



FOR IMMEDIATE RELEASE

CORUS ENTERTAINMENT ANNOUNCES FISCAL 2009 FOURTH QUARTER AND YEAR-END RESULTS

- **Consolidated segment profit increases 22% in the fourth quarter**
- **Consolidated revenues and segment profit hold flat for the year**
- **Strong free cash flow for the quarter and the year**

(October 22, 2009 – Toronto, Canada) **Corus Entertainment Inc.** (TSX: CJR.B; NYSE: CJR) announced its fourth quarter and year-end financial results today.

“In a very tough economy Corus was able to match last year’s record revenues and segment profit through the launch of strategic new services and cost reduction initiatives,” said John Cassaday, President and CEO, Corus Entertainment. “We are confident that this combined focus on innovation and cost constraint positions us well for an expected improvement in the Canadian economy.”

Financial Highlights

(unaudited) (in thousands of Canadian dollars except per share amounts)	Three months ended		Twelve months ended	
	August 31,		August 31,	
	2009	2008	2009	2008
Revenues				
Radio	59,941	68,482	258,912	286,449
Television	135,488	117,349	530,014	500,966
Eliminations	(208)	(57)	(208)	(259)
	195,221	185,774	788,718	787,156
Segment profit				
Radio	15,145	15,059	60,338	75,504
Television	46,712	38,396	209,145	199,605
Corporate	(4,434)	(6,220)	(18,293)	(22,979)
	57,423	47,235	251,190	252,130
Net income (loss)	18,733	17,406	(56,635)	129,835
Earnings (loss) per share				
Basic	\$0.23	\$0.21	\$(0.71)	\$1.57
Diluted	\$0.23	\$0.21	\$(0.71)	\$1.54

Consolidated Results

Consolidated revenues for the three months ended August 31, 2009 were \$195.2 million, up 5% from \$185.8 million last year. Consolidated segment profit was \$57.4 million, up 22% from \$47.2 million last year. Net income for the quarter was \$18.7 million (\$0.23 basic and diluted), compared to net income of \$17.4 million (\$0.21 basic and diluted) last year.

Consolidated revenues for the year ended August 31, 2009 were \$788.7 million, up slightly from \$787.2 million last year. Consolidated segment profit was \$251.2 million, essentially unchanged from \$252.1 million last year. Net loss for the year was \$56.6 million (\$0.71 basic and diluted loss per share), compared to net income of \$129.8 million (\$1.57 basic and \$1.54 diluted) last year. Net loss for the year

includes a \$175.0 million broadcast license and goodwill impairment charge recorded in the third quarter.

Operational Results

Radio

- Revenues decreased by 12% in the fourth quarter and 10% for the year.
- Segment profit increased by 1% in the fourth quarter and decreased by 20% for the year.
- Local airtime revenues down 12% for the fourth quarter and 10% for the year.
- National airtime revenues down 23% for the fourth quarter and 17% for the year.
- Revenue declines experienced in all regions in Canada for both the fourth quarter and year.
- Broadcast license and goodwill impairment charge of \$175.0 million recorded in the third quarter.
- Restructuring provisions recorded of \$5.4 million for the fourth quarter and \$8.6 million for the year as Corus aligns the cost structure of this division with its strategic objectives.

Television

- Revenue growth of 15% in the fourth quarter and 6% for the year.
- Segment profit growth of 22% in the fourth quarter and 5% for the year.
- Advertising revenues down 10% in the fourth quarter and 6% for the year.
- Specialty advertising revenues down 10% in the fourth quarter and 5% for the year.
- Toys and Food continue to be soft advertising categories in the Kids area.
- Subscriber revenue growth of 19% in the fourth quarter and 14% for the year.
- Subscriber revenues benefited from the launches of VIVA and HBO Canada.
- Movie Central finished the year with 953,000 subscribers, up 7% from last year.

