



## Corus Entertainment Announces Fiscal 2014 First Quarter Results

- Monthly dividend increased 6.9%
- Consolidated revenue up 8%
- Consolidated segment profit up 9%
- Adjusted basic earnings per share attributable to shareholders of \$0.65 per share
- Strong segment profit margins for Television (46%) and Radio (33%)
- Fiscal 2014 results include 100% interest in TELETOON Canada Inc. and fiscal 2013 is adjusted to equity account for Corus' 50% economic interest in TELETOON Canada Inc.

(January 14, 2014 – Toronto, Canada) **Corus Entertainment Inc.** (TSX: CJR.B) announced its first quarter financial results today.

"We have again benefited from our disciplined focus on cost controls, delivering excellent margins this quarter in the face of slow economic growth and tough year-over-year comparables in our merchandising business," said John Cassaday, President and Chief Executive Officer of Corus Entertainment. "This is a pivotal year for us. With our recently closed acquisition of TELETOON, Séries+ and Historia, combined with continued strong ratings on our core TV brands and increases from several of our newer brands, we are confident that Corus will see a return to solid growth in fiscal 2014."

### Financial Highlights

(unaudited - in thousands of Canadian dollars except per share amounts)	Three months ended	
	2013	2012 <sup>(3)</sup>
<b>Revenues</b>		
Television	177,949	157,622
Radio	48,056	52,324
	<b>226,005</b>	209,946
<b>Segment profit <sup>(1)</sup></b>		
Television	82,524	70,522
Radio	15,837	18,956
Corporate	(6,085)	(4,961)
	<b>92,276</b>	84,517
Net income attributable to shareholders	150,891	52,159
Adjusted net income attributable to shareholders <sup>(1) (2)</sup>	55,177	52,159
Basic earnings per share	\$ 1.78	\$ 0.63
Adjusted basic earnings per share <sup>(1) (2)</sup>	\$ 0.65	\$ 0.63
Diluted earnings per share	\$ 1.78	\$ 0.62
<b>Free cash flow <sup>(1)</sup></b>	<b>49,636</b>	39,824

<sup>(1)</sup> See definitions and discussion under the Key Performance Indicators section of the 2014 Report to Shareholders.

<sup>(2)</sup> For the quarter ended November 30, 2013, excludes the impact of \$127.9 million (\$1.51 per share) gain on remeasurement to fair value of the Company's 50% interest in TELETOON which was held prior to consolidation on September 1, 2013, business acquisition, integration and restructuring costs of \$21.9 million (\$0.25 per share), an increase in the purchase price obligation of \$7.3 million (\$0.09 per share), and investment impairment related charges of \$3.3 million (\$0.04 per share).

<sup>(3)</sup> Prior period figures have been restated to reflect the changes in accounting standards described in note 3 to the interim condensed consolidated financial statements contained in the 2014 Report to Shareholders.

## **Consolidated Results from Operations**

For fiscal 2014, the operating results of TELETOON Canada Inc. (“TELETOON”), as well as its assets and liabilities, have been fully consolidated effective September 1, 2013 as a consequence of meeting the definition of control under IFRS 10 - *Consolidated Financial Statements*. Accordingly, a business combination had occurred in accordance with IFRS 3 – *Business Combinations* and as a result, TELETOON must be accounted for by applying the acquisition method. The Company held a 50% equity ownership interest in TELETOON as at November 30, 2013 and on December 20, 2013, received Canadian Radio-television and Telecommunication Commission (“CRTC”) approval to complete the acquisition of the remaining 50% interest in TELETOON that it did not already own. The acquisition closed on January 1, 2014 (refer to 2014 Report to Shareholders note 15 for further details).

For fiscal 2013, as a result of retroactive application of IFRS 11 - *Joint Arrangements*, the Company is no longer permitted to proportionately consolidate the operations of TELETOON up to August 31, 2013 (i.e. prior to the business combination on September 1, 2013) and is required to account for this investment using the equity method of accounting. As a consequence, the Television segment’s revenue and segment profit for the first quarter of fiscal 2013 were reduced by \$16.2 million and \$8.2 million, respectively and instead, Corus’ share of TELETOON’s net income of \$6.0 million was reported as *Other expense (income)* in the Consolidated Statements of Income and Comprehensive Income. The restatement did not change reported net income for fiscal 2013.

