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PRESS RELEASE

For immediate release

**VIDÉOTRON ANNOUNCES THE LAUNCH OF ITS
RESIDENTIAL PHONE SERVICE IN FIRST HALF 2005**

Montréal, July 29, 2004 –Vidéotron ltée and Videotron Telecom Ltd announce today that they will launch a residential telephone service using Voice over IP (VoIP) technology in Québec during the first half of 2005. Capital investments for this project, excluding customer acquisition costs, are expected to total \$ 80 million over the next four years. Acquisition costs are expected to total \$ 250 per customer. Vidéotron, the largest provider of high-speed Internet access and cable television services in Québec, and Videotron Telecom, one of Québec’s leading telephony providers, will announce details of service offerings and availability after completing technical trials on Vidéotron’s provincial broadband network in the fall.

Market studies conducted by Vidéotron show that consumers are keenly interested in cable telephone service and its full-feature benefits as a complement to high-speed Internet and digital television services. Customers are also attracted by the advantages of one-stop shopping, which offers the prospect of a single monthly bill with bundled discounts and a single supplier to deal with for customer service and technical support.

“Through a partnership with its sister company Videotron Telecom, Vidéotron will soon be able to offer a genuine alternative to conventional telecom services in Québec,” said Robert Dépatie, President and Chief Executive Officer of Vidéotron. “Our residential phone service will represent a step forward in telecommunications, bringing consumers a highly reliable service backed by the customer support they expect. Subscribers to VoIP service will have access to all the features and functionalities to which they are accustomed, without having to replace their conventional telephone.”

The technology selected by Vidéotron will layer perfectly with Videotron Telecom’s circuit-switched network. This will combine the best of the two technology platforms, joining the reliability and multitude of feature services supported by conventional digital switches with the savings made possible by the delivery of multiple services over a single IP network.

Switching to Vidéotron’s telephone service will be simple and seamless. A modem which converts voice to data and sends it to an interface with the switched network or with another telephone modem will be installed for new customers. Customers will be able to continue using their existing telephone and the functionalities will be the same as with a conventional phone. They will also be able to keep their telephone number, since Videotron Telecom is a registered Competitive Local Exchange Carrier (CLEC).

“The introduction of VoIP services by cable operators will increase the penetration of digital services and deliver to the public the full advantages of IP-based telephony,” said Mr. Dépatie. “We believe the regulatory authorities should promote the availability of VoIP so consumers can enjoy all the benefits of a competitive marketplace. To achieve this objective, it is very important to have a clearly defined regulatory status for such services which takes into account the dominant market position of the incumbent telephone companies.”

Vidéotron Itée (www.videotron.com), a wholly-owned subsidiary of Quebecor Media Inc., is an integrated communications company engaged in cable television, interactive multimedia development and Internet access services. Vidéotron is a leader in new technologies with its *illico* interactive television system and its broadband network, which supports high-speed cable Internet access, analog and digital cable television, and other services. Vidéotron serves 1,429,000 cable television customers in Québec; including over 287,000 *illico* subscribers. Vidéotron is also the Québec leader in high-speed cable Internet access, with more than 473,000 subscribers to its cable modem and dial-up services.

Videotron Telecom Ltd., a wholly-owned subsidiary of Quebecor Media Inc., is a provider of business telecommunications services including local switch dial tone, long distance, high speed data transmission and Internet connectivity. Its network has over 8,400 km/cable in Québec and 2,000 km/cable in Ontario and reaches more than 80% of businesses located in the metropolitan areas of Québec and most of the business located in the major metropolitan areas of Ontario.