Significant Events in the Quarter

- On June 2, 2009, the Company's Nelvana Enterprises announced, in partnership with d-rights Inc., the return of the internationally successful *Beyblade* toy and programming franchise. Fifty-one new episodes and a revamped toy line will launch in fall 2010.
- On June 3, 2009, the Company's Nelvana Enterprises, along with partners Cartoon Network Enterprises and Spin Master Limited, won two International Licensing Industry Merchandisers' Association (LIMA) Awards for the *Bakugan* brand. Spin Master accepted the Overall Best Licensed Program of the Year and all partners accepted the Best TV, Film and Entertainment Hard Goods License of the Year.
- On June 30, July 31 and August 31, 2009, the Company paid a monthly dividend of \$0.049585 and \$0.05 to holders of its Class A and Class B Shares respectively.
- On July 14, 2009, the Company announced that it had reached an agreement to purchase the specialty television services Drive-In Classics and SexTV from CTVglobemedia. The transaction is subject to approval by the Canadian Radio-television and Telecommunications Commission (CRTC). The combined acquisition price for both services is approximately \$40 million Cdn.

Significant Events Subsequent to the Quarter

- On September 9, 2009, the Company launched DUSK, a rebranded specialty channel formerly known as SCREAM. Catering to adults 18 - 49, DUSK offers viewers access to a ramped up lineup of suspense, thriller and supernatural-based Hollywood feature films and television series seven days a week, 24-hours-a-day. DUSK is a partnership between the Company and CanWest Global Communications Corp.
- On September 28, 2009, the Company announced plans to add Nickelodeon, one of the world's leading entertainment brands for kids, to its premier portfolio of kid-focused services. The

channel will launch at 6 a.m. ET on Monday, November 2, 2009. Nickelodeon in Canada will be dedicated exclusively to Canadian kids and feature a line-up of Nick's award-winning properties, from current live-action comedies and animated favorites to classic hits.

- On September 28, 2009, the Company announced a partnership with FMQB Productions, which will see Corus Radio's syndicated content distributed to radio affiliates across the U.S. Under the *ExploreMusic* banner, U.S. stations will now feature Alan Cross' *The Ongoing History of New Music* and the *ExploreMusic* radio program as well as Jeff Woods' *Legends of Classic Rock*. Enthusiasm for the programs was met quickly with WEDG/Buffalo and WRZX/Indianapolis signing on as the first American affiliates to carry Corus Radio's flagship programs.
- On September 29, 2009, the Company held its annual Investor Day and updated investors on the Company's fiscal 2010 strategic priorities and provided near-term financial guidance for the 2010 fiscal year. The Company announced its fiscal 2010 guidance targets of consolidated segment profit of \$255 to \$270 million, and free cash flow of between \$10 to \$20 million. The Company also announced, subject to CRTC approval, the rebranding of SexTV to W Movies and announced the discontinuation of the Discovery Kids service effective November 2, 2009.
- On September 29, 2009, the Company announced that its Board of Directors had approved a discount for Class B Shares issued from treasury pursuant to the terms of its Dividend Reinvestment Plan ("the Plan"). Under the Plan, eligible holders of Class A Shares and Class B Shares may acquire additional Class B Shares through reinvestment of the cash dividends paid on their respective shareholdings. At this time, the Company's Board of Directors has approved the issuance of shares from treasury at a two percent discount from the average market price, as determined pursuant to the terms of the Plan. This change will be effective for any dividends payable on or after November 1, 2009, until such time as the Company elects otherwise.
- On September 30, 2009, the Company paid a monthly dividend of \$0.049585 and \$0.05 to holders of its Class A and Class B Shares respectively.
- On October 7, 2009, The Honourable James Moore, Minister of Canadian Heritage and Official Languages, announced a settlement between the Government of Canada and members of the broadcasting industry on the Part II license fee issue. The agreement has resulted in the Canadian Association of Broadcasters and other named parties (including the Company) discontinuing their appeal before the Supreme Court of Canada challenging the validity of the fees that had been scheduled to be heard on October 19, 2009. The settlement agreement includes waiving Part II license fees that were not collected due to the ongoing legal dispute for the broadcast years 2007, 2008 and 2009. The Company will reverse its August 31, 2009 accrual of \$16,194 million in the first quarter of fiscal 2010. Under this settlement, the Government is also recommending that the CRTC develop a new Part II fee regime, which would be effective commencing September 1, 2009.

