





WE KNOW
ENTERTAINMENT



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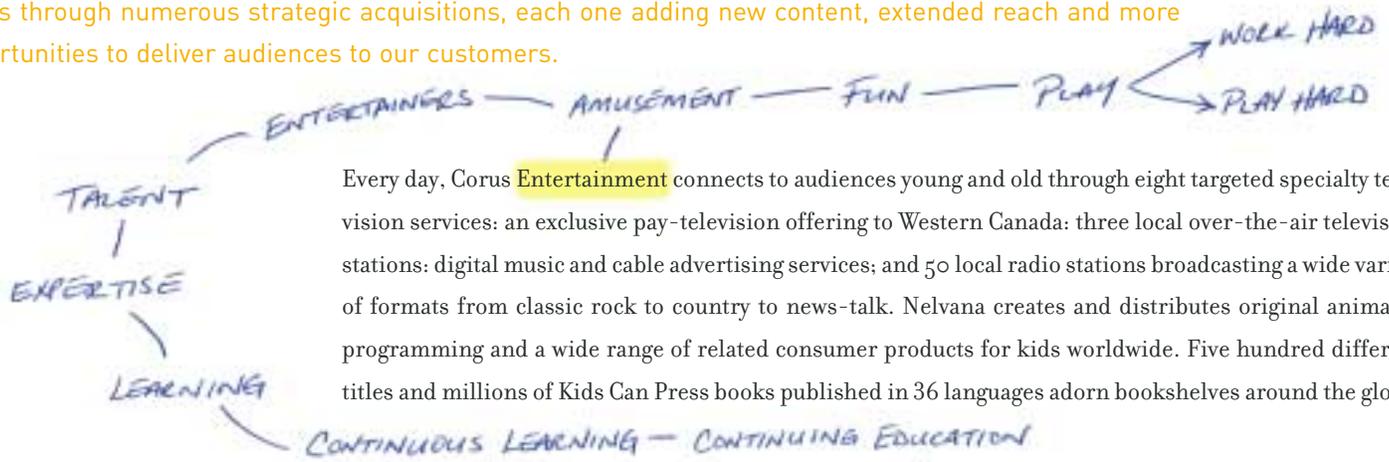


CORUS ENTERTAINMENT
IS ONE OF CANADA'S
LEADING MEDIA AND
ENTERTAINMENT
COMPANIES.

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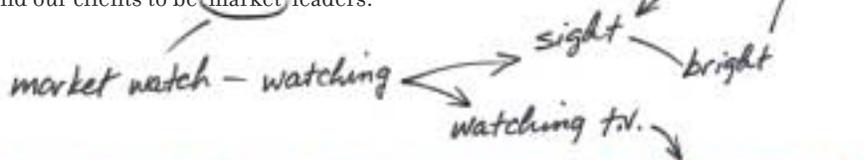
In five short years, Corus Entertainment has become an industry leader and built an enviable reputation as a company that knows its customers, its audiences and its business. It is that commitment to knowledge and a deep understanding of how media and entertainment fits the lives of consumers that has guided Corus through numerous strategic acquisitions, each one adding new content, extended reach and more opportunities to deliver audiences to our customers.



Every day, Corus Entertainment connects to audiences young and old through eight targeted specialty television services: an exclusive pay-television offering to Western Canada; three local over-the-air television stations; digital music and cable advertising services; and 50 local radio stations broadcasting a wide variety of formats from classic rock to country to news-talk. Nelvana creates and distributes original animated programming and a wide range of related consumer products for kids worldwide. Five hundred different titles and millions of Kids Can Press books published in 36 languages adorn bookshelves around the globe.

working knowledge

At Corus, we believe that knowing our audiences best is what sets us apart from the competition. This knowledge comes with our commitment to continuous learning and the sharing of insights and ideas within our company and with our customers. Since Corus was created in 1999, we have invested more than \$20 million in research to understand our audiences and adapt our business to an ever-changing media environment. A variety of research initiatives – from the widely-cited YTV Tween Report and W Network’s HEReport, to Corus Radio’s proprietary audience and perceptual research, to ongoing focus groups and online polls – provide indispensable consumer insights that enable Corus and our clients to be market leaders.



priceless ← collective knowledge →

No dollar amount can measure the value of our employees' working knowledge and expertise. Our intellectual capital is the foundation of our success and the cornerstone of our competitive advantage for the future. Training and development of Corus employees is a strategic priority for the Company. In 2003, we launched Corus University, an integrated, company-wide initiative to provide training and professional development for our employees. To date, hundreds of employees have benefited from training through Corus U in programs covering leadership development, management skills, financial and business knowledge, software training and more.

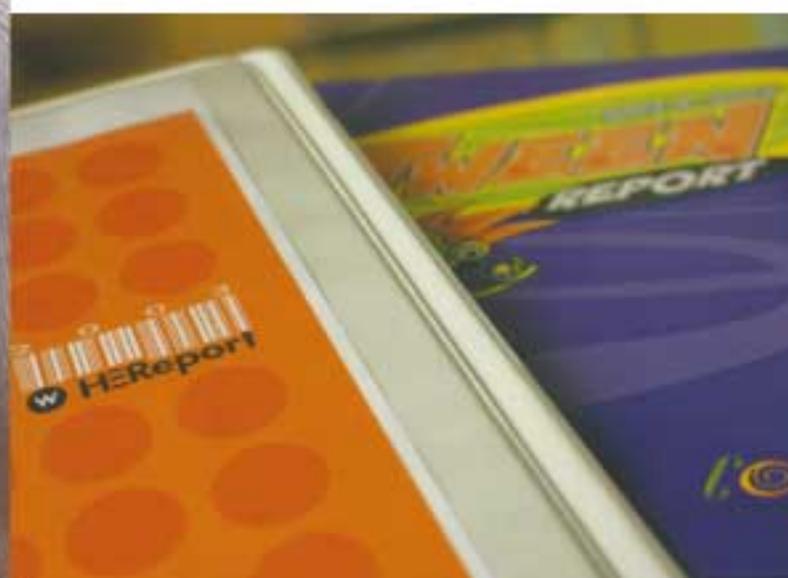


Our investment in research, training and knowledge will have a direct impact on our future performance and results. The media and entertainment industry is changing at an unprecedented pace, fuelled by the rapid adoption of new technologies, new platforms for digital and multimedia content and the increasing demand for entertainment where, when and how our audiences want it.

roaring applause — filmed in front of a live studio audience — laugh tracks — laugh it up



Corus Entertainment is ready for the future. We have assembled a diverse collection of assets that can deliver audiences to our customers. We have leveraged our knowledge and insight to create enduring brands that stand above the competition. We've made investments to extend those brands through multiple channels. And we've gathered the best and the brightest talent available to take Corus into a future that promises more opportunities, more demands and more innovation than ever before.



delivering results

Corus operates in one of the most exciting, dynamic and challenging business sectors – media and entertainment.

