

## Net Income

Net income from continuing operations was 3% lower than last year. See "Key Changes in Financial Results this Year Compared to 2012", for further details.

(In millions of dollars, except per share amounts)	Years ended December 31		
	2013	2012	% Chg
Net income from continuing operations	\$ 1,669	\$ 1,725	(3)
Loss from discontinued operations	—	(32)	n/m
<b>Net income</b>	<b>\$ 1,669</b>	<b>\$ 1,693</b>	<b>\$ (1)</b>
Basic earnings per share – continuing operations	\$ 3.24	\$ 3.32	(2)
Diluted earnings per share – continuing operations	3.22	3.30	(2)
Basic earnings per share	3.24	3.26	(1)
Diluted earnings per share	3.22	3.24	(1)

Excluding certain items, adjusted net income was 1% lower compared to 2012, mainly from higher adjusted operating profit and lower income tax expense, partially offset by higher depreciation and amortization.

(In millions of dollars, except per share amounts)	Years ended December 31		
	2013	2012	% Chg
Adjusted operating profit <sup>1</sup>	\$ 4,993	\$ 4,834	3
Depreciation and amortization	(1,898)	(1,819)	4
Finance costs	(742)	(671)	11
Other income <sup>2</sup>	34	17	100
Income tax expense <sup>3</sup>	(618)	(580)	7
<b>Adjusted net income <sup>1</sup></b>	<b>\$ 1,769</b>	<b>\$ 1,781</b>	<b>(1)</b>
Adjusted basic earnings per share <sup>1</sup>	\$ 3.43	\$ 3.43	—
Adjusted diluted earnings per share <sup>1</sup>	\$ 3.42	\$ 3.41	—

<sup>1</sup> Adjusted operating profit, adjusted net income, adjusted basic and diluted earnings per share are non-GAAP measures and should not be considered as a substitute or alternative for GAAP measures. These are not defined terms under IFRS, and do not have standard meanings, so may not be a reliable way to compare us to other companies. See "Non-GAAP Measures" for information about these measures, including how we calculate them.

<sup>2</sup> Other income excludes \$47 million gain on the sale of TVtropis investment for the year ended December 31, 2013. Other income also excludes the \$233 gain on spectrum sale for the year ended December 31, 2012.

<sup>3</sup> Income tax expense excludes \$22 million recovery (2012 – \$40 million expense) for the year ended December 31, 2013 related to adjusted items.

### CONSOLIDATED ADJUSTED NET INCOME (IN MILLIONS OF DOLLARS)

2013		\$1,769
2012		\$1,781
2011		\$1,736

## Employees

Employee salaries and benefits represent a material portion of our expenses. At December 31, 2013, we had 28,026 (2012 – 26,801) employees across all of our operating groups, including shared services and the corporate office. Total salaries and benefits for full time employees (FTE) and part-time employees (PTE) in 2013 were approximately \$1,940 million, up 7% from \$1,813 million in 2012 due to the increase in the number of employees, higher baseball player costs and employee benefit costs, an increase in pension expense due to higher service costs, and an increase in stock-based compensation expense due to a larger increase in our share price compared to 2012.