Corus Entertainment Inc. reports in Canadian dollars.

About Corus Entertainment Inc.

Corus Entertainment Inc. is a Canadian-based media and entertainment company. Corus is a market leader in specialty television and radio with additional assets in pay television, advertising services, television broadcasting, children's book publishing and children's animation. The company's multimedia entertainment brands include YTV, Treehouse, W Network, CosmoTV, VIVA, Movie Central, HBO Canada, Nelvana, Kids Can Press and radio stations including CKNW, CKOI and Q107. Corus creates engaging branded entertainment experiences for its audiences across multiple platforms. A publicly traded company, Corus is listed on the Toronto (CJR.B) and New York (CJR) exchanges. Experience Corus on the web at www.corusent.com.

The audited consolidated financial statements and accompanying notes for the year ended August 31, 2009 and Management's Discussion and Analysis will be made available on the Company's website at www.corusent.com in the Investor Relations section.

A conference call with Corus senior management is scheduled for October 22, 2009 at 2 p.m. ET. While this call is directed at analysts and investors, members of the media are welcome to listen in. The dial-in number for the conference call for North America is 1-800-919-8049 and for local/international callers is 416-981-9000. PowerPoint slides for the call will be posted at 1:45 p.m. ET on October 22, 2009 and can be found on the Corus Entertainment website at www.corusent.com in the Investor Relations section.

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This press release contains forward-looking information and should be read subject to the following cautionary language:

To the extent any statements made in this report contain information that is not historical, these statements are forward-looking statements and may be forward-looking information within the meaning of applicable securities laws (collectively, "forward-looking statements"). These forward-looking statements related to, among other things, our objectives, goals, strategies, intentions, plans, estimates and outlook, including advertising, program, merchandise and subscription revenues, operating costs and tariffs, taxes and fees, and can generally be identified by the use of the words such as "believe", "anticipate", "expect", "intend", "plan", "will", "may" and other similar expressions. In addition, any statements that refer to expectations, projections or other characterizations of future events or circumstances are forward-looking statements. Although Corus believes that the expectations reflected in such forward-looking statements are reasonable, such statements involve risks and uncertainties and undue reliance should not be placed on such statements. Certain material factors or assumptions are applied in making forward-looking statements, including without limitation factors and assumptions regarding advertising, program, merchandise and subscription revenues, operating costs and tariffs, taxes and fees and actual results may differ materially from those expressed or implied in such statements. Important factors that could cause actual results to differ materially from these expectations include, among other things: our ability to attract and retain advertising revenues; audience acceptance of our television programs and cable networks; our ability to recoup production costs, the availability of tax credits and the existence of co-production treaties; our ability to compete in any of the industries in which we do business; the opportunities (or lack thereof) that may be presented to and pursued by us; conditions in the entertainment, information and communications industries and technological developments therein; changes in laws or regulations or the interpretation or application of those laws and regulations; our ability to integrate and realize anticipated benefits from our acquisitions and to effectively manage our growth; our ability to successfully defend ourselves against litigation matters arising out of the ordinary course of business; and changes in accounting standards. Additional information about these factors and about the material assumptions underlying such forward-looking statements may be found in our Annual Information Form. Corus cautions that the foregoing list of important factors that may affect future results is not exhaustive. When relying on our forward-looking statements to make decisions with respect to Corus, investors and others should carefully consider the foregoing factors and other uncertainties and potential events. Unless otherwise required by applicable securities laws, we disclaim any intention or obligation to publicly update or revise any forward-looking statements whether as a result of new information, events or circumstances that arise after the date thereof or otherwise.

