-
Other	**0.4**	**10.8**	(10.0)	**3.0**	**7.6**	(12.0)
	337.0	**348.3**	336.6	**830.0**	**921.2**	898.0
Change in non-cash balances related to operations (net of the effect of business acquisitions)	**(233.9)**	**(206.4)**	(206.6)	**(542.7)**	**(512.9)**	(356.6)
Cash flows provided by continued operations	**103.1**	**141.9**	130.0	**287.3**	**408.3**	541.4
Cash flows related to financing activities (note 7):						
Net (decrease) increase in bank indebtedness	**(11.8)**	**(11.0)**	(11.3)	**(14.6)**	**18.7**	(9.1)
Issuance of long-term debt	**2,137.9**	**2,138.0**	554.2	**3,594.1**	**3,707.6**	792.3
Repayment of long-term debt and convertible debentures	**(2,369.6)**	**(2,401.8)**	(511.2)	**(3,291.1)**	**(3,495.7)**	(1,129.4)
Issuance of capital stock by subsidiaries	**182.1**	**181.2**	1.1	**577.4**	**576.7**	15.4
Dividends	**(8.4)**	**(8.4)**	(8.4)	**(25.2)**	**(25.2)**	(24.5)
Dividends paid to non-controlling shareholders	**(16.2)**	**(16.2)**	(11.3)	**(49.2)**	**(49.2)**	(32.1)
Other	**-**	**-**	(0.1)	**-**	**-**	(0.1)
Cash flows (used for) provided by financing activities	**(86.0)**	**(118.2)**	13.0	**791.4**	**732.9**	(387.5)
Cash flows related to investing activities:						
Business acquisitions, net of cash and cash equivalents (note 8)	**(240.7)**	**(240.7)**	(48.1)	**(828.8)**	**(828.8)**	(263.4)
Additions to property, plant and equipment	**(150.9)**	**(151.6)**	(94.6)	**(440.7)**	**(487.0)**	(260.4)
Proceed from disposal of assets	**34.1**	**34.4**	64.8	**269.5**	**270.0**	100.2
Other	**(25.9)**	**(30.0)**	(13.5)	**(55.7)**	**(72.4)**	(16.8)
Cash flows used for investing activities	**(383.4)**	**(387.9)**	(91.4)	**(1,055.7)**	**(1,118.2)**	(440.4)
Net (decrease) increase in cash and cash equivalents	**(366.3)**	**(364.2)**	51.6	**23.0**	**23.0**	(286.5)
Effect of the discontinued operation on cash and cash equivalents	**-**	**-**	-	**-**	**-**	296.1
Effect of exchange rates changes on cash and cash equivalents denominated in foreign currencies	**(12.3)**	**(12.3)**	(65.3)	**17.4**	**17.4**	(48.8)
Cash and cash equivalents at beginning of period	**543.6**	**541.5**	27.3	**124.6**	**124.6**	52.8
Cash and cash equivalents at end of period	**$ 165.0**	**$ 165.0**	$ 13.6	**$ 165.0**	**$ 165.0**	$ 13.6

SEGMENTED INFORMATION

Additions to property, plant and equipment:	**2001**	**2001** (Pro forma)	2000	**2001**	**2001** (Pro forma)	2000
Printing	**$ 106.7**	**$ 106.7**	$ 86.7	**$ 349.1**	**$ 349.1**	$ 236.9
Cable Television	**35.0**	**35.1**	-	**61.5**	**103.9**	-
Newspapers	**4.9**	**4.9**	2.8	**16.7**	**16.7**	9.3
Broadcasting	**0.6**	**1.2**	0.9	**2.5**	**6.4**	1.8
Leisure and Entertainment	**2.2**	**2.2**	1.1	**6.8**	**6.8**	3.0
Web Integration/Technology	**0.6**	**0.6**	1.5	**2.6**	**2.6**	4.8
Internet/Portals	**0.3**	**0.3**	1.4	**0.9**	**0.9**	4.2
Head Office	**0.6**	**0.6**	0.2	**0.6**	**0.6**	0.4
	$ 150.9	**$ 151.6**	$ 94.6	**$ 440.7**	**$ 487.0**	$ 260.4

See accompanying notes to consolidated financial statements

QUEBECOR INC. AND ITS SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS

(in millions of Canadian dollars)