Consumer demand for the efficient delivery of personalized content has made traditional media and business models things of the past. Today, entertainment, information and communication are integrating over digital networks. In the past five years, revenues from "emerging media" such as Video-on-Demand (VoD), broadband and wireless content distribution, have grown by 83% with another 22% growth expected in the next five years.¹

Fuelling this growth is the rapid consumer adoption of new digital delivery systems. Industry analysts predict that by the year 2008, 58% of all television households in Canada and the U.S. will be digital and half of all households will have broadband Internet access.¹ Similar trends in other territories around the globe put the estimated global reach of digital media at over half a billion households by 2008.¹ Add to that, more than 2 billion cell phone users by 2007 and the opportunities for digital media and entertainment content are limitless.

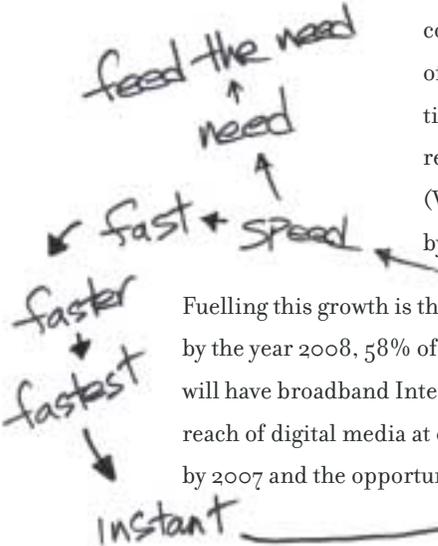
At Corus, we are strengthening our business against erosion by new entertainment choices and, more importantly, we're maximizing our value in the new digital world. Our vertically-integrated portfolio of entertainment assets allows us to reach consumers on multiple channels, 24-7. Strategic programming and effective cross-promotion ensure that Corus properties are top of mind.

We're already a well-established leader in extending entertainment brands to web-based initiatives. This year, nearly three million unique visitors connected to a Corus-branded web site each month, turning our careful investment in branded web content into a revenue opportunity that has grown by 50% in the past year. Our leadership and knowledge of online media is now being applied to new entertainment offerings like downloadable games, text messaging and online music initiatives.

monogrammed

Custom-made

just for me



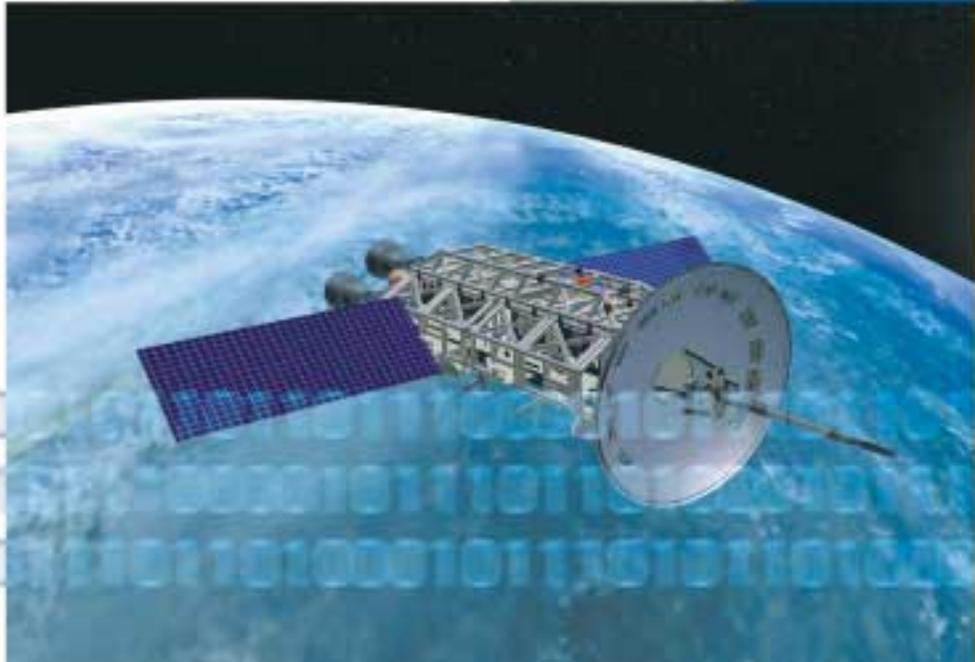
sky's the limit - sky

space

moon

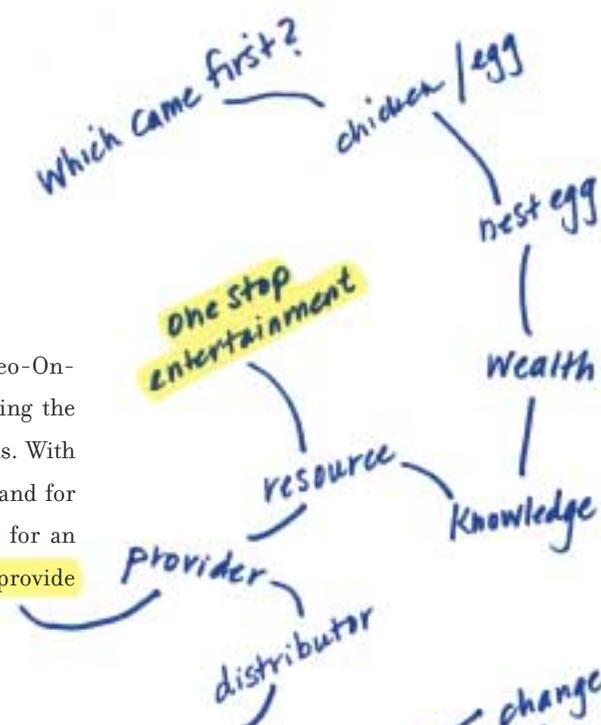
honeymooners

satellite

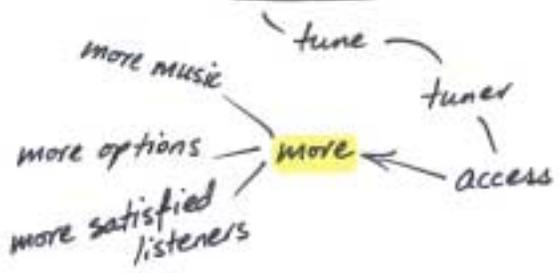


in a digital world

Corus Entertainment was the first Canadian company to launch a Subscription Video-On-Demand (SVoD) service with Movie Central Express in 2002. We're also leading the industry in the launch of dedicated High Definition Television (HDTV) channels. With most televisions sold today in North America having HDTV capability, the demand for programming is about to explode. Specialty television services are well-suited for an HDTV offering and Corus is committed to building new audiences by being first to provide HD programming for our customers.



