



FOR IMMEDIATE RELEASE

## CORUS ENTERTAINMENT ANNOUNCES FISCAL 2010 SECOND QUARTER RESULTS

- Consolidated segment profit increases 9% in the second quarter
- Consolidated revenues increase 6% in the second quarter, including specialty ad growth of 5%
- Adjusted basic earnings per share of \$0.30 for the quarter compared to \$0.31 last year
- Successful bond issue in the second quarter

(April 14, 2010 – Toronto, Canada) **Corus Entertainment Inc.** (TSX: CJR.B; NYSE: CJR) announced its second quarter financial results today.

"We believe our results in the second quarter and the pacing we are enjoying in the third quarter indicate that the advertising recession is behind us," said John Cassaday, President and CEO of Corus Entertainment. "Corus' Specialty and Pay television categories and Ontario Radio sales are performing very well, and we are also benefiting from strong cost control which has allowed us to improve our margins."

### Financial Highlights

(unaudited)  
(in thousands of Canadian dollars except per share amounts)

	Three months ended February 28,		Six months ended February 28,	
	2010	2009	2010	2009
Revenues				
Radio	55,690	57,935	126,764	133,463
Television	136,974	123,423	288,229	264,680
	<b>192,664</b>	181,358	<b>414,993</b>	398,143
Segment profit				
Radio	8,568	7,110	30,389	29,121
Television	53,204	47,491	120,272	111,761
Corporate	(6,327)	(3,592)	(11,991)	(8,531)
	<b>55,445</b>	51,009	<b>138,670</b>	132,351
Net income	<b>14,603</b>	29,029	<b>88,511</b>	69,662
Earnings per share				
Basic	<b>\$0.18</b>	\$0.36	<b>\$1.10</b>	\$0.87
Diluted	<b>\$0.18</b>	\$0.36	<b>\$1.08</b>	\$0.86

### Consolidated Results

Consolidated revenues for the three months ended February 28, 2010 were \$192.7 million, up 6% from \$181.4 million last year. Consolidated segment profit was \$55.4 million, up 9% from \$51.0 million last year. Net income for the quarter was \$14.6 million (\$0.18 basic and diluted), compared to net income of \$29.0 million (\$0.36 basic and diluted) last year. Net income for the quarter includes a debt refinancing

loss of \$14.3 million, while the prior year includes a gain of \$7.2 million related to the disposition of a residential audio service. Removing the impact of these items results in adjusted second quarter basic earnings per share of \$0.30 compared to \$0.31 in the prior year.

Consolidated revenues for the six months ended February 28, 2010 were \$415.0 million, up 4% from \$398.1 million last year. Consolidated segment profit was \$138.7 million, up 5% from \$132.4 million last year. Net income for the six-month period was \$88.5 million (\$1.10 basic and \$1.08 diluted), compared to net income of \$69.7 million (\$0.87 basic and \$0.86 diluted) last year. In addition to the items noted above, net income for the six-month period also includes a \$16.2 million reversal of a disputed regulatory fee accrual and a \$14.2 million recovery due to income tax rate changes. Removing the impact of these items results in adjusted year-to-date basic earnings per share of \$0.90 compared to \$0.83 in the prior year.

### **Operational Results**

#### **Radio**

- Revenues decreased by 4% in the second quarter and 5% for the year-to-date.
- Segment profit increased by 21% in the second quarter and 4% for the year-to-date.
- Revenues for the quarter increased 4% in Ontario, decreased 12% in the West and decreased 2% in Quebec and other.

#### **Television**

- Revenues increased by 11% in the second quarter and 9% for the year-to-date.
- Segment profit increased by 12% in the second quarter and 8% for the year-to-date.
- Advertising revenues increased by 3% in the second quarter and are flat year-to-date.
- Specialty advertising revenues increased by 5% in the second quarter and 1% for the year-to-date.
- Subscriber revenues increased by 14% in the second quarter and 11% for the year-to-date.
- Movie Central finished the quarter with 973,000 subscribers, up 5% from last year.

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, Nickelodeon (Canada), W Network, CosmoTV, VIVA, Sundance Channel (Canada), Movie Central, HBO Canada, Nelvana, Kids Can Press and radio stations including CKNW, CFOX, CKOI, 98.5 FM, Q107 and 102.1 the Edge. 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](http://www.corusent.com).

The unaudited consolidated financial statements and accompanying notes for the three and six months ended February 28, 2010 and Management's Discussion and Analysis are available on the Company's website at [www.corusent.com](http://www.corusent.com) in the Investor Relations section.

A conference call with Corus senior management is scheduled for April 14, 2010 at 9 a.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 1-800-909-4891 and for local/international callers is 416-981-9039. PowerPoint slides for the call will be posted at 8:45 a.m. ET on April 14, 2010 and can be found on the Corus Entertainment website at [www.corusent.com](http://www.corusent.com) in the Investor Relations section.