	September 30 2001 (Unaudited)	December 31 2000 (Audited)
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	**$ 165.0**	$ 124.6
Temporary investments	**16.6**	176.2
Accounts receivable (note 9)	**1,325.3**	1,093.0
Amounts receivable from non-consolidated subsidiaries	**12.1**	24.5
Inventories	**919.9**	796.8
Investments in subsidiaries held for resale (note 10)	**358.8**	394.6
Prepaid expenses	**79.6**	55.7
Future income taxes	**104.5**	87.1
	2,981.8	2,752.5
PORTFOLIO INVESTMENTS (MARKET VALUE OF $516.8 MILLION)	**391.7**	398.4
PROPERTY, PLANT AND EQUIPMENT	**5,954.5**	4,378.6
INVESTMENTS IN NON-CONSOLIDATED SUBSIDIARIES	**41.1**	4,875.2
GOODWILL	**10,070.2**	4,802.5
FUTURE INCOME TAXES	**82.9**	92.0
OTHER ASSETS	**517.7**	304.1
	$ 20,039.9	$ 17,603.3
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Bank indebtedness	**$ 40.0**	$ 20.0
Accounts payable and accrued liabilities	**2,039.9**	2,037.6
Amounts payable to non-consolidated subsidiaries	**33.2**	-
Income and other taxes	**6.3**	9.0
Current portion of long-term debt and convertible debentures (note 11)	**603.3**	2,471.7
	2,722.7	4,538.3
LONG-TERM DEBT (notes 3 and 11)	**7,909.7**	4,333.5
OTHER LIABILITIES	**452.9**	482.8
CONVERTIBLE DEBENTURES	**178.1**	158.9
FUTURE INCOME TAXES	**966.0**	695.2
NON-CONTROLLING INTEREST	**5,054.2**	4,602.4
SHAREHOLDERS' EQUITY:		
Capital stock	**348.5**	348.5
Retained earnings	**2,346.8**	2,427.9
Translation adjustment	**61.0**	15.8
	2,756.3	2,792.2
	$ 20,039.9	$ 17,603.3

Commitments (note 13)

Subsequent events (note 15)

See accompanying notes to consolidated financial statements

1. BASIS OF PRESENTATION

These consolidated financial statements have been prepared in conformity with Canadian generally accepted accounting principles. The same accounting policies as described in the Company's latest annual report have been used, with exception of the changes and the new accounting policy described in note 2. However, these consolidated financial statements do no include all disclosures required under generally accepted accounting principles and accordingly should be read in connection with the consolidated financial statements and the notes thereto included in the Company's latest Annual Report. The results of operations for the interim periods should not necessarily be considered indicative of full year results due to the seasonality of certain operations.

2. ACCOUNTING POLICIES

Change in accounting policies

The Company has changed certain accounting policies to comply with new standards.

(a) Earnings per share

In the first quarter of 2001, the Company has adopted retroactively the new recommendations of the Canadian Institute of Chartered Accountants ("CICA") concerning earnings per share. These new recommendations harmonize the Canadian standard with the United States standard. The standard requires the disclosure of the calculation of basic and diluted earnings per share using the treasury stock method. This change did not have any effect on basic earnings per share.

(b) Transfer of receivable

In March 2001, the CICA issued the accounting guideline ("AcG") No. 12, Transfer of Receivables. The new recommendations apply to transfers of receivables after June 30, 2001, although application is permitted for transfers after March 31, 2001. The Company adopted the new recommendations prospectively. The new recommendations of CICA Handbook AcG-12 harmonize the Canadian standards with the United States standards. The effect of adopting the new recommendations did not have a significant impact on the consolidated balance sheet as at September 30, 2001 and on the consolidated statements of income and retained earnings and cash flows for the nine-month period ended at this date.

2. ACCOUNTING POLICIES (CONTINUED)

Change in accounting policy (continued)

(c) Business combinations, goodwill and other intangible assets

In August 2001, the CICA issued Section 1581, *Business Combinations*, and Section 3062, *Goodwill and Other Intangible Assets*. The Company has adopted the recommendations of these new CICA Handbook sections which apply to business combinations initiated after June 30, 2001 and to business combinations consummated after June 30, 2001 that are accounted for in accordance with the purchase method. In accordance with Section 3062, goodwill and intangible assets with indefinite useful lives are not amortized and other identified intangible assets are amortized.

For purchase business combinations consummated on or before June 30, 2001, the accounting under Section 1580, Business Combinations, and under Section 3060, Capital Assets, has been applied. Under those Sections, goodwill and separately identifiable intangibles with an indefinite useful life are recorded and amortized until the Company adopts Section 3062, which must be applied by the Company for the year beginning on January 1, 2002.

New accounting policy

The Company has adopted a new accounting policy during the first quarter of 2001.

Exchangeable debentures

The carrying amount of the exchangeable debentures is based on the market price, at the balance sheet date, of the underlying 12.5 million subordinate shares of Quebecor World Inc. and of the 44.821 million common shares of Abitibi-Consolidated Inc. (“the underlying shares”) that would have satisfied the debentures’ liability if the Company had elected to settle the debentures with the underlying shares as at June 30, 2001.

Each exchangeable debenture is exchangeable for the underlying shares based on a fixed conversion factor determined at the date the debentures were issued, or at the option of the Company, it may deliver cash equivalents based on the market price of the underlying shares at the time of exchange, or a combination of cash and underlying shares.

As it is contemplated that the underlying shares will be transferred by the Company to the exchangeable debenture holders to satisfy the liability, hedge accounting is used. Accordingly, the difference between the carrying amount of the debentures at the balance sheet date and the original amount of the exchangeable debentures is recorded as a deferred amount until there is a redemption or at maturity of the exchangeable debentures, when a realized gain or loss on the underlying shares will be recorded. The deferred amount is recorded against the amount of the exchangeable debentures.

(Tabular amounts are expressed in millions of Canadian dollars.)