Consolidated revenues for the three months ended November 30, 2013 were \$226.0 million, up 8% from \$209.9 million last year. Consolidated segment profit was \$92.3 million, up 9% from \$84.5 million last year. Net income attributable to shareholders for the quarter was \$150.9 million (\$1.78 both basic and diluted per share), compared to \$52.2 million (\$0.63 basic and \$0.62 diluted per share) last year. Net income attributable to shareholders for the first quarter includes a non-cash gain of \$127.9 million resulting from the remeasurement to fair value of the Company’s 50% interest in TELETOON which was held prior to consolidation on September 1, 2013, business acquisition, integration and restructuring costs of \$21.9 million, an increase in the purchase price obligation of \$7.3 million and investment impairment related charges of \$3.3 million. Removing the impact of these items results in an adjusted basic earnings per share of \$0.65 in the quarter.

## **Operational Results - Highlights**

### **Television**

- Fiscal 2014 reflects consolidation of 100% interest in TELETOON; Fiscal 2013 retroactively restated to apply IFRS 11 – *Joint Arrangements*, resulting in equity accounting for Corus’ 50% economic interest in TELETOON
- Segment revenues increased 13%
- Specialty advertising revenues increased 35%
- Subscriber revenues increased 14%
- Merchandising, distribution and other revenues declined 33%
- Segment profit<sup>(1)</sup> increased 17%
- Segment profit margin of 46%
- Movie Central finished the quarter with 974,000 subscribers

## Radio

- Segment revenues decreased 8%
- Segment profit<sup>(1)</sup> decreased 16%
- Segment profit margin of 33%

## Other

- Completed the acquisition of Historia, Séries+ and the remaining 50% interest in TELETOON Canada Inc. on January 1, 2014
- Awaiting CRTC approval on the acquisition of two Ottawa-based radio stations, CKQB-FM and CJOT-FM

<sup>(1)</sup> See definitions and discussion under the Key Performance Indicators section of the 2014 Report to Shareholders.

Corus Entertainment Inc. reports in Canadian dollars.

### **About Corus Entertainment Inc.**

Corus Entertainment Inc. is a Canadian-based media and entertainment company that creates, broadcasts and licenses content across a variety of platforms for audiences around the world. The Company's portfolio of multimedia offerings encompasses specialty television and radio with additional assets in pay television, television broadcasting, children's book publishing, children's animation and animation software. Corus' brands include YTV, TELETOON, ABC Spark, W Network, OWN: Oprah Winfrey Network (Canada), HBO Canada, Historia, Séries+, as well as Nelvana, Kids Can Press, Toon Boom and 37 radio stations including CKNW AM 980, 99.3 The FOX, Country 105, 630 CHED, Fresh FM London, Q107 and 102.1 the Edge. A publicly traded company, Corus is listed on the Toronto Stock Exchange (CJR.B). Experience Corus on the web at [www.corusent.com](http://www.corusent.com).

The unaudited consolidated financial statements and accompanying notes for the three months ended November 30, 2013 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 January 14, 2014 at 4:30 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 1.800.745.9476 and for local/international callers is 1.416.641.6705. PowerPoint slides for the call will be posted 15 minutes prior to the start of the call 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, distribution, 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, distribution, 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 STATEMENTS OF FINANCIAL POSITION**

