

The cash flows of the discontinued operations were as follows:

	Years ended August 31,	
	2019 <sup>(1)</sup>	2018
<i>(In thousands of Canadian dollars)</i>	\$	\$
Cash flow from operating activities	41,962	65,720
Cash flow from investing activities	691,729	(49,492)
Effect of exchange rate changes on cash and cash equivalents denominated in foreign currencies	116	105
<b>Net change in cash and cash equivalents from discontinued operations</b>	<b>733,807</b>	<b>16,333</b>

(1) Fiscal 2019 amounts reflect the eight-month period ended April 30, 2019.

## 9. OPERATING EXPENSES

	2019	2018
<i>(In thousands of Canadian dollars)</i>	\$	\$
		<i>(restated, Note 3)</i>
Salaries, employee benefits and outsourced services	345,041	317,118
Service delivery costs <sup>(1)</sup>	661,214	615,267
Customer related costs <sup>(2)</sup>	83,401	68,744
Other external purchases <sup>(3)</sup>	114,324	120,496
	<b>1,203,980</b>	<b>1,121,625</b>

(1) Include cost of equipment sold, content and programming costs, payments to other carriers, franchise fees and network costs.

(2) Include advertising and marketing expenses, selling costs, billing expenses, bad debts and collection expenses.

(3) Include office building expenses, professional service fees, Canadian Radio-television and Telecommunications Commission ("CRTC") fees, losses and gains on disposals and write-offs of property, plant and equipment and other administrative expenses.

## 10. DEPRECIATION AND AMORTIZATION

	2019	2018
<i>(In thousands of Canadian dollars)</i>	\$	\$
		<i>(restated, Note 3)</i>
Depreciation of property, plant and equipment	423,432	387,726
Amortization of intangible assets	57,293	45,928
	<b>480,725</b>	<b>433,654</b>

## 11. FINANCIAL EXPENSE

	2019	2018
<i>(In thousands of Canadian dollars)</i>	\$	\$
Interest on long-term debt	176,798	179,680
Net foreign exchange gains	(2,744)	(2,134)
Amortization of deferred transaction costs	1,836	1,884
Capitalized borrowing costs <sup>(1)</sup>	(690)	(2,074)
Other	302	8,100
	<b>175,502</b>	<b>185,456</b>

(1) For the years ended August 31, 2019 and 2018, the weighted average interest rate used in the capitalization of borrowing costs was 4.5%.