3. APPROVAL OF THE TRANSFER OF CONTROL OF THE CABLE TELEVISION SEGMENT AND GROUPE TVA INC.

On October 23, 2000, Quebecor Media Inc., a subsidiary of Quebecor Inc., purchased all the shares of Le Groupe Vidéotron ltée. The control of the Cable Television segment and of Groupe TVA inc. was subject to the approval of the Canadian Radio-television and Telecommunications Commission ("CRTC") and, accordingly, the investment in these subsidiaries was accounted for using the equity method. Since May and September 2001, respectively, Quebecor Media Inc. consolidates the assets, liabilities and results of operations of its Cable Television segment and Groupe TVA inc., as the approval of the CRTC for the transfer of the control of these businesses has been obtained. Following the acquisition of control of Groupe TVA inc., the Broadcasting segment has committed to invest $48.9 million over a seven-year period into the TV broadcasting industry and the Canadian communications industry to promote the TV content and the development of communications.

Investments in previously non-consolidated subsidiaries are replaced by the following assets and liabilities at the moment of transfer of control of the Cable Television segment and Groupe TVA inc.:

	Cable Television segment	Broadcasting segment	Total
Assets			
Current non-cash operating assets	$ 96.9	$ 177.8	$ 274.7
Portfolio investment	2.6	10.6	13.2
Property, plant and equipment	1,219.9	84.0	1,303.9
Licenses	–	69.9	69.9
Future income taxes	50.9	4.3	55.2
Deferred charges	67.4	4.3	71.7
Goodwill	4,668.3	171.7	4,840.0
	6,106.0	522.6	6,628.6
Liabilities			
Current non-cash operating liabilities	243.3	143.1	386.4
Long-term debt	963.3	53.9	1,017.2
Future income taxes	228.3	36.2	264.5
Non-controlling interests	2.5	101.1	103.6
	1,437.4	334.3	1,771.7
Net assets	$ 4,668.6	$ 188.3	$ 4,856.9

The statements of operations and cash flows for the three-month and nine-month periods ended September 30, 2001, include pro forma columns to give effect to the approvals from CRTC as if it they had occurred on January 1, 2001 and, accordingly, to the consolidation of the Cable Television segment and Groupe TVA inc. into Quebecor Media Inc. from January 1, 2001.

3. APPROVAL OF THE TRANSFER OF CONTROL OF THE CABLE TELEVISION SEGMENT AND GROUPE TVA INC. (CONTINUED)

The significant accounting policies of the Cable Television segment and Groupe TVA inc. are as follows:

Property, plant and equipment

Property, plant and equipment of the Cable Television segment, are recorded at cost, net of related grants and income tax credits. Cost includes material, direct labour, certain overhead charges and financial expenses relating to the projects to construct and connect receiving and distribution networks. Expenditures for additions, improvements and replacements are capitalized, whereas expenses for maintenance and repairs are charged to operating costs.

Once fully depreciated, the cost of receiving and distribution networks and the related accumulated depreciation are written off the books.

The depreciation of the property, plant and equipment of the Cable Television segment is calculated using the straight-line method over periods of three to twenty years.

Groupe TVA inc. calculates depreciation on broadcasting equipment using straight-line and declining-balance methods over periods of three to fifteen years.

Deferred charges

Deferred charges are recorded at cost and include development costs related to new specialty services and pre-operating expenditures that are amortized when commercial operations begin using the straight-line method over periods of three to five years.

Revenue recognition

Initial hook-up revenues are recognized as revenue to the extent of direct selling costs incurred. The remainder, if any, is deferred and amortized to income over the estimated average period that subscribers are expected to remain connected to the system. Direct selling costs include commissions, the portion of the sales person's compensation for obtaining new subscribers, local advertising targeted for acquisition of new subscribers and cost of processing documents related to new subscribers acquired.

3. APPROVAL OF THE TRANSFER OF CONTROL OF THE CABLE TELEVISION SEGMENT AND GROUPE TVA INC. (CONTINUED)

Deferred revenue and prepaid services

Operating revenue is recognized when services are provided. When subscribers are invoiced, the portion of unearned revenue is recorded under "*Deferred revenue*". Amounts received for services not yet provided are recorded under "*Prepaid services*".

Licences

Licences represent the cost of acquiring rights to operate broadcasting stations. The Company amortizes its broadcasting licences using the straight-line method over a forty-year period. Management reviews periodically the unamortized amount of its licences to determine whether it will be able to recover them in the long term, by comparing them to future undiscounted cash flows. The value of licences and goodwill is reduced when a permanent impairment in value is recognized.

4. TRANSFER OF CONTROL OF TQS INC. OPERATIONS

In September 2001, within the context of the eventual disposal of TQS Inc. and the acquisition of control of Groupe TVA inc., the Company transferred the control of its subsidiary TQS Inc. to a trustee. Accordingly, the investment in this subsidiary is now accounted for by the equity method. At the time of transfer, assets and liabilities of TQS Inc. were respectively $80.9 and $39.4 million.

At this date, the Company concluded an agreement to sell its investment in TQS Inc. to a third party for an amount of $62.0 million plus amounts receivable from this subsidiary up to $12.0 million. This transaction is subject to the approval of the CRTC. Management expects that this transaction will be approved in the fourth quarter of 2001.