*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.*

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**CORUS ENTERTAINMENT INC.  
CONSOLIDATED BALANCE SHEETS**

(unaudited) (in thousands of Canadian dollars)	As at February 28, 2010	As at August 31, 2009
<b>ASSETS</b>		
<b>Current</b>		
Cash and cash equivalents	40,467	10,922
Accounts receivable	158,575	146,784
Income taxes recoverable	—	7,267
Prepaid expenses and other	15,518	14,377
Program and film rights	145,613	146,195
Future tax asset	2,790	1,788
<b>Total current assets</b>	<b>362,963</b>	<b>327,333</b>
Tax credits receivable	35,645	26,698
Investments and other assets	25,415	23,693
Property, plant and equipment	98,419	76,450
Program and film rights	101,413	92,579
Film investments	94,894	92,180
Broadcast licenses	587,138	561,741
Goodwill	692,632	674,029
	<b>1,998,519</b>	<b>1,874,703</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
<b>Current</b>		
Accounts payable and accrued liabilities	170,650	171,055
Income taxes payable	6,747	—
<b>Total current liabilities</b>	<b>177,397</b>	<b>171,055</b>
Long-term debt	705,377	651,767
Other long-term liabilities	70,937	73,360
Future tax liability	95,583	102,842
<b>Total liabilities</b>	<b>1,049,294</b>	<b>999,024</b>
Non-controlling interest	14,360	21,401
<b>SHAREHOLDERS' EQUITY</b>		
Share capital	846,747	840,602
Contributed surplus	15,177	17,303
Retained earnings	84,785	20,380
Accumulated other comprehensive loss	(11,844)	(24,007)
<b>Total shareholders' equity</b>	<b>934,865</b>	<b>854,278</b>
	<b>1,998,519</b>	<b>1,874,703</b>

**CORUS ENTERTAINMENT INC.  
CONSOLIDATED STATEMENTS OF INCOME**

(unaudited) (in thousands of Canadian dollars except per share amounts)	Three months ended		Six months ended	
	February 28,		February 28,	
	2010	2009	2010	2009
Revenues	192,664	181,358	414,993	398,143
Direct cost of sales, general and administrative expenses	137,219	130,349	276,323	265,792
Depreciation	5,323	5,199	9,839	10,191
Interest expense	9,653	9,666	17,801	20,068
Disputed regulatory fees	—	1,022	(16,194)	2,712
Debt refinancing loss	14,256	—	14,256	—
Other expense (income), net	3,123	(5,009)	1,339	(3,609)
Income before income taxes and non-controlling interest	23,090	40,131	111,629	102,989
Income tax expense	7,157	10,831	20,610	31,706
Non-controlling interest	1,330	271	2,508	1,621
<b>Net income for the period</b>	<b>14,603</b>	<b>29,029</b>	<b>88,511</b>	<b>69,662</b>
<b>Earnings per share</b>				
Basic	\$0.18	\$0.36	\$1.10	\$0.87
Diluted	\$0.18	\$0.36	\$1.08	\$0.86

**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**

(unaudited) (in thousands of Canadian dollars)	Three months ended		Six months ended	
	February 28,		February 28,	
	2010	2009	2010	2009
<b>Net income for the period</b>	<b>14,603</b>	<b>29,029</b>	<b>88,511</b>	<b>69,662</b>
Other comprehensive income (loss), net of tax				
Unrealized foreign currency translation adjustment	(79)	492	(524)	2,317
Unrealized change in fair value of available-for-sale investments, net of tax	(27)	145	12	(780)
Recognition of change in fair value of available-for-sale assets in net income	—	2,077	—	2,077
Unrealized change in fair value of cash flow hedges, net of tax	1,985	(2,176)	3,431	(9,507)
Recognition of change in fair value of cash flow hedge in net income, net of tax	9,244	—	9,244	—
	<b>11,123</b>	<b>538</b>	<b>12,163</b>	<b>(5,893)</b>
<b>Comprehensive income for the period</b>	<b>25,726</b>	<b>29,567</b>	<b>100,674</b>	<b>63,769</b>