While the power of radio continues to lie in its ability to be immediate and local, digital distribution is changing the traditional definition of local. With online streaming of radio station signals, consumers have access to their favourite music format or their local news and information wherever they connect to the Internet. This year, Corus radio stations attracted more than 1.5 million hours of online tuning via the Internet. The imminent rollout of satellite radio presents opportunities to build new audiences and Corus has entered into an agreement with Canadian Satellite Radio to provide French-language content, if the service is approved.



As the demand for digital content grows, our library of recognizable character and network brands has new life and increased equity. Success depends on our ability to use branded content across multiple platforms.

At Corus, we are building the knowledge and expertise necessary to attract the best partners, maximize our brands and deliver results in a digital world.

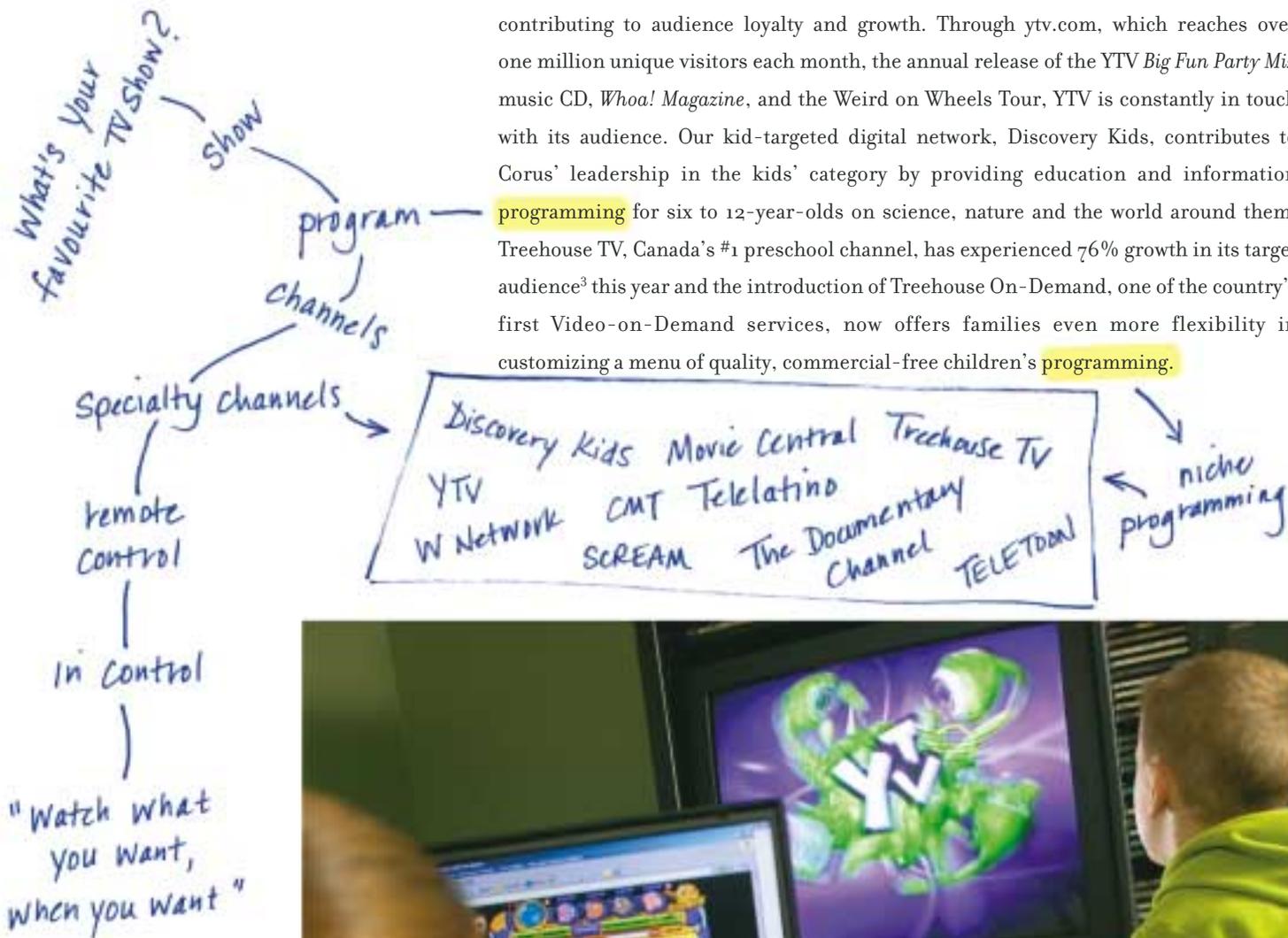




Corus Entertainment is one of Canada's leading specialty television operators with targeted niche channels reaching over 14.3 million viewers making us #2 in the industry in overall specialty television audience and revenues². Our reputation for creating successful, branded specialty channels is built on our commitment to knowing our audiences best and providing programming that will keep them coming back.

television

Hits like *SpongeBob SquarePants* and *The Fairly OddParents* have contributed to YTV's long-standing #1 ranking with kids and teens. A significant investment in audience research and insight has led Corus to extend the YTV brand into new platforms, contributing to audience loyalty and growth. Through ytv.com, which reaches over one million unique visitors each month, the annual release of the YTV *Big Fun Party Mix* music CD, *Whoa! Magazine*, and the *Weird on Wheels* Tour, YTV is constantly in touch with its audience. Our kid-targeted digital network, Discovery Kids, contributes to Corus' leadership in the kids' category by providing education and information programming for six to 12-year-olds on science, nature and the world around them. Treehouse TV, Canada's #1 preschool channel, has experienced 76% growth in its target audience³ this year and the introduction of Treehouse On-Demand, one of the country's first Video-on-Demand services, now offers families even more flexibility in customizing a menu of quality, commercial-free children's programming.



Proving that our expertise in television branding and marketing is more than just kids' stuff, W Network has jumped from a #4 ranking to the #1 specialty channel for women⁴ in Canada since being acquired by Corus in 2002. CMT's evolution from video flow to a mainstream lifestyle and entertainment channel has contributed to 88% audience growth in the past two years⁵, making CMT the fastest-growing specialty channel in Canada. On the digital tier, SCREAM and The Documentary Channel have become two of the fastest-growing and most recognizable services.

Through western Canada's exclusive pay-TV service, Movie Central, Corus puts Canadians at the front of the line with a powerful programming mix of blockbuster

Hollywood movies and series from HBO and Showtime, delivered same date and time as the U.S. broadcast. Complemented by the best in original Canadian made-for-pay movies and series, the service achieved a record level of subscribers this year.



Rounding out Corus' television portfolio are three local over-the-air television stations, a 40% interest in TELETOON, a 51% interest in Telelatino, Max Trax, a digital audio service, and Digital Adventure, a cable advertising service which offers a commercial TV Listings Channel.