5. RESERVE FOR RESTRUCTURING OF OPERATIONS

(a) Printing segment

As at January 1, 2001, the balance of the reserve for restructuring of operations, representing work-force reduction, amounted to $26.4 million. This reserve has been set up in response to difficult market conditions in Europe and the implementation of the digital strategy of Quebecor World Inc. From this reserve, Quebecor World Inc. has used an amount of $6.2 million during the three-month period ended September 30, 2001 ($20.0 million for the nine-month period ended September 30, 2001).

5. RESERVE FOR RESTRUCTURING OF OPERATIONS (CONTINUED)

(b) Newspapers segment

The Newspapers segment has recorded, during the three-month period ended June 30, 2001, a reserve for the restructuring of operations due to market conditions prevailing in this business segment. This reserve has been set up as a result of a work-force reduction and amounts to $11.5 million. This reduction affects all geographic areas and all departments of the segment as well as employees at all levels. This reserve includes mainly amounts that will be paid for severance pay, related employee benefits and other amounts payable to these employees. A total of 225 employees have been laid off. As at September 30, 2001, an amount of $2.8 million still remains recorded in the accounts payable and accrued liabilities regarding this reserve.

(c) Web Integration/Technology

During the second quarter of 2001, the Web Integration/Technology segment has recorded a reserve for restructuring of operations in connection with the planned shut-down of its operating facilities in Ottawa and Chicago (previously Flow Systems Corporation) as well as a work-force reduction of approximately 85 employees in order to improve the profitability and efficiency of the test engineering and real-time communication solutions. The reserve for restructuring amounts to $7.8 million and includes mainly severance pay, cancellation of leases and write-off of certain assets. The amount of $7.8 million also includes a write-off of a portion of the deferred compensation expense, in the amount of $5.2 million, following the departure of certain employees who have left the subsidiary following the work-force reduction program. During the three-month period ended September 30, 2001, Nurun inc., used $0.9 million of the reserve for the restructuring of operations. As at September 30, 2001, an amount of $1.2 million is still included in the accounts payable and accrued liabilities regarding this reserve.

(d) Internet/Portals

During the three-month period ended September 30, 2001, the Internet/Portals segment has recorded a reserve for the restructuring of operations of $3.7 million ($5.0 million for the nine-month period ended September 30, 2001). The third quarter reserve is in connection with the reorganization of the management structure, the European operations and six Canadian regional sites. This reserve included costs connected to severance pay to employees for an amount of $1.2 million, the cost of $0.9 million relative to a lease, and a $1.6 million of asset write-off. The $1.3 million reserve for the restructuring of operations recorded during the second quarter was also connected to a work-force reduction. As at September 30, 2001, the entire reserve for the restructuring of operations has been paid.

6. GAIN ON SALE OF SHARES OF A SUBSIDIARY AND OF A PORTFOLIO INVESTMENT AND WRITE-DOWN OF TEMPORARY INVESTMENTS

A write-down of temporary investments in the amount of $40.2 million has been recorded during the three-month period ended September 30, 2001 to mark them to market as at September 30, 2001 ($99.8 million for the nine-month period ended September 30, 2001).

During the three-month period ended June 30, 2001, the Company sold 4.0 million common shares of Abitibi-Consolidated Inc. for a cash consideration of $49.5 million or $12.38 a share. The gain on disposal amounted to $20.8 million. The cash proceeds have been used to reduce a portion of the non-revolving bank credit facility of Quebecor Inc.

During the three-month period ended March 31, 2001, the Company had sold 2.5 million shares of Quebecor World Inc. for a cash consideration of $85.0 million or $34.00 a share. The gain on disposal amounted to $23.9 million. The cash proceeds have been used to reduce a portion of the non-revolving bank credit facility of Quebecor Inc.

7. CASH FLOW INFORMATION

A non-cash item affected financing activities for the three-month and nine-month periods ended September 30, 2001. This item represents a cross-currency swap arrangements capitalized and a deferred exchange loss for a total amount of $52.1 million related to Senior Notes and Senior Discount Notes of Quebecor Media Inc.

8. BUSINESS ACQUISITION

The Company made several business acquisitions during the nine-month period ended September 30, 2001, which have been accounted for using the purchase method and earnings are included in the consolidated statements of income and retained earnings since their respective date of acquisition.

The Printing segment has proceeded to many acquisitions:

- In February 2001, Quebecor World Inc. acquired a 70% controlling interest in Espacio Y Punto, in Spain, for a cash consideration of $12.8 million;
- In March 2001, the subsidiary acquired a 75% controlling interest in Grafica Melhoramentos, in Brazil, for a cash consideration of $11.6 million;
- In March 2001, the subsidiaries also acquired minority interests in its Latin America operations for a cash consideration of $24 million, a convertible subordinated debenture of $9 million and a promissory note of $3 million;
- In July 2001, the subsidiary acquired Retail Printing Corporation, in Massachusetts, United States, to expand its North American retail network for a cash consideration of $153.1 million;

(Tabular amounts are expressed in millions of Canadian dollars.)

8. BUSINESS ACQUISITION (CONTINUED)

- During the nine-month period ended September 30, 2001, the subsidiary also completed other business acquisitions for a cash consideration of $3.5 million.