**CORUS ENTERTAINMENT INC.**  
**CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY**

(unaudited) (in thousands of Canadian dollars)	Three months ended February 28,		Six months ended February 28,	
	2010	2009	2010	2009
<b>Share capital</b>				
Balance, beginning of period	<b>842,340</b>	840,165	<b>840,602</b>	848,257
Issuance of shares under stock option plan	<b>3,329</b>	—	<b>4,731</b>	358
Shares repurchased	—	—	—	(8,450)
Other	<b>1,078</b>	198	<b>1,414</b>	198
Balance, end of period	<b>846,747</b>	840,363	<b>846,747</b>	840,363
<b>Contributed surplus</b>				
Balance, beginning of period	<b>14,394</b>	13,115	<b>17,303</b>	17,304
Stock-based compensation	<b>954</b>	1,401	<b>1,853</b>	2,350
Settlement of long-term incentive plan	—	—	<b>(3,473)</b>	(5,138)
Exercise of stock options	<b>(171)</b>	—	<b>(506)</b>	—
Balance, end of period	<b>15,177</b>	14,516	<b>15,177</b>	14,516
<b>Retained earnings</b>				
Balance, beginning of period	<b>82,271</b>	153,655	<b>20,380</b>	131,594
Net income for the period	<b>14,603</b>	29,029	<b>88,511</b>	69,662
Dividends	<b>(12,089)</b>	(12,000)	<b>(24,106)</b>	(23,939)
Share repurchase excess	—	—	—	(6,633)
Balance, end of period	<b>84,785</b>	170,684	<b>84,785</b>	170,684
<b>Accumulated other comprehensive loss</b>				
Balance, beginning of period	<b>(22,967)</b>	(26,581)	<b>(24,007)</b>	(20,150)
Other comprehensive income (loss), net of tax	<b>11,123</b>	538	<b>12,163</b>	(5,893)
Balance, end of period	<b>(11,844)</b>	(26,043)	<b>(11,844)</b>	(26,043)

**CORUS ENTERTAINMENT INC.**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**

(unaudited) (in thousands of Canadian dollars)	Three months ended <b>February 28,</b>		Six months ended <b>February 28,</b>	
	<b>2010</b>	2009	<b>2010</b>	2009
<b>OPERATING ACTIVITIES</b>				
Net income for the period	<b>14,603</b>	29,029	<b>88,511</b>	69,662
Add (deduct) non-cash items:				
Depreciation	<b>5,323</b>	5,199	<b>9,839</b>	10,191
Amortization of program and film rights	<b>41,490</b>	39,034	<b>83,216</b>	76,517
Amortization of film investments	<b>9,609</b>	6,689	<b>15,142</b>	10,038
Future income taxes	<b>1,908</b>	2,887	<b>(13,428)</b>	7,610
Non-controlling interest	<b>1,330</b>	271	<b>2,508</b>	1,621
Stock-based compensation	<b>2,145</b>	1,431	<b>3,330</b>	2,012
Imputed interest	<b>1,772</b>	1,522	<b>3,468</b>	3,311
Debt refinancing loss	<b>14,256</b>	—	<b>14,256</b>	—
Other gains	<b>(297)</b>	(5,632)	<b>(388)</b>	(5,429)
Net change in non-cash working capital balances related to operations	<b>18,095</b>	22,148	<b>(4,322)</b>	(7,507)
Payment of program and film rights	<b>(42,663)</b>	(45,927)	<b>(84,273)</b>	(95,175)
Net additions to film investments	<b>(15,036)</b>	(13,431)	<b>(32,997)</b>	(24,916)
<b>Cash provided by operating activities</b>	<b>52,535</b>	43,220	<b>84,862</b>	47,935
<b>INVESTING ACTIVITIES</b>				
Additions to property, plant and equipment	<b>(23,793)</b>	(3,789)	<b>(29,899)</b>	(5,784)
Business combinations	—	—	<b>(36,000)</b>	(74,950)
Cash held in escrow	—	—	—	74,950
Net cash flows for investments and other assets	<b>1,773</b>	6,961	<b>2,864</b>	6,633
Decrease in public benefits associated with acquisitions	<b>(240)</b>	(726)	<b>(478)</b>	(1,134)
<b>Cash provided by (used in) investing activities</b>	<b>(22,260)</b>	2,446	<b>(63,513)</b>	(285)
<b>FINANCING ACTIVITIES</b>				
Increase (decrease) in bank loans	<b>(469,566)</b>	(17,179)	<b>(429,681)</b>	13,670
Issuance of senior unsecured guaranteed notes	<b>500,000</b>	—	<b>500,000</b>	—
Financing and swap termination fees	<b>(30,997)</b>	—	<b>(30,997)</b>	—
Issuance of shares under stock option plan	<b>3,158</b>	—	<b>4,225</b>	358
Shares repurchased	—	—	—	(15,083)
Dividends paid	<b>(10,973)</b>	(12,000)	<b>(22,647)</b>	(24,017)
Dividend paid to non-controlling interest	<b>(5,400)</b>	(325)	<b>(9,260)</b>	(2,994)
Other	—	198	<b>(3,444)</b>	198
<b>Cash provided by (used in) financing activities</b>	<b>(13,778)</b>	(29,306)	<b>8,196</b>	(27,868)
<b>Net change in cash and cash equivalents     during the period</b>	<b>16,497</b>	16,360	<b>29,545</b>	19,782
Cash and cash equivalents, beginning of period	<b>23,970</b>	23,064	<b>10,922</b>	19,642
<b>Cash and cash equivalents, end of period</b>	<b>40,467</b>	39,424	<b>40,467</b>	39,424