(unaudited - in thousands of Canadian dollars)	As at November 30, 2013	As at August 31, 2013 <sup>(1)</sup>	As at September 1, 2012 <sup>(1)</sup>
<b>ASSETS</b>			
<b>Current</b>			
Cash and cash equivalents	109,044	81,266	19,198
Restricted cash	6,407	—	—
Accounts receivable	218,268	164,302	163,345
Promissory note receivable	47,759	47,759	—
Income taxes recoverable	—	351	9,542
Prepaid expenses and other	15,928	16,392	12,619
<b>Total current assets</b>	<b>397,406</b>	<b>310,070</b>	<b>204,704</b>
Tax credits receivable	43,290	41,564	43,865
Intangibles, investments and other assets	41,963	42,975	42,390
Investment in joint venture	—	125,931	121,704
Property, plant and equipment	147,958	151,192	163,280
Program and film rights	297,604	232,587	229,306
Film investments	67,869	62,274	67,847
Broadcast licenses	799,036	515,036	520,770
Goodwill	863,026	646,045	646,045
Deferred tax assets	38,904	39,463	28,327
	<b>2,697,056</b>	<b>2,167,137</b>	<b>2,068,238</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>			
<b>Current</b>			
Accounts payable and accrued liabilities	201,258	164,443	177,367
Purchase price obligation	261,159	—	—
Income taxes payable	4,053	—	1,303
Provisions	4,881	3,941	2,322
<b>Total current liabilities</b>	<b>471,351</b>	<b>168,384</b>	<b>180,992</b>
Long-term debt	539,465	538,966	518,258
Other long-term liabilities	130,226	93,241	87,588
Deferred tax liabilities	201,607	145,713	145,310
<b>Total liabilities</b>	<b>1,342,649</b>	<b>946,304</b>	<b>932,148</b>
Share capital	943,203	937,183	910,005
Contributed surplus	7,654	7,221	7,835
Retained earnings	385,806	256,517	198,445
Accumulated other comprehensive income (loss)	2,102	1,653	(812)
<b>Total equity attributable to shareholders</b>	<b>1,338,765</b>	<b>1,202,574</b>	<b>1,115,473</b>
Equity attributable to non-controlling interest	15,642	18,259	20,617
<b>Total shareholders' equity</b>	<b>1,354,407</b>	<b>1,220,833</b>	<b>1,136,090</b>
	<b>2,697,056</b>	<b>2,167,137</b>	<b>2,068,238</b>

<sup>(1)</sup> Prior period figures have been restated to reflect the changes in accounting standards described in note 3 to the interim condensed consolidated financial statements contained in the 2014 Report to Shareholders.

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

(unaudited - in thousands of Canadian dollars except per share amounts)	Three months ended <b>November 30,</b>	
	<b>2013</b>	2012 <sup>(1)</sup>
Revenues	<b>226,005</b>	209,946
Direct cost of sales, general and administrative expenses	<b>133,729</b>	125,429
Depreciation and amortization	<b>5,735</b>	6,406
Interest expense	<b>9,270</b>	12,132
Business acquisition, integration and restructuring costs	<b>21,922</b>	—
Gain on acquisition	<b>(127,884)</b>	—
Other expense (income), net	<b>9,711</b>	(5,529)
Income before income taxes	<b>173,522</b>	71,508
Income tax expense	<b>21,180</b>	17,492
<b>Net income for the period</b>	<b>152,342</b>	54,016
<b>Net income attributable to:</b>		
Shareholders	<b>150,891</b>	52,159
Non-controlling interest	<b>1,451</b>	1,857
	<b>152,342</b>	54,016
<b>Earnings per share attributable to shareholders:</b>		
Basic	<b>\$ 1.78</b>	\$ 0.63
Diluted	<b>\$ 1.78</b>	\$ 0.62
<b>Net income for the period</b>	<b>152,342</b>	54,016
<b>Other comprehensive income (loss), net of tax:</b>		
<b>Items that may be reclassified subsequently to income:</b>		
Unrealized foreign currency translation adjustment	<b>375</b>	290
Unrealized change in fair value of available-for-sale investments	<b>74</b>	290
	<b>449</b>	580
<b>Comprehensive income for the period</b>	<b>152,791</b>	54,596
<b>Comprehensive income attributable to:</b>		
Shareholders	<b>151,340</b>	52,739
Non-controlling interest	<b>1,451</b>	1,857
	<b>152,791</b>	54,596

<sup>(1)</sup> Prior period figures have been restated to reflect changes in accounting standards described in note 3 to the interim condensed consolidated financial statements contained in the 2014 Report to Shareholders.