On July 17, 2001, a Web Integration/Technology segment acquired all of the issued and outstanding shares of Velocity Test Systems inc. for a cash consideration of $2.9 million and a $1.5 million balance of purchase price bearing interest at an annual rate of 5% and payable on July 17, 2002.

During the three-month period ended September 30, 2001, the Company has increased its interest in Quebecor World Inc. through the Share repurchase and cancellation program of the subsidiary, which amounted to $85.7 million ($252.4 million for the nine-month period ended September 30, 2001). This increase has resulted in additional goodwill in the amount of $13.4 million ($34.6 million for the nine-month period ended September 30, 2001).

On June 21, 2001, Quebecor Communications Inc., a wholly-owned subsidiary of Quebecor Media Inc., acquired the remaining 30% interest in the parent company of Sun Media Corporation for a cash consideration of $375.0 million. The acquisition of these non-controlling interests, accounted for using the purchase method, has resulted in additional goodwill in the amount of $252.1 million.

Also, the Company has increased its interest in certain subsidiaries of Web Integration/Technology and Leisure and Entertainment segments for a cash consideration of $1.6 million.

Business acquisitions for the nine-month period ended on September 30, 2001 are summarized as follows:

Assets acquired	
Cash and cash equivalents	$ 8.1
Non-cash current operating assets	50.7
Property, plant and equipment	94.0
Goodwill	439.5
Other assets	1.3
Non-controlling interest	351.8
	945.4
Liabilities assumed	
Non-cash current operating liabilities	43.1
Long-term debt	47.8
Other liabilities	0.6
Future income taxes	3.5
	95.0
Net assets acquired at fair value	$ 850.4

(Tabular amounts are expressed in millions of Canadian dollars.)

8. BUSINESS ACQUISITION (CONTINUED)

Consideration	
Cash	$ 836.9
Balance of purchase price payable	13.5
	$ 850.4

9. ASSET SECURITIZATION

During the second quarter ended June 30, 2001, Quebecor World sold a portion of its European trade receivables on a revolving basis under the terms of a European securitization agreement dated June 2001 (the "European agreement"). The European Program limit is 153.0 million Euros. As at September 30, 2001, the amount outstanding under the European Program was 118.0 million Euros.

10. DISPOSAL OF A SUBSIDIARY HELD FOR RESALE

On May 15, 2001, Quebecor Media Inc. sold its interest in Protectron inc., a company acquired through the takeover bid of Le Groupe Vidéotron ltée and which was held for resale. The net proceeds from this disposal, amounting to $60.5 million, have been used to reduce the bank credit facility.

11. LONG-TERM DEBT

During the three-month and nine-month periods ended September 30, 2001, the Company and certain subsidiaries entered into a significant refinancing program. In summary, new debts issued, for which the proceeds have been used principally to reimburse existing debts, are as follows:

Quebecor Inc.

- In February 2001, Quebecor Inc. issued Floating Rate Debentures, Series 2001, for an amount of $425.0 million. The debentures are exchangeable for subordinate voting shares of Quebecor World Inc.

- In June 2001, Quebecor Inc. issued Floating Rate Debentures, the Abitibi Debentures, for an amount of $554.9 million. The debentures are exchangeable for common shares of Abitibi-Consolidated Inc.

Quebecor World Inc. and its subsidiaries

- In March 2001, Quebecor World Inc. issued Senior Notes for a principal amount of US$250.0 million.

(Tabular amounts are expressed in millions of Canadian dollars.)

11. LONG-TERM DEBT (CONTINUED)

Quebecor Media Inc.

- In July 2001, Quebecor Media Inc. entered into a credit facility for a total amount of $605.0 million.
- In July 2001, Quebecor Media Inc. issued Senior Notes and Senior Discount Notes for an amount of US$850.4 million.

Vidéotron ltée and its subsidiaries

- In July 2001, Videotron ltée drew down US$263.7 million from one of its existing term credit facilities.

In addition, as a result of the consolidation of the Cable Television segment and Groupe TVA inc., the long-term debt associated to those businesses is recorded as at September 30, 2001.

Long-term debt is detailed as follows:

	Year of maturity	September 30, 2001	December 31, 2000
Quebecor Inc.			
Revolving bank credit facility	2003	$ 222.4	$ 122.0
Exchangeable debentures (i)	2026	425.0	–
Exchangeable debentures (ii)	2026	554.9	–
Non-revolving bank credit facility		–	900.0
Other		8.1	8.9
		1,210.4	1,030.9
Quebecor World Inc. and its subsidiaries			
Revolving bank credit facility	2005 - 2007	529.9	561.7
Commercial paper	2005 - 2007	470.6	322.5
Senior subordinated notes	2008	408.3	388.1
Senior subordinated notes	2009	459.9	435.6
Senior debentures	2007	236.8	224.9
Senior debentures	2027	236.8	224.9
Senior notes	2010 - 2012	394.6	374.9
Senior notes	2015 - 2020	191.0	181.4
Other debt and obligations under capital leases	2001 - 2010	226.5	179.7
Senior Notes (iii)	2006	394.6	–
Acquisition bank credit facility		–	187.4
		3,549.0	3,081.1
Balances to carry forward		$ 4,759.4	$ 4,112.0

(Tabular amounts are expressed in millions of Canadian dollars.)