For further information, please contact:

John Cassaday
President and Chief Executive Officer
Corus Entertainment Inc.
416-642-3770

Tracy Ewing
Vice President, Communications
Corus Entertainment Inc.
416-642-3792

Tom Peddie
Senior Vice President and Chief Financial
Officer
Corus Entertainment Inc.
416-642-3780

**CORUS ENTERTAINMENT INC.
CONSOLIDATED BALANCE SHEETS**

(unaudited) (in thousands of Canadian dollars)	As at August 31, 2009	As at August 31, 2008
ASSETS		
Current		
Cash and cash equivalents	10,922	19,642
Accounts receivable	146,784	157,440
Income taxes recoverable	7,267	1,615
Prepaid expenses and other	14,377	10,135
Program and film rights	146,195	131,301
Future tax asset	1,788	9,593
Total current assets	327,333	329,726
Tax credits receivable	26,698	21,952
Investments and other assets	23,693	93,086
Property, plant and equipment	76,450	73,562
Program and film rights	92,579	103,163
Film investments	92,180	80,819
Broadcast licenses	561,741	533,491
Goodwill	674,029	797,854
	1,874,703	2,033,653
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current		
Accounts payable and accrued liabilities	171,055	196,026
Long-term debt	651,767	692,750
Other long-term liabilities	73,360	59,936
Future tax liability	102,842	87,699
Total liabilities	999,024	1,036,411
Non-controlling interest	21,401	20,237
SHAREHOLDERS' EQUITY		
Share capital	840,602	848,257
Contributed surplus	17,303	17,304
Retained earnings	20,380	131,594
Accumulated other comprehensive loss	(24,007)	(20,150)
Total shareholders' equity	854,278	977,005
	1,874,703	2,033,653

**CORUS ENTERTAINMENT INC.
CONSOLIDATED STATEMENTS OF INCOME (LOSS)**

(unaudited) (in thousands of Canadian dollars except per share amounts)	Three months ended August 31,		Twelve months ended August 31,	
	2009	2008	2009	2008
Revenues	195,221	185,774	788,718	787,156
Direct cost of sales, general and administrative expenses	137,798	138,539	537,528	535,026
Depreciation	5,718	5,801	20,704	22,054
Interest expense	8,413	9,906	37,426	41,313
Broadcast license and goodwill impairment	—	—	175,000	—
Disputed regulatory fees	1,070	1,202	5,258	10,936
Other expense, net	9,707	3,865	8,428	7,853
Income before income taxes and non-controlling interest	32,515	26,461	4,374	169,974
Income tax expense	12,227	8,395	56,350	35,519
Non-controlling interest	1,555	660	4,659	4,620
Net income (loss) for the period	18,733	17,406	(56,635)	129,835
Earnings (loss) per share				
Basic	\$0.23	\$0.21	\$(0.71)	\$1.57
Diluted	\$0.23	\$0.21	\$(0.71)	\$1.54

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)

(unaudited) (in thousands of Canadian dollars)	Three months ended August 31,		Twelve months ended August 31,	
	2009	2008	2009	2008
Net income (loss) for the period	18,733	17,406	(56,635)	129,835
Other comprehensive income (loss), net of tax				
Unrealized foreign currency translation adjustment	192	1,031	718	(23)
Unrealized change in fair value of available-for-sale investments, net of tax	102	(176)	(253)	(1,114)
Recognition of change in fair value of available-for sale assets in net income	(385)	—	1,692	—
Unrealized change in fair value of cash flow hedges, net of tax	2,636	(2,451)	(6,014)	(13,851)
	2,545	(1,596)	(3,857)	(14,988)
Comprehensive income (loss) for the period	21,278	15,810	(60,492)	114,847

CORUS ENTERTAINMENT INC.
CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS EQUITY