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

(unaudited - in thousands of Canadian dollars)	Share capital	Contributed surplus	Retained earnings	Accumulated other comprehensive income (loss)	Total equity attributable to shareholders	Non-controlling interest	Total equity
At August 31, 2013	937,183	7,221	256,517	1,653	1,202,574	18,259	1,220,833
Comprehensive income	—	—	150,891	449	151,340	1,451	152,791
Dividends declared	—	—	(21,602)	—	(21,602)	(4,068)	(25,670)
Issuance of shares under stock option plan	160	(24)	—	—	136	—	136
Issuance of shares under dividend reinvestment plan	5,860	—	—	—	5,860	—	5,860
Share-based compensation expense	—	457	—	—	457	—	457
<b>At November 30, 2013</b>	<b>943,203</b>	<b>7,654</b>	<b>385,806</b>	<b>2,102</b>	<b>1,338,765</b>	<b>15,642</b>	<b>1,354,407</b>
At August 31, 2012	910,005	7,835	198,445	(812)	1,115,473	20,617	1,136,090
Comprehensive income	—	—	52,159	580	52,739	1,857	54,596
Dividends declared	—	—	(20,050)	—	(20,050)	(5,013)	(25,063)
Issuance of shares under dividend reinvestment plan	6,788	—	—	—	6,788	—	6,788
Shares repurchased	(708)	—	(756)	—	(1,464)	—	(1,464)
Share-based compensation expense	—	340	—	—	340	—	340
At November 30, 2012	916,085	8,175	229,798	(232)	1,153,826	17,461	1,171,287

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

(unaudited - in thousands of Canadian dollars)	Three months ended <b>November 30,</b>	
	<b>2013</b>	2012 <sup>(1)</sup>
<b>OPERATING ACTIVITIES</b>		
Net income for the period	152,342	54,016
Add (deduct) non-cash items:		
Depreciation and amortization	5,735	6,406
Amortization of program and film rights	50,531	41,128
Amortization of film investments	3,912	6,207
Deferred income taxes	2,455	(1,294)
Increase in purchase price obligation	7,344	—
Share-based compensation expense	457	340
Imputed interest	3,036	2,525
Business acquisition, integration and restructuring costs	20,023	—
Gain on acquisition	(127,884)	—
Other	1,255	(6,330)
Net change in non-cash working capital balances related to operations	(22,659)	(24,478)
Payment of program and film rights	(28,091)	(24,625)
Net additions to film investments	(10,066)	(16,074)
Increase in restricted cash	(6,407)	—
<b>Cash provided by operating activities</b>	<b>51,983</b>	<b>37,821</b>
<b>INVESTING ACTIVITIES</b>		
Additions to property, plant and equipment	(1,936)	(3,535)
Dividends from joint venture	—	4,890
Net cash flows for intangibles, investments and other assets	(1,907)	73
Other	(67)	(88)
<b>Cash used in investing activities</b>	<b>(3,910)</b>	<b>1,340</b>
<b>FINANCING ACTIVITIES</b>		
Increase in bank loans	—	9,985
Issuance of shares under stock option plan	136	—
Shares repurchased	—	(1,464)
Dividends paid	(15,698)	(13,223)
Dividends paid to non-controlling interest	(4,068)	(4,313)
Other	(665)	(2,312)
<b>Cash used in financing activities</b>	<b>(20,295)</b>	<b>(11,327)</b>
Net change in cash and cash equivalents during the period	27,778	27,834
Cash and cash equivalents, beginning of the period	81,266	19,198
<b>Cash and cash equivalents, end of the period</b>	<b>109,044</b>	<b>47,032</b>

<sup>(1)</sup> Prior period figures have been restated to reflect changes in accounting standards described in note 3 to the interim condensed consolidated financial statements contained in the 2014 Report to Shareholders.



**CORUS ENTERTAINMENT INC.  
BUSINESS SEGMENT INFORMATION**

(unaudited - in thousands of Canadian dollars)

**Three months ended November 30, 2013**

	Television	Radio	Corporate	Consolidated
Revenues	177,949	48,056	—	226,005
Direct cost of sales, general and administrative expenses	95,425	32,219	6,085	133,729
<b>Segment profit (loss)<sup>(1)</sup></b>	82,524	15,837	(6,085)	92,276
Depreciation and amortization				5,735
Interest expense				9,270
Business acquisition, integration and restructuring costs				21,922
Gain on acquisition				(127,884)
Other expense, net				9,711
<b>Income before income taxes</b>				<b>173,522</b>

Three months ended November 30, 2012

	Television <sup>(2)</sup>	Radio	Corporate	Consolidated <sup>(2)</sup>
Revenues	157,622	52,324	—	209,946
Direct cost of sales, general and administrative expenses	87,100	33,368	4,961	125,429
<b>Segment profit (loss)<sup>(1)</sup></b>	70,522	18,956	(4,961)	84,517
Depreciation and amortization				6,406
Interest expense				12,132
Other income, net				(5,529)
<b>Income before income taxes</b>				<b>71,508</b>