11. LONG-TERM DEBT (CONTINUED)

Long-term debt is detailed as follows (continued):

	Year of maturity	September 30, 2001	December 31, 2000
Balances brought forward		$ 4,759.4	$ 4,112.0
Quebecor Media Inc.			
Credit facility (iv)	2003	430.0	–
Senior Notes (v)	2011	1,104.0	–
Senior Discount Notes (vi)	2011	245.7	–
Revolving bank credit facility		–	74.0
Non-revolving bank credit facility		–	1,936.9
		1,779.7	2,010.9
Vidéotron ltée and its subsidiaries			
Credit facility (vii)	2003 - 2009	1,141.8	–
Senior Secured First Priority Notes (viii)	2007	129.2	–
		1,271.0	–
Sun Media Corporation and its subsidiaries			
Revolving bank credit facility	2002 - 2005	351.8	376.3
Senior subordinated notes	2007	217.3	218.9
		569.1	595.2
Groupe TVA inc. and its subsidiaries			
Revolving term bank loan (ix)	2003	56.5	–
Other subsidiaries of Quebecor Media Inc.			
Miscellaneous debt		1.6	15.2
Total long-term debt		8,437.3	6,733.3
Less current portion		527.6	2,399.8
		$ 7,909.7	$ 4,333.5

(i) Each Floating Rate debenture, Series 2001, with a principal amount of $1,000, is exchangeable for 29.41 subordinate voting shares of Quebecor World Inc. presently held by the Company, or 12.5 million subordinate shares in total (the "underlying shares"). The debentures are secured by the underlying shares and may be exchanged at the option of the holder, at any time, for the underlying shares at the fixed conversion ratio. The Company may, at its option, satisfy its obligation by payment of a cash amount equal to the fair value of the underlying shares at that time. As at September 30, 2001, the market value of an underlying share was $39.60. Redemption of the debentures before 10 years from the date of issuance may trigger a penalty for the initiator. These debentures bear interest, payable semi-annually, at a rate of 1.5% plus a floating percentage based on the rate of dividends on the underlying shares.

11. LONG-TERM DEBT (CONTINUED)

(ii) Each Floating Rate debenture, the Abitibi Debentures, with a principal amount of $1,000 is exchangeable for 80.8 common shares of Abitibi-Consolidated Inc. presently held by the Company, or 44,821,024 common shares in total (the “underlying shares”). The debentures are secured by the underlying shares and may be exchanged at the option of the holder, at any time, for the underlying shares at the fixed conversion ratio. The Company may, at its option, satisfy its obligation by payment of a cash amount equal to the fair value of the underlying shares at that time. As at September 30, 2001, the market value of an underlying share was $9.99. Redemption of the debentures before 10 years from the date of issuance may trigger a penalty for the initiator. These debentures bear interest, payable quarterly, at a rate of 1.5% plus a floating percentage based on the rate of dividends on the underlying shares.

(iii) These Senior Notes contain certain restrictions which are generally less restrictive than those of the acquisition bank credit facility which has been replaced by these Notes. These Notes are repayable in US dollars.

(iv) The credit facility of $605.0 million is composed of four tranches: (i) a credit facility of $100.0 million to support cross-currency swap arrangements; (ii) a credit facility of $50.0 million for general liquidity purposes; (iii) a 430.0 million term loan; (iv) a credit facility of $25.0 million to capitalize interest on the term loan. Credit facility (i) and (ii) are secured by a first ranking moveable hypothec on all tangible and intangible assets, current and future, of Quebecor Media Inc. and are one-year revolving facilities. Should they not be extended, the outstanding borrowed amounts would be converted into a one-year term loan. Credits (iii) and (iv) are secured by Vidéotron Télécom ltée’ shares, a held-for-resale subsidiary, and by temporary investments. The credit facility in aggregate, is secured by Quebecor Media Inc.’s shareholders. The borrowed amounts bear interest at floating rates based on Bankers’ Acceptances rates or bank prime rate.

(v) The Senior Notes with a principal amount of US$715.0 million have been issued at a discount rate of 97.8% for a net proceed of US$699.2 million and an effective interest rate of 11.50%. These Notes bear interest at a rate of 11.125%, payable semi-annually, commencing January 15, 2002. These Notes contain certain restrictions for Quebecor Media Inc., including limitations on its ability to incur additional indebtedness and are not secured. These Notes are redeemable at the option of Quebecor Media Inc. at a decreasing premium commencing July 15, 2006. Quebecor Media Inc. has fully hedged the foreign currency risk associated with the Senior Notes by using a cross-currency swap arrangement under which Quebecor Media Inc. has set all payments in CA dollars.

11. LONG-TERM DEBT (CONTINUED)

(vi) The Senior Discount Notes with a principal amount of US$295.0 million have been issued at a discount rate of 51.3% for a net proceeds of US$151.2 million and an effective interest rate of 13.79%. These Notes bear interest at a rate of 13.75%, payable semi-annually, commencing January 15, 2006. These Notes contain certain restrictions for Quebecor Media inc., including limitations on its ability to incur additional indebtedness and are not secured. These Notes are redeemable at the option of Quebecor Media Inc. at a decreasing premium commencing July 15, 2006. Quebecor Media Inc. has fully hedged the foreign currency risk associated with the Senior Discount Notes by using a cross-currency swap arrangement under which Quebecor Media Inc. has set all payments in CA dollars.