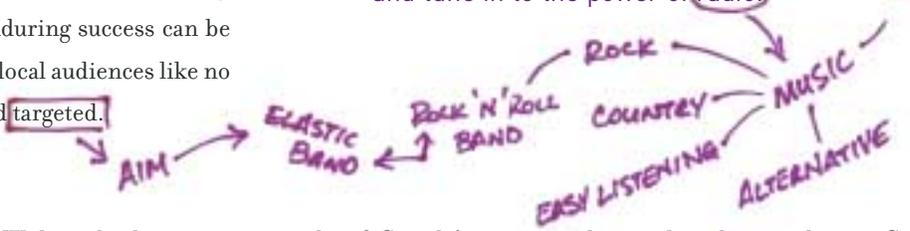
Corus Television's position in the market is an enviable one. The increasing trend of audiences towards specialty television gives us solid growth potential in both our adult and kid-targeted portfolios. But it is knowing our audiences and staying connected with them through multiple media platforms and technologies that sets Corus Television apart from the competition.



"pushing the envelope"
 ↑
 Competitive
 ↑

Radio has consistently withstood competition from new products and platforms that promised to replace it as a consumer entertainment choice. In the past five years, despite the proliferation of CDs, Internet streaming and digital downloadable audio entertainment, radio has maintained a steady 37% share of all time spent with media. Radio's enduring success can be attributed to its unique ability to connect directly to local audiences like no other medium can. It's live, immediate, relevant and targeted.

quick
 ↓
 "quick as a fox"
 ↓
 The Fox (CFox)
 VANCOUVER



Corus Entertainment is the market leader in the most pervasive and ubiquitous of all entertainment media – radio. Industry observers estimate that the average North American home has eight radio appliances. In nearly every room and every vehicle, we are able to turn on and tune in to the power of radio.

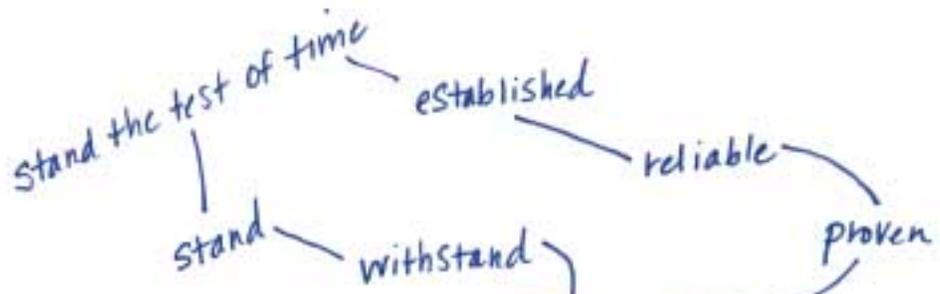
With multiple stations in eight of Canada's top 10 radio markets by population, Corus Entertainment remains the market leader in private radio, reaching nearly one in three Canadians each week. Canadians tune to Corus Radio 26% more than our nearest competition. This year, an agreement with Astral Radio to swap certain radio stations in the province of Québec provides Corus with a presence in the Québec City market and a stronger position in Montréal.

In 2004, more than half of our stations were ranked #1 with their target demographic. Corus Radio remains committed to delivering the best quality programming for our listeners in every market with the country's top on-air talent in news-talk, rock, country, contemporary and alternative radio. Continuous research helps us to identify the changing needs and tastes of our audiences and to respond quickly with programming changes, talent development and, in some cases, new formats. This year, a focused strategy to reformat and reinvigorate five stations challenged by highly competitive markets has begun to deliver results with audience growth in target demographics.

promises — goals — achieve
 dreams — fulfill —

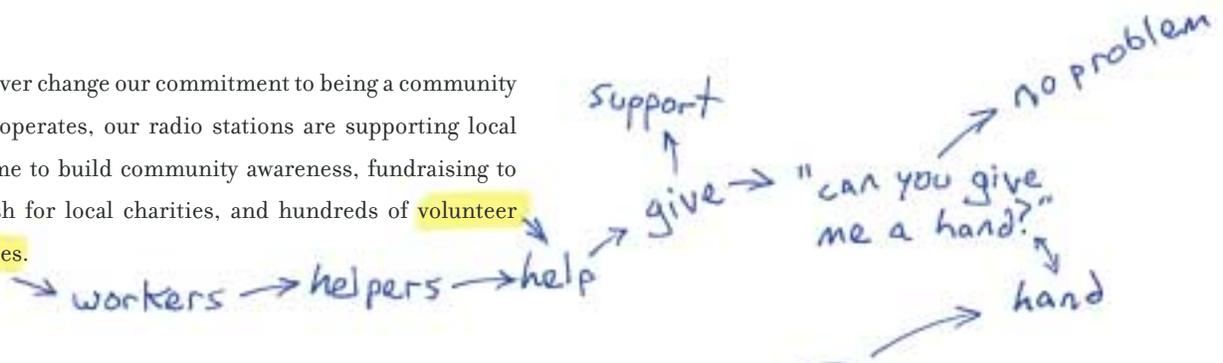


radio



While radio remains the most enduring and consistent consumer mass medium, changing consumer trends and technology present new opportunities for Corus Radio. Over the past several years, we have expanded our audience and advertiser experiences through local station websites and online audio streaming. The positive response is demonstrated by our growing database of registered radio listeners, which is nearing 500,000 individuals.

No future technology will ever change our commitment to being a community partner. Wherever Corus operates, our radio stations are supporting local causes with valuable airtime to build community awareness, fundraising to provide much-needed cash for local charities, and hundreds of volunteer hours from Corus employees.