**Revenues by type**

	Three months ended <b>November 30,</b>	
	<b>2013</b>	2012 <sup>(2)</sup>
Advertising	123,372	107,493
Subscriber fees	79,115	69,412
Merchandising, distribution and other	23,518	33,041
	<b>226,005</b>	209,946

<sup>(1)</sup> See definitions and discussion under the Key Performance Indicators section of the 2014 Report to Shareholders.

<sup>(2)</sup> Prior period figures have been restated to reflect the changes in accounting standards described in note 3 to the interim condensed consolidated financial statements contained in the 2014 Report to Shareholders.

The following statements provide a reconciliation of changes related to the retroactive adoption of IFRS 11 - *Joint Arrangements* in the consolidated statements of financial position, income and comprehensive income, and cash flows for the periods indicated.

### **Consolidated Statements of Financial Position**

(in thousands of Canadian dollars)	August 31, 2013			September 1, 2012		
	Originally Published	IFRS 11 Adjustment	Restated	Originally Published	IFRS 11 Adjustment	Restated
<b>Assets</b>						
Cash and cash equivalents	86,081	(4,815)	81,266	24,588	(5,390)	19,198
Accounts receivable	176,504	(12,202)	164,302	173,421	(10,076)	163,345
Promissory note receivable	47,759	—	47,759	—	—	—
Income taxes recoverable	341	10	351	9,542	—	9,542
Prepaid expenses and other	16,416	(24)	16,392	12,664	(45)	12,619
<b>Total current assets</b>	<b>327,101</b>	<b>(17,031)</b>	<b>310,070</b>	<b>220,215</b>	<b>(15,511)</b>	<b>204,704</b>
Tax credits receivable	41,564	—	41,564	43,865	—	43,865
Intangibles, investments and other assets	42,975	—	42,975	42,390	—	42,390
Investments in joint venture	—	125,931	125,931	—	121,704	121,704
Property, plant and equipment	151,398	(206)	151,192	163,563	(283)	163,280
Program and film rights	289,181	(56,594)	232,587	271,244	(41,938)	229,306
Film investments	62,734	(460)	62,274	67,983	(136)	67,847
Broadcast licenses	563,771	(48,735)	515,036	569,505	(48,735)	520,770
Goodwill	674,393	(28,348)	646,045	674,393	(28,348)	646,045
Deferred tax assets	39,463	—	39,463	28,327	—	28,327
	<b>2,192,580</b>	<b>(25,443)</b>	<b>2,167,137</b>	<b>2,081,485</b>	<b>(13,247)</b>	<b>2,068,238</b>
<b>Liabilities and Shareholders' Equity</b>						
Accounts payable and accrued liabilities	172,663	(8,220)	164,443	185,991	(8,624)	177,367
Income taxes payable	—	—	—	—	1,303	1,303
Provisions	3,941	—	3,941	2,322	—	2,322
<b>Total current liabilities</b>	<b>176,604</b>	<b>(8,220)</b>	<b>168,384</b>	<b>188,313</b>	<b>(7,321)</b>	<b>180,992</b>
Long-term debt	538,966	—	538,966	518,258	—	518,258
Other long-term liabilities	105,020	(11,779)	93,241	87,853	(265)	87,588
Deferred tax liabilities	151,157	(5,444)	145,713	150,971	(5,661)	145,310
<b>Total liabilities</b>	<b>971,747</b>	<b>(25,443)</b>	<b>946,304</b>	<b>945,395</b>	<b>(13,247)</b>	<b>932,148</b>
Share capital	937,183	—	937,183	910,005	—	910,005
Contributed surplus	7,221	—	7,221	7,835	—	7,835
Retained earnings	256,517	—	256,517	198,445	—	198,445
Accumulated other comprehensive income (loss)	1,653	—	1,653	(812)	—	(812)
<b>Total equity attributable to shareholders</b>	<b>1,202,574</b>	<b>—</b>	<b>1,202,574</b>	<b>1,115,473</b>	<b>—</b>	<b>1,115,473</b>
Equity attributable to non-controlling interest	18,259	—	18,259	20,617	—	20,617
<b>Total shareholders' equity</b>	<b>1,220,833</b>	<b>—</b>	<b>1,220,833</b>	<b>1,136,090</b>	<b>—</b>	<b>1,136,090</b>
	<b>2,192,580</b>	<b>(25,443)</b>	<b>2,167,137</b>	<b>2,081,485</b>	<b>(13,247)</b>	<b>2,068,238</b>