(vii) The credit facility of $1.291 billion, bearing interest at Bankers' Acceptances rates plus a premium based on certain financial ratios, is secured by a first ranking hypothec on the universality of all tangible and intangible assets, current and future, of Vidéotron ltée and on shares of Vidéotron (1998) ltée, of Vidéotron TVN Inc. and of Le SuperClub Vidéotron ltée. The credit facility is composed of the following credits:

(a) Revolving facility of a maximum amount of $150.0 million, maturing on December 1, 2008;

(b) Term Facility A, for a maximum amount of $736.0 million, decreasing quarterly as of March 1, 2003, until maturity on December 1, 2008;

(c) Term Facility B, for a maximum amount of US$263.7 million, decreasing quarterly as of March 1, 2003, maturing on December 1, 2009. Vidéotron ltée has hedged the foreign currency risk associated with the facility by using a cross-currency swap arrangement under which Vidéotron ltée has set the exchange rate of payments in CA dollar.

The credit facility contains usual covenants such as maintaining certain financial ratios.

(viii) The Senior Secured First Priority Notes are recorded at their fair value of US$83.9 million calculated based on an effective interest rate of 7.59% at the acquisition date. The Notes are redeemable at the option of Vidéotron ltée on or after July 15, 2005 at 100% of the principal amount. These Notes are secured by first ranking hypothecs on substantially all of the assets of CF Cable TV Inc. and certain of its subsidiaries.

(Tabular amounts are expressed in millions of Canadian dollars.)

11. LONG-TERM DEBT (CONTINUED)

(ix) The credit agreement consists of a revolving-term bank loan of a maximum of $90.0 million which bears interest at the prime rate of a Canadian chartered bank plus a variable margin depending on ratio of total debt to cash flow. The revolving-term bank loan is secured by a hypothec for $120.0 million on the universality of Groupe TVA inc.'s moveable and immoveable, tangible and intangible, current and future property. Under the credit agreement, the subsidiary is subject to certain covenants, including maintaining certain financial ratios. In addition, the subsidiary is limited with regard to amounts for the acquisition of fixed assets, investments, dividends and other payments to shareholders.

12. FINANCIAL INSTRUMENTS

During the three-month period ended September 30, 2001, Quebecor Media Inc. and Vidéotron ltée concluded cross-currency swap agreements to hedge its foreign currency denominated long-term debt against fluctuations in exchange rates. The cross-currency swaps represent an obligation to exchange principal and interest amounts between the Company and major North-American financial institutions. The effect of these cross-currency swaps modified these debts as follows:

	Senior Notes	Senior Discount Notes	Term Facility B
Effective annual interest rate	12.3%	14.6%	Bankers' acceptances plus 3.11%
Annual interest rate on principal	11.9%	14.6%	–
Exchange rate on payment of interest and principal per CA dollar against US$1.00	1.5255	1.5822 (1)	1.5389

(1) According to the cross-currency swap arrangement, the exchange rate includes an exchange fee.

13. COMMITMENTS

On September 27, 2001, the subsidiary Quebecor World Inc. signed a binding agreement pending regulatory approval to purchase the European printing assets of Hachette Filipacchi Medias.

The Broadcasting segment is committed, pursuant to operating lease, to rent premises and equipment for a total amount of $43.2 million, up to 2011.

14. COMPARATIVE FIGURES

Certain comparative figures for the periods have been reclassified to conform with the presentation adopted for the three-month and nine-month periods ended September 30, 2001.

15. SUBSEQUENT EVENTS

Reserve for restructuring of operations

(i) Printing segment

On October 9, 2001, the subsidiary Quebecor World Inc. announced it is currently analyzing the extent of reserve for restructuring of operations and other special charges. This initiative results from the negative market conditions and the poor economic outlook. In the fourth quarter of 2001, Quebecor World Inc. will record a charge estimated at US$225.0 million (CA$355.0 million) before taxes, with a cash component of approximately US$100.0 million (CA$158.0 million). Most of the cash costs relate to plant closures, severance from workforce reduction and other charges. It is anticipated that the restructuring plans to be implemented will result in the closing of approximately seven facilities and the elimination of 6% of the subsidiary's workforce.

(ii) Newspapers segment

On October 17, 2001, the subsidiary of the Newspapers segment, Sun Media Corporation, announced the consolidation of the business operations of its wholly-owned subsidiary, *Bowes Publishers*, with its urban daily newspaper operations. It also ceased publication of one of its free dailies, *FYI Toronto*. These cost-cutting measures eliminated 125 jobs. The Newspapers segment will record a restructuring charge of $6.3 million in the fourth quarter of 2001.

QUEBECOR INC.
Supplementary Disclosure

Quarter / 9-Month Period Ended September 30, 2001

Safe Harbor Act
Statements within this presentation which are not historical facts are « forward looking » statements and « safe harbor statements » under the Private Securities Litigation Reform Act of 1995 that involve risks and/or uncertainties, including but not limited to financial projections, state and federal regulations, construction activities and other risks described in the Company's public filings with the Securities Exchange Commission.