(unaudited) (in thousands of Canadian dollars)	Three months ended August 31,		Twelve months ended August 31,	
	2009	2008	2009	2008
Share capital				
Balance, beginning of period	840,495	865,686	848,257	882,244
Issuance of shares under stock option plan	107	1,555	597	12,338
Shares repurchased	—	(18,984)	(8,450)	(46,555)
Repayment of executive stock purchase loans	—	—	198	230
Balance, end of period	840,602	848,257	840,602	848,257
Contributed surplus				
Balance, beginning of period	15,870	15,741	17,304	10,250
Stock-based compensation	1,441	1,748	5,154	7,904
Settlement of long-term incentive plan	—	—	(5,138)	—
Exercise of stock options	(8)	(185)	(17)	(850)
Balance, end of period	17,303	17,304	17,303	17,304
Retained earnings				
Balance, beginning of period	13,652	140,159	131,594	95,568
Cumulative impact of accounting changes	—	—	—	(1,594)
Adjusted opening balance	13,652	140,159	131,594	93,974
Net income (loss) for the period	18,733	17,406	(56,635)	129,835
Dividends	(12,005)	(12,088)	(47,946)	(47,326)
Share repurchase excess	—	(13,883)	(6,633)	(44,889)
Balance, end of period	20,380	131,594	20,380	131,594
Accumulated other comprehensive loss				
Balance, beginning of period	(26,552)	(18,554)	(20,150)	(12,169)
Cumulative impact of accounting changes	—	—	—	7,007
Adjusted opening balance	(26,552)	(18,554)	(20,150)	(5,162)
Other comprehensive loss, net of tax	2,545	(1,596)	(3,857)	(14,988)
Balance, end of period	(24,007)	(20,150)	(24,007)	(20,150)

CORUS ENTERTAINMENT INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS

(unaudited) (in thousands of Canadian dollars)	Three months ended August 31,		Twelve months ended August 31,	
	2009	2008	2009	2008
OPERATING ACTIVITIES				
Net income (loss) for the period	18,733	17,406	(56,635)	129,835
Add (deduct) non-cash items:				
Depreciation	5,718	5,801	20,704	22,054
Broadcast license and goodwill impairment	—	—	175,000	—
Amortization of program rights	41,824	37,799	159,532	145,661
Amortization of film investments	9,821	6,897	25,545	28,393
Future income taxes	4,827	(292)	13,637	(7,321)
Non-controlling interest	1,555	660	4,659	4,620
Stock-based compensation	1,442	1,999	4,974	7,971
Imputed interest	1,910	1,662	7,054	6,390
Other gains and losses	4,800	523	(432)	2,203
Net change in non-cash working capital balances related to operations	(3,889)	18,922	(8,309)	(11,018)
Payment of program and film rights	(45,616)	(23,578)	(189,583)	(141,917)
Net additions to film investments	(9,185)	(13,603)	(42,907)	(56,293)
Cash provided by operating activities	31,940	54,196	113,239	130,578
INVESTING ACTIVITIES				
Additions to property, plant and equipment	(12,460)	(7,450)	(22,503)	(17,552)
Business combinations	(1,583)	—	(76,533)	(774)
Cash held in escrow	—	(74,950)	74,950	(74,950)
Net cash flows for investments and other assets	338	(230)	6,966	(4,251)
Decrease in public benefits associated with acquisitions	(1,308)	(1,090)	(2,744)	(3,993)
Cash used in investing activities	(15,013)	(83,720)	(19,864)	(101,520)
FINANCING ACTIVITIES				
Increase (decrease) in bank loans	(29,921)	64,551	(40,219)	85,594
Issuance of shares under stock option plan	99	1,370	580	11,488
Shares repurchased	—	(32,867)	(15,083)	(91,444)
Dividends paid	(12,004)	(12,257)	(48,021)	(46,284)
Dividend paid to non-controlling interest	—	—	(2,994)	(1,742)
Other	3,444	(149)	3,642	(375)
Cash provided by (used in) financing activities	(38,382)	20,648	(102,095)	(42,763)
Net change in cash and cash equivalents during the period	(21,455)	(8,876)	(8,720)	(13,705)
Cash and cash equivalents, beginning of period	32,377	28,518	19,642	33,347
Cash and cash equivalents, end of period	10,922	19,642	10,922	19,642

CORUS ENTERTAINMENT INC.
SUPPLEMENTAL FINANCIAL INFORMATION

(unaudited)
(in thousands of Canadian dollars)