## Consolidated Statements of Income and Comprehensive Income

(in thousands of Canadian dollars)

Three months ended November 30, 2012

	Originally Published	IFRS 11 Adjustment	Restated
Revenues	226,147	(16,201)	209,946
Direct cost of sales, general and administrative expenses	133,454	(8,025)	125,429
Segment profit	92,693	(8,176)	84,517
Depreciation and amortization	6,429	(23)	6,406
Interest expense	12,132	—	12,132
Other expense (income), net	506	(6,035)	(5,529)
Income before income taxes	73,626	(2,118)	71,508
Income tax expense	19,610	(2,118)	17,492
<b>Net income for the period</b>	<b>54,016</b>	<b>—</b>	<b>54,016</b>
<b>Net income attributable to:</b>			
Shareholders	52,159	—	52,159
Non-controlling interest	1,857	—	1,857
	54,016	—	54,016
<b>Earnings per share attributable to shareholders:</b>			
Basic	\$ 0.63	—	\$ 0.63
Diluted	\$ 0.62	—	\$ 0.62
<b>Net income for the period</b>	<b>54,016</b>	<b>—</b>	<b>54,016</b>
<b>Other comprehensive income (loss), net of tax</b>			
<b>Items that may be reclassified subsequently to income:</b>			
Unrealized foreign currency translation adjustment	290	—	290
Unrealized change in fair value of available-for-sale investments	290	—	290
	580	—	580
<b>Comprehensive income for the period</b>	<b>54,596</b>	<b>—</b>	<b>54,596</b>
<b>Comprehensive income attributable to:</b>			
Shareholders	52,739	—	52,739
Non-controlling interest	1,857	—	1,857
	54,596	—	54,596

## Consolidated Statements of Cash Flows

(in thousands of Canadian dollars)

	Three months ended November 30, 2012		
	Originally Published	IFRS 11 Adjustment	Restated
<b>Operating Activities</b>			
Net income for the period	54,016	—	54,016
<b>Add (deduct) non-cash items:</b>			
Depreciation and amortization	6,429	(23)	6,406
Amortization of program and film rights	45,693	(4,565)	41,128
Amortization of film investment	6,207	—	6,207
Deferred income taxes	(1,294)	—	(1,294)
Share-based compensation expense	340	—	340
Imputed interest	2,525	—	2,525
Other	(304)	(6,026)	(6,330)
Net change in non-cash working capital balances related to operations	(29,133)	4,655	(24,478)
Payment of program and film rights	(27,626)	3,001	(24,625)
Net additions to film investments	(16,074)	—	(16,074)
<b>Cash provided by operating activities</b>	<b>40,779</b>	<b>(2,958)</b>	<b>37,821</b>
<b>Investing Activities</b>			
Additions to property, plant and equipment	(3,542)	7	(3,535)
Dividends from joint venture	—	4,890	4,890
Net cash flows for intangibles, investments and other assets	73	—	73
Other	(88)	—	(88)
<b>Cash used in investing activities</b>	<b>(3,557)</b>	<b>4,897</b>	<b>1,340</b>
<b>Financing Activities</b>			
Increase in bank loans	9,985	—	9,985
Shares repurchased	(1,464)	—	(1,464)
Dividends paid	(13,223)	—	(13,223)
Dividends paid to non-controlling interest	(4,313)	—	(4,313)
Other	(2,312)	—	(2,312)
<b>Cash used in financing activities</b>	<b>(11,327)</b>	<b>—</b>	<b>(11,327)</b>
Net change in cash and cash equivalents during the period	25,895	1,939	27,834
Cash and cash equivalents, beginning of the period	24,588	(5,390)	19,198
<b>Cash and cash equivalents, end of period</b>	<b>50,483</b>	<b>(3,451)</b>	<b>47,032</b>