For additional information, please contact
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QUEBECOR INC.
Supplementary Disclosure
Quarter / 9-Month Period Ended September 30, 2001
Long-Term Debt

		September 30, 2001
		(in millions)
Quebecor		
Revolving Credit Facility (Availability: $300)	$	222.4
Exchangeable (World)		425.0
Exchangeable (Abitibi)		554.9
Other Debt		8.1
	$	**1,210.4**
Quebecor World	**$**	**3,549.0**
Quebecor Media		
Revolving Credit Facility (Availability : $50)	$	-
Term Loan B-1 due 2003		430.0
Senior Notes/Senior Discount Notes due 2011		1,349.7
		1,779.7
Vidéotron		
Revolving Credit Facility (Availability : $150)		-
Term Loan A due 2008		736.0
Term Loan B due 2009		405.8
91/8% CF Cable Notes due 2007		129.2
		1,271.0
Sun Media		
Revolving Credit Facility (Availability : $75)		-
Term Loan due 2005		351.8
9½% Senior Subordinated Notes due 2007		217.3
		569.1
TVA		56.5
Other Debt		1.6
Total Quebecor Media	**$**	**3,677.9**
TOTAL DEBT	**$**	**8,437.3**
Cash-on-hand		
Quebecor	$	17.4
Quebecor World		3.0
Quebecor Media		144.6
	$	165.0

QUEBECOR MEDIA

Supplementary Disclosure

Quarter / 9-Month Period Ended September 30, 2001

VIDÉOTRON

	Sept-30-00	Dec-31-00	Mar-31-01	Jun-30-01	Sept-30-01
Homes Passed ('000)	2,325	2,325	2,324	2,324	2,324
Basic Subscribers ('000)	1,563	1,559	1,554	1,523	1,533
Basic Penetration(1)	60.8%	60.6%	60.3%	58.9%	59.2%
Extended Tier Subscribers ('000)	1,307	1,298	1,288	1,262	1,269
Extended Tier Penetration(1)	83.5%	83.0%	82.7%	82.5%	82.3%
Digital Subscribers ('000)	71	86	94	94	104
Digital Penetration(1)	5.0%	6.1%	6.7%	6.8%	7.5%
HSD Subscribers ('000)	108	142	168	183	206
HSD Penetration(1)	7.7%	10.1%	12.0%	13.4%	15.0%

(1) Based on residential subscribers

	3rd Quarter			YTD		
	2000	2001	VAR	2000	2001	VAR
Revenues	$ 164.6	$ 178.4	8.4%	$ 488.5	$ 529.6	8.4%
Cable	$ 149.0	$ 152.3	2.3%	$ 444.8	$ 456.3	2.6%
Internet	$ 15.0	$ 25.5	69.3%	$ 41.8	$ 71.6	71.5%
EBITDA	$ 58.1	$ 68.0	17.2%	$ 176.7	$ 201.3	14.0%
CAPEX	$ (2)	$ 44.0	N/A	$ (2)	$ 129.9	N/A
2-Way Capability			95.0%			95.0%
Cable ARPU	$ 32.07	$ 33.24		$ 31.80	$ 32.88	
TOTAL ARPU	$ 35.44	$ 38.92		$ 34.93	$ 38.16	
EBITDA Margin	35.3%	38.1%		36.2%	38.0%	

(2) Not available

QUEBECOR MEDIA

Supplementary Disclosure

Quarter / 9-Month Period Ended Septembre 30, 2001

SUN MEDIA

	3rd Quarter			YTD		
	2000	**2001**	**VAR**	**2000**	**2001**	**VAR**
Lineage ('000)						
Urban Dailies	42,668	41,798	-2.0%	130,513	127,658	-2.2%
Revenues	$ 202.3	$ 197.3	-2.5%	$ 625.7	$ 616.6	-1.4%
Advertising	$ 131.5	$ 130.2	-1.0%	$ 413.2	$ 411.7	-0.4%
Urban Dailies	$ 148.2	$ 144.3	-2.6%	$ 455.9	$ 447.2	-1.9%
Community Newspapers	$ 55.5	$ 55.5	-0.1%	$ 176.3	$ 176.6	0.1%
EBITDA	$ 44.3	$ 44.4	0.1%	$ 147.7	$ 132.5	-10.3%
EBITDA Margin	21.9%	22.5%		23.6%	21.5%	
Change in Newsprint Price			8.0%			15.0%

QUEBECOR INC.
Supplementary disclosure
Quarter / 9-Month Period Ended Septembre 30, 2001
Shares Held in Publicly Traded Subsidiaries

	Number of Shares Owned	% Equity	% Voting
Quebecor World[1]	53,711,277	38.3%	84.9%
TVA	12,226,617	35.5%	99.9%
Netgraphe	183,587,344	82.5%	97.6%
Nurun	19,576,605	58.7%	58.7%
Mindready[2]	8,000,000	66.7%	81.0%

(1) Taking into account 12,500,000 shares held as collateral for the $425M Exchangeable Debentures
(2) Owned by Nurun