Three months ended August 31, 2009

	Radio	Television	Corporate	Eliminations	Consolidated
Revenues	59,941	135,488	—	(208)	195,221
Direct cost of sales, general and administrative expenses	44,796	88,776	4,434	(208)	137,798
Segment profit	15,145	46,712	(4,434)	—	57,423
Depreciation	1,848	2,634	1,236	—	5,718
Interest expense	231	1,296	6,886	—	8,413
Goodwill and broadcast license impairment	—	—	—	—	—
Disputed regulatory fees	563	507	—	—	1,070
Other expense, net	5,294	5,818	(1,405)	—	9,707
Income before income taxes and non-controlling interest	7,209	36,457	(11,151)	—	32,515

Three months ended August 31, 2008

	Radio	Television	Corporate	Eliminations	Consolidated
Revenues	68,482	117,349	—	(57)	185,774
Direct cost of sales, general and administrative expenses	53,423	78,953	6,220	(57)	138,539
Segment profit	15,059	38,396	(6,220)	—	47,235
Depreciation	1,745	2,864	1,192	—	5,801
Interest expense	263	1,118	8,525	—	9,906
Disputed regulatory fees	734	468	—	—	1,202
Other expense, net	3,757	1,206	(1,098)	—	3,865
Income before income taxes and non-controlling interest	8,560	32,740	(14,839)	—	26,461

Twelve months ended August 31, 2009

	Radio	Television	Corporate	Eliminations	Consolidated
Revenues	258,912	530,014	—	(208)	788,718
Direct cost of sales, general and administrative expenses	198,574	320,869	18,293	(208)	537,528
Segment profit	60,338	209,145	(18,293)	—	251,190
Depreciation	6,798	9,593	4,313	—	20,704
Interest expense	928	5,163	31,335	—	37,426
Goodwill and broadcast license impairment	175,000	—	—	—	175,000
Disputed regulatory fees	2,746	2,512	—	—	5,258
Other expense, net	7,888	853	(313)	—	8,428
Income before income taxes and non-controlling interest	(133,022)	191,024	(53,628)	—	4,374

Twelve months ended August 31, 2008

	Radio	Television	Corporate	Eliminations	Consolidated
Revenues	286,449	500,966	—	(259)	787,156
Direct cost of sales, general and administrative expenses	210,945	301,361	22,979	(259)	535,026
Segment profit	75,504	199,605	(22,979)	—	252,130
Depreciation	6,533	10,473	5,048	—	22,054
Interest expense	1,042	4,643	35,628	—	41,313
Disputed regulatory fees	6,155	4,781	—	—	10,936
Other expense, net	3,594	6,855	(2,596)	—	7,853
Income before income taxes and non-controlling interest	58,180	172,853	(61,059)	—	169,974

**CORUS ENTERTAINMENT INC.
SUPPLEMENTAL FINANCIAL INFORMATION**

(unaudited) (in thousands of Canadian dollars)	Three months ended August 31,		Twelve months ended August 31,	
	2009	2008	2009	2008
Interest expense				
Interest on long-term debt	6,398	7,913	29,350	33,049
Imputed interest on long-term liabilities	1,910	1,662	7,054	6,390
Other interest	105	331	1,022	1,874
	8,413	9,906	37,426	41,313
Other expense, net				
Interest income	(180)	(437)	(1,206)	(1,042)
Foreign exchange losses (gains)	(139)	500	1,739	823
Losses from equity investments	224	456	318	1,343
Restructuring charges	5,440	3,329	8,632	6,142
Gain on disposal	—	—	(7,163)	—
Investment impairment	3,799	—	6,228	—
Other	563	17	(120)	587
	9,707	3,865	8,428	7,853
Free cash flow				
Cash provided by (used in):				
Operating activities	31,940	54,196	113,239	130,578
Investing activities	(15,013)	(83,720)	(19,864)	(101,520)
	16,927	(29,524)	93,375	29,058
Consolidated statements of cash flows				
Interest paid	6,479	8,129	31,178	35,031
Interest received	180	437	1,206	1,042
Income taxes paid	18,214	10,580	50,104	46,796