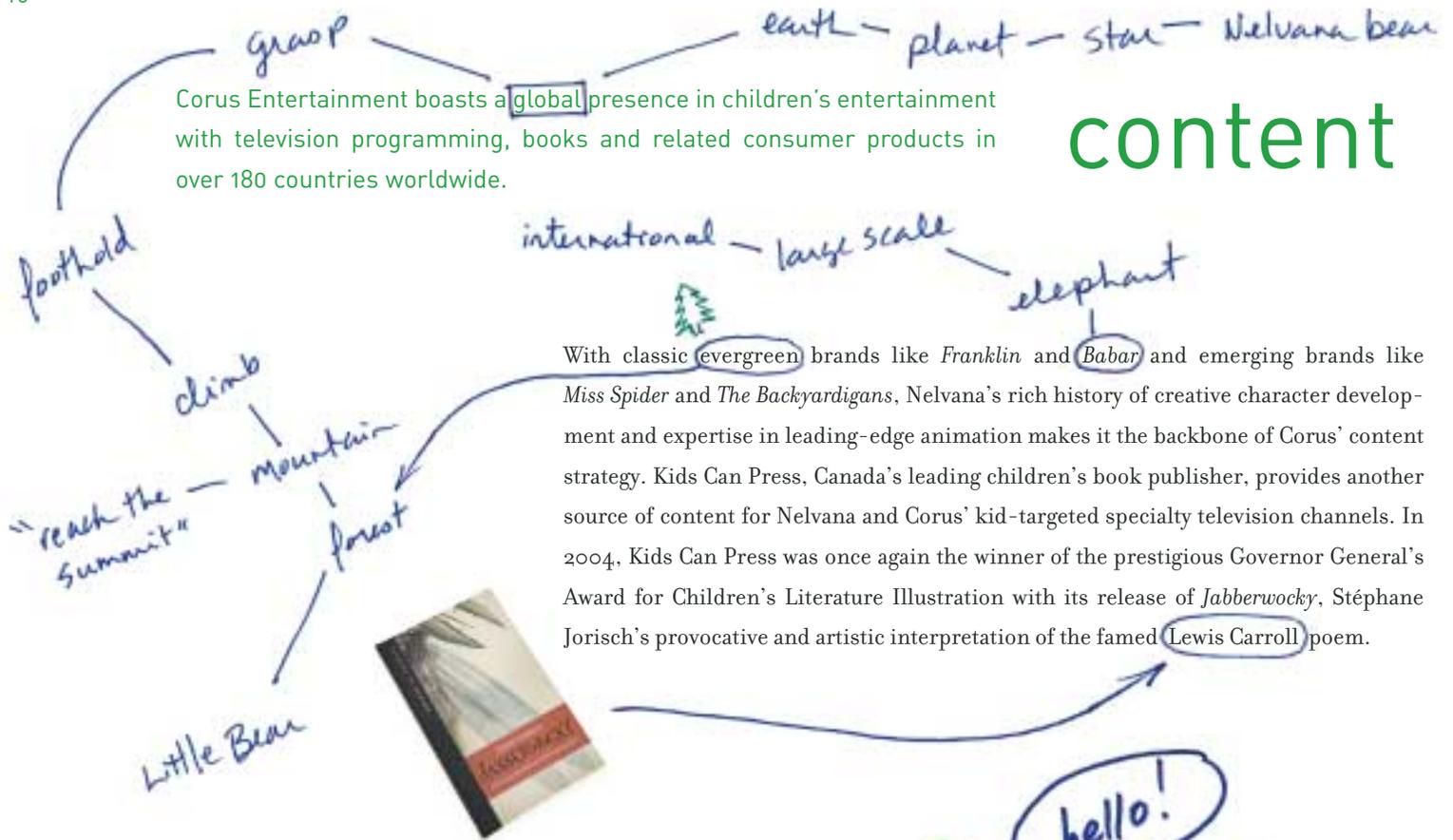


Radio has the reach and power to influence listeners wherever they are. At Corus, we believe in using that power to inform and entertain our audiences, improve our communities, support musical talent and provide the best quality and service to our customers.



Corus Entertainment boasts a global presence in children's entertainment with television programming, books and related consumer products in over 180 countries worldwide.

content

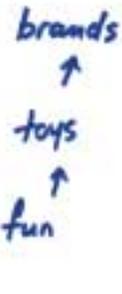


With classic evergreen brands like *Franklin* and *Babar* and emerging brands like *Miss Spider* and *The Backyardigans*, Nelvana's rich history of creative character development and expertise in leading-edge animation makes it the backbone of Corus' content strategy. Kids Can Press, Canada's leading children's book publisher, provides another source of content for Nelvana and Corus' kid-targeted specialty television channels. In 2004, Kids Can Press was once again the winner of the prestigious Governor General's Award for Children's Literature Illustration with its release of *Jabberwocky*, Stéphane Jorisch's provocative and artistic interpretation of the famed Lewis Carroll poem.

Our fully-integrated digital production studio leverages new technologies that keep us at the forefront of the industry. One of our newest productions, *6Teen*, is the first series to use new Opus software, developed in partnership with Toon Boom Animation, which lowers the cost of production while delivering the kind of quality that customers have come to expect from Nelvana. Nelvana's global reputation for innovative 3-D animation was established with the launch of *Rolie Polie Olie*. That reputation continues to grow with this year's production of *Miss Spider*, *The Backyardigans* and the first 3-D direct-to-video project featuring The Care Bears™ in *Journey to Joke-a-lot*. The knowledge and skill evident in these productions recently led Weta Workshop, the Academy Award®-winning studio made famous by *The Lord of the Rings*, to choose Nelvana as their development and co-production partner for their first television project, *Jane and the Dragon*.



In 2004, Nelvana's consumer branded products business took centre stage. Led by the *Beyblade* phenomenon, consumer products accounted for nearly half of the Content Division's total revenues in the year. With character-branded merchandise accounting for one-fifth of total North American retail sales in 2003 and a home entertainment industry that is expected to double revenues by 2008, we are building our business to ensure that Nelvana brands reach consumers through every conceivable channel, from on-demand services to wireless devices; from online games to traditional toys and home entertainment.

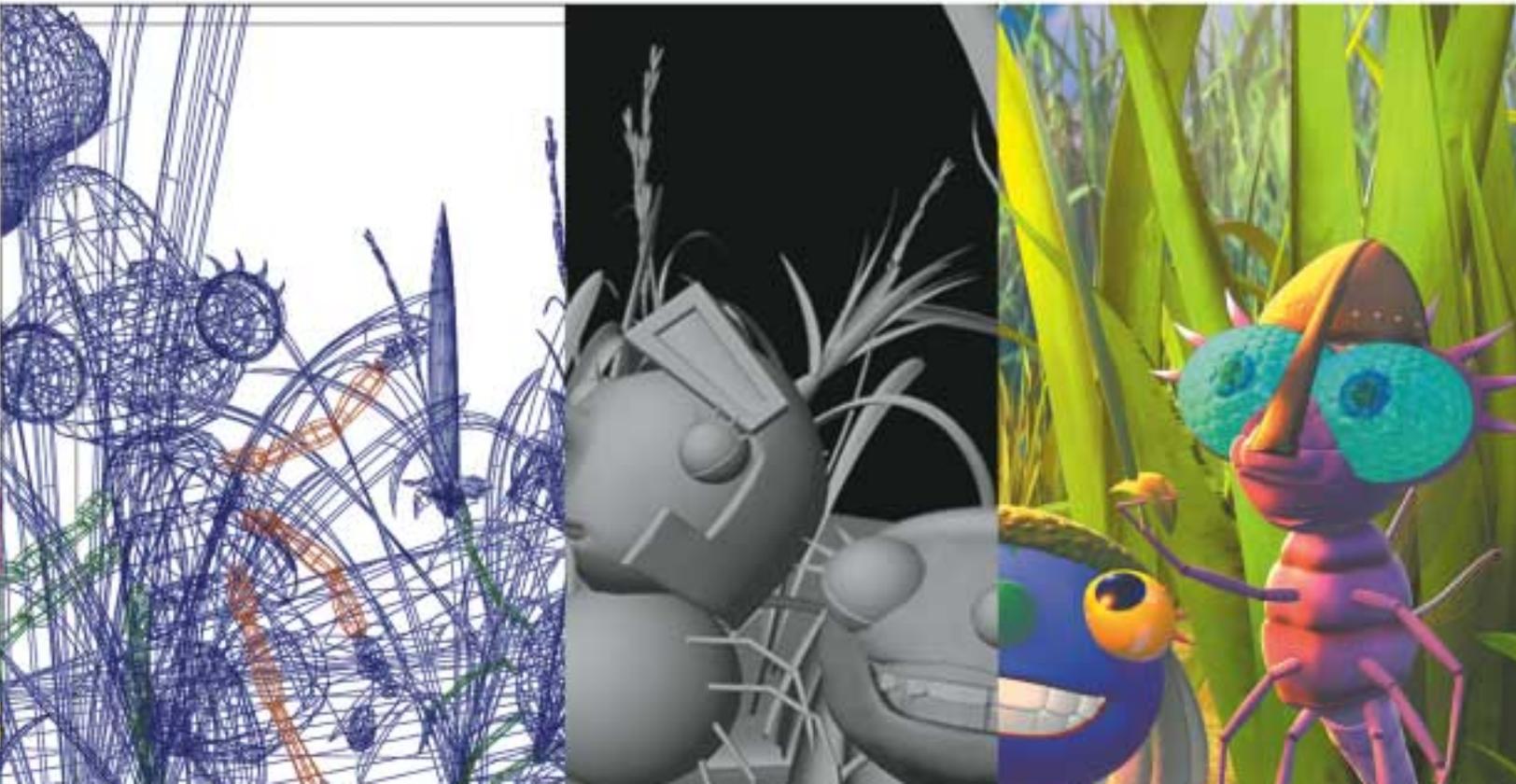


Nelvana's home entertainment business is anchored by three strategic library licences signed earlier this year that provide the U.S., Canada and the U.K. with Nelvana titles on home video and DVD. In 2005, more than 225 home entertainment releases of 30 different Nelvana properties will be distributed across 15 territories worldwide and we are beginning to see a growing interest in our new releases from major global media companies. In addition, Nelvana has signed a long-term music licensing agreement with Genius Products, the company behind the *Baby Genius* home video and CD craze that will further extend our brands and leverage our library of music assets.



Our success in securing a master toy partnership with Fisher-Price for *Miss Spider's Sunny Patch Friends*, which recently launched on Nick Jr. in the U.S. with the highest rated premier since *Bob the Builder* in 2001 and is well-placed with top international broadcasters, gives this emerging brand the prominence and reach necessary to become a global sensation.

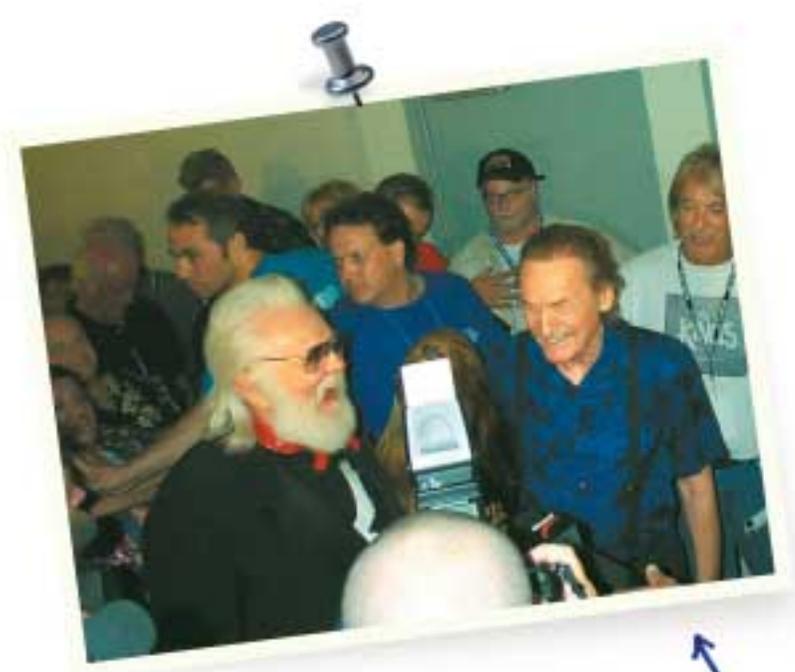
As the explosion of new entertainment platforms creates a growing demand for enduring character brands, our ability to create and manage content will give Corus Entertainment renewed global influence. Our reward will be the knowledge that millions of people are entertained every day by the talent and innovation within Corus.



knowing our communities makes a real difference

Knowing our audiences and customers means understanding their habits, their needs and their values. Corus is committed to giving back to the communities in which we operate; using our resources, knowledge and broadcasting reach to support hundreds of charities and community organizations.

This year, Corus companies worked together to contribute more than \$11 million in cash, goods and valuable airtime donated to public service messages that reached millions of Canadians, raising awareness for charities like Kids Help Phone and Rick Hansen's Wheels in Motion Tour. Our annual United Way Campaign raises funds to be used directly in the communities where our employees donate. We value our employees' giving and match any donation made to the United Way.⁶



raise money
pennies
"every penny counts"

In fiscal 2004, Corus played an important role in raising awareness and assistance for Canadian communities. In Peterborough, Ontario our local radio and television stations supported a fundraising concert headlining **Gordon Lightfoot and Ronnie Hawkins** and raised \$1.5 million for victims of the devastating flood in that community. In Calgary, Alberta, Country 105 teamed up with the Alberta Children's Hospital Foundation for the first ever Country 105 Cares for Kids Radiothon. Over \$605,000 was raised in just three days, breaking the record for the most successful first-time radiothon in Canadian history. Corus radio and television stations respond to hundreds of similar community initiatives each year, connecting the needs of our audiences with our **resources and knowledge** to make a positive difference.

means
opportunity → fortunate
unfortunate → in need → help those in need



Corus is also committed to the development and sustainability of our national broadcasting, cultural and production communities. Through our commitment to Canadian content on radio and television, Corus supports thousands of talented Canadian performers, writers and producers. In 2004, our seven programming funds granted nearly \$9 million to 163 independent film and television producers and 67 different feature film productions.



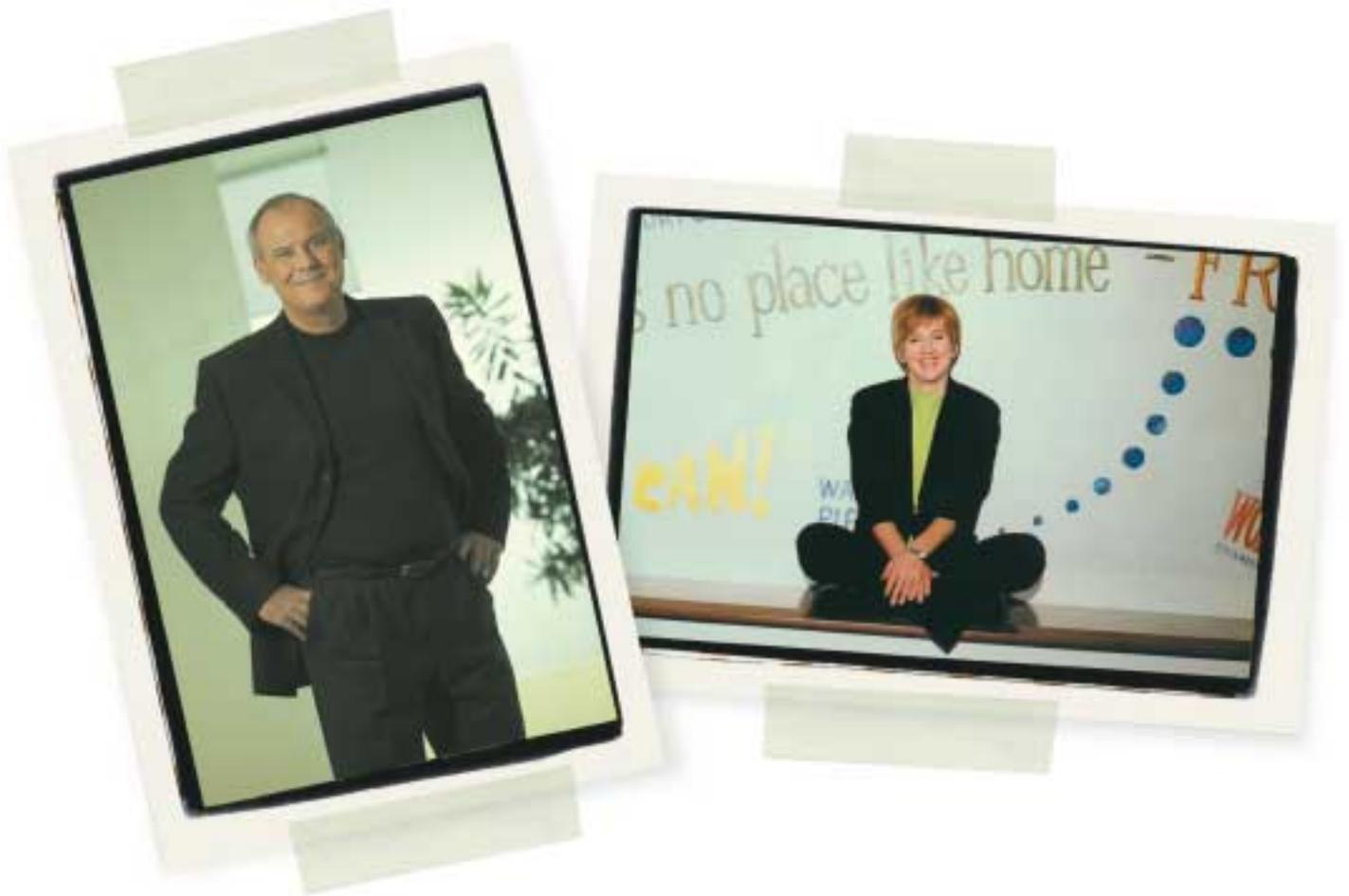
Through our annual contributions to organizations like the Foundation to Assist Canadian Talent on Records (FACTOR) and Radio Starmaker, which last year totalled more than \$6.2 million, Corus Entertainment supports the musical talent that has put Canadian recording artists on the map. Edge 102 in Toronto is a music industry legend for supporting the commercial breakthrough of bands like Barenaked Ladies, Sum 41, The Tragically Hip and Our Lady Peace. On television, initiatives like CMT's Video Advantage Program, which provides funding and support for the production of Canadian country music videos, help to propel the careers of artists like Paul Brandt and Aaron Pritchett to the top of the Canadian charts.



OH CANADA!
 HOME GROWN TALENT

"The Edge was the first station anywhere in the world to support Sum 41. We credit the support of the station and the exposure they have given us over the years as the number one reason why Toronto is our best market in the world."
 Craig Nori, Bank Rock Management

Every day, Corus is making a difference in our communities and in our industry. It's a difference that comes from knowing how to add value and from working to achieve common goals.



message to shareholders

With the close of our 2004 fiscal year, Corus Entertainment celebrated an important milestone – our fifth anniversary as a publicly-traded company.

In the past five years, Corus has become an important contributor to the Canadian broadcasting sector and an influential player in the global entertainment industry, through our television networks, radio stations, our children's programs and related consumer products, including children's books distributed worldwide. We have built strong brands, attracted loyal audiences, established strategic partnerships and accumulated a substantial knowledge base to create shareholder value in a new era of digital, wireless and on-demand media and entertainment.

We are very proud of the progress we have made in our first five years. Some of the many highlights include:

- We integrated numerous acquisitions, some small, some significant. We consolidated real estate, management teams, and financial reporting without one lost minute of service to our viewers or listeners and without compromising the integrity of our financial reporting. Power Broadcasting, Blackburn Radio, Métromédia, WIC TV and Radio, WTN and Nelvana were all successfully integrated into Corus Entertainment over the past five years.
- We took proactive steps to influence regulatory policy which resulted in Corus being allowed to grow through acquisition and launch new services. As a result of our success in lobbying to overturn the CRTC prohibition restricting affiliated companies, such as Corus, from owning specialty channels, we were able to buy WTN as well as successfully launch our new digital channels.

- We have grown our western-based pay television business as a result of taking action to end a long-standing lawsuit against U.S. satellite operators and their programming partners. This allowed us to access HBO and Showtime programming for our customers. We also rebranded our service Movie Central and began programming based on viewer-friendly genres such as channels dedicated to action, romance and comedy. Since acquiring the pay television assets, we have doubled our subscriber base.
- Swapping out our interest in DMX retail for control of the residential digital audio music business allowed us to rebrand the service MaxTrax and enter into a joint marketing agreement with the CBC's Galaxie, rationalizing both services by eliminating duplication and improving service to our distribution customers.

Despite significant progress in building on our vision of creating a substantial, globally-respected media company since our inception, we were not satisfied with our overall performance in F'04. Continued difficulties in repositioning our Content Division to cope with massive structural change and our failure to hold our market position in two key radio markets marred an otherwise strong performance.

In fiscal 2004, we increased our free cash flow by 43% to \$52 million. This strengthened cash position allowed us to achieve our net debt reduction target. At year-end, our net debt to EBITDA ratio has been reduced to 3.1x. A non-cash write-down of film investments recorded in the third quarter caused us to fall short of our segment profit growth target for the year. However, on an adjusted basis, Corus performed well with 6% growth in consolidated segment profit and 17% growth in net income. Revenue increased by 4%.

RADIO

Our radio results in the key markets of Toronto, Montréal, Edmonton and Winnipeg were very strong this past year. In fact, had we simply maintained our revenue performance in Calgary and Vancouver, we would have grown segment profit by 17.6% and delivered a margin of 29%. We are convinced that we have addressed our competitive challenges in Calgary and Vancouver. We are also excited about the potential new revenue from our reformatted FM rock station in Montréal, now Canada's first private, news-talk station on the FM band.

TV

Our television business continued its strong performance over the past year. We are well-positioned in television with our assets predominantly competing in the pay and specialty television segments of the market which continue to enjoy strong growth rates in subscribers and advertising respectively. We were particularly pleased with the performance of W, our women's network. W Network has distinguished itself as Canada's leading network for women aged 25 to 54 on the strength of its movies and lifestyle programming, particularly W's popular home improvement shows.

CONTENT

We have diversified our sources of revenue, as planned, and now enjoy a better balance between production/distribution and merchandising/licensing. Nelvana was cash flow positive in F'04, and over the past two fiscal years, we have added almost 300 episodes to our library without investing any incremental cash. We're on our way to achieving our goal of reducing the cost per episode by 25% without affecting quality. As we look to the future, we are aggressively developing our home entertainment business and have signed numerous agreements to distribute our library and new productions through home video distribution channels. We are excited by the prospect of new merchandising revenue from *The Fairly OddParents*, *Miss Spider* and *The Backyardigans* on the heels of a very strong performance from our *Beyblade* brand, particularly in the first half of F'04.

SUMMARY

We believe that growth through innovation is the key to our continued success. All around us, consumer demand for media and entertainment products is increasing as new technology offers more content, with more personalization, delivered faster and more accessibly than ever before. Your Company is building the knowledge base and talent necessary to keep us at the forefront of our industry. Within the Company we have numerous teams working on a multitude of Internet-based initiatives to both reduce costs and increase revenues. We are also engaged in Video-on-Demand and Subscription Video-on-Demand initiatives with our distribution partners. Our extensive Nelvana Library and our inventory of movies are the main sources of content for these offerings today.

For fiscal 2005, your Company is committed to demonstrating that after five years of assembling and integrating assets, we can deliver superior results on a consistent basis. We have set clear financial goals that we believe represent the important drivers of shareholder value for Corus:

- Free cash flow⁷ of between \$40 and \$45 million;
- Further net debt reduction to between 2.5 and 3.0 times segment profit⁷;
- Consolidated segment profit⁷ of \$180-190 million.

We also spent considerable time in reaffirming our strategic direction in F'04. We believe our television business, with its focus on pay and specialty, is well positioned for continued growth on the strength of projected strong market growth and our innovative sales effort. In our radio business, we believe we have stemmed the tide in our two troubled markets and are committed to recapturing our position as Canada's leader in both tuning and financial results.

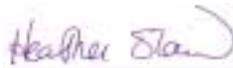
We also took a hard look at our ability to compete in the content business and concluded that we have the resources, over time, to be successful. Our strategy for the future is to produce content to support the growth of our Canadian television assets. It is our view that given the breadth of our Canadian television assets, we can meet the needs of global broadcasters if we do an exceptional job in meeting our domestic needs. Our goal is to create top performing brands for the future with the staying power of *Franklin* and *Babar*.

Finally, we want to thank our 2,800 employees for their continued dedication and commitment to achieve our goals. We invested heavily in our human capital this year. Corus University provided over 200 of our senior managers the opportunity to strengthen their skills and grow as leaders. We also continued to invest in the training of our sales organization. Top-line growth is critical to our success. Our goal is to ensure our sales organization is the best trained to solve customer problems in our industry. The development and training of our people remains a strategic priority for us in F'05.

A number of important initiatives were launched in F'04 that we believe position us for superior share price performance in the future. We look forward to sharing our success with our shareholders. Thank you for your support of our Company.



John Cassaday
President and Chief Executive Officer



Heather Shaw
Executive Chair

significant events

FISCAL 2004

September

- In September 2003, 9 of 17 Canadian films premiering at the prestigious Toronto International Film Festival received support from Corus Entertainment, positioning the Company as significant contributor to the Canadian film industry.
- On September 8, 2003 Corus Radio's Calgary station CISN-FM was named Station of the Year at the 2003 CCMA Awards.
- On September 25, 2003, Corus announced two strategic deals for its new Home Entertainment Division at Nelvana. U.S.-based distributor, FUNimation, acquired the rights to release 44 of Nelvana back-catalog library titles and Maverick in the U.K. signed on to market 33 Nelvana library titles, plus options on new releases.

October

- On October 13, 2003, Nelvana announced the acquisition by Nickelodeon of the series Miss Spider along with two specials.
- On October 20, 2003, the Canadian Football League (CFL) and Corus Radio signed a programming agreement to broadcast the Grey Cup championship game across Canada, expanding on Corus' broadcasting involvement as the official rights holder for five of nine CFL teams.
- Corus' Radio division implemented a number of station format changes designed to ensure future competitiveness in key markets. The changes included: Edmonton's CKNG FM re-launched as 92.5 JOE FM; Kingston switched Country 96 to 96.3 JOE-FM; and Calgary's The Peak 107.3 changed from adult contemporary to classic rock, Q107 Calgary.

December

- On December 9, 2003, Corus announced a semi-annual dividend for holders of its Class A and Class B shares of \$0.02 and \$0.025 respectively, paid on December 31, 2003.

January

- On January 8, 2004, Movie Central announced it had secured the exclusive pay window rights in Western Canada to new seasons from the HBO Original Series The Sopranos and Six Feet Under. The agreement marks the network's continued position as the first Canadian broadcast home for all HBO Original Series and Films and for the first time, provides for simultaneous showing with U.S. audiences.

February

- On February 23, 2004, Corus was named Employer of the Year by Canadian Women in Communications (CWC). The award, established to raise the profile of women working in the industry, recognized Corus for its success in implementing programs that support a positive work environment for all employees.

March

- On March 29, 2004, Nelvana announced a co-production agreement with The Lord of the Rings Academy Award®-winning Weta Workshop for the comedy-adventure series, Jane and the Dragon.
- On March 30, 2004, Corus and Astral Media Inc. announced their intention to exchange a number of radio assets in the province of Quebec, subject to regulatory approval. The transaction will bring Corus' radio station total to 53, with presence in nine of Canada's top 10 markets and 15 radio stations in the province of Québec.

May

- On May 11, 2004, MOJO Radio in Toronto announced it had signed a seven-year deal as the exclusive radio broadcaster of Toronto Maple Leafs games.
- On May 31, 2004, Corus Television reported that its Western-based pay TV service, Movie Central, reached a new record high subscriber rate with 702,000 subscribers.

July

- In July 2004, Corus renewed its collective agreements with union employees in Peterborough, Oshawa and Kingston for a three-year period.
- On July 20, 2004, Corus renewed its joint marketing agreement (JMA) with the Canadian Broadcasting Corporation for the packaging