**CORUS ENTERTAINMENT INC.  
BUSINESS SEGMENT INFORMATION**

(unaudited)  
(in thousands of Canadian dollars)

**Divisional results**

**Three months ended February 28, 2010**

	<b>Radio</b>	<b>Television</b>	<b>Corporate</b>	<b>Consolidated</b>
Revenues	55,690	136,974	—	<b>192,664</b>
Direct cost of sales, general and administrative expenses	47,122	83,770	6,327	<b>137,219</b>
Segment profit	8,568	53,204	(6,327)	<b>55,445</b>
Depreciation	1,598	1,871	1,854	<b>5,323</b>
Interest expense	212	1,180	8,261	<b>9,653</b>
Debt refinancing loss	—	—	14,256	<b>14,256</b>
Other expense (income), net	(18)	560	2,581	<b>3,123</b>
Income before income taxes and non-controlling interest	6,776	49,593	(33,279)	<b>23,090</b>

Three months ended February 28, 2009

	<b>Radio</b>	<b>Television</b>	<b>Corporate</b>	<b>Consolidated</b>
Revenues	57,935	123,423	—	181,358
Direct cost of sales, general and administrative expenses	50,825	75,932	3,592	130,349
Segment profit	7,110	47,491	(3,592)	51,009
Depreciation	1,631	2,444	1,124	5,199
Interest expense	228	1,357	8,081	9,666
Disputed regulatory fees	526	496	—	1,022
Other expense (income), net	(751)	(5,960)	1,702	(5,009)
Income before income taxes and non-controlling interest	5,476	49,154	(14,499)	40,131

**Six months ended February 28, 2010**

	<b>Radio</b>	<b>Television</b>	<b>Corporate</b>	<b>Consolidated</b>
Revenues	126,764	288,229	—	<b>414,993</b>
Direct cost of sales, general and administrative expenses	96,375	167,957	11,991	<b>276,323</b>
Segment profit	30,389	120,272	(11,991)	<b>138,670</b>
Depreciation	3,268	3,777	2,794	<b>9,839</b>
Interest expense	400	2,355	15,046	<b>17,801</b>
Disputed regulatory fees	(8,901)	(7,293)	—	<b>(16,194)</b>
Debt refinancing loss	—	—	14,256	<b>14,256</b>
Other expense (income), net	73	(693)	1,959	<b>1,339</b>
Income before income taxes and non-controlling interest	35,549	122,126	(46,046)	<b>111,629</b>

Six months ended February 28, 2009

	<b>Radio</b>	<b>Television</b>	<b>Corporate</b>	<b>Consolidated</b>
Revenues	133,463	264,680	—	398,143
Direct cost of sales, general and administrative expenses	104,342	152,919	8,531	265,792
Segment profit	29,121	111,761	(8,531)	132,351
Depreciation	3,273	4,785	2,133	10,191
Interest expense	454	2,400	17,214	20,068
Disputed regulatory fees	1,362	1,350	—	2,712
Other expense (income), net	(571)	(3,641)	603	(3,609)
Income before income taxes and non-controlling interest	24,603	106,867	(28,481)	102,989



**Revenues by segment**

(unaudited) (in thousands of Canadian dollars)	Three months ended		Six months ended	
	February 28,		February 28,	
	2010	2009	2010	2009
<b>Radio</b>				
West	19,844	22,502	46,077	53,602
Ontario	19,160	18,399	43,664	42,287
Quebec and other	16,686	17,034	37,023	37,574
	<b>55,690</b>	57,935	<b>126,764</b>	133,463
<b>Television</b>				
Kids	56,147	50,908	124,646	113,937
Specialty and Pay	80,827	72,515	163,583	150,743
	<b>136,974</b>	123,423	<b>288,229</b>	264,680

**Segment profit**

(unaudited) (in thousands of Canadian dollars)	Three months ended		Six months ended	
	February 28,		February 28,	
	2010	2009	2010	2009
<b>Radio</b>				
West	5,053	6,190	14,754	18,764
Ontario	3,383	2,804	11,858	10,330
Quebec and other	132	(1,884)	3,777	27
	<b>8,568</b>	7,110	<b>30,389</b>	29,121
<b>Television</b>				
Kids	22,257	19,297	55,566	50,241
Specialty and Pay	30,947	28,194	64,706	61,520
	<b>53,204</b>	47,491	<b>120,272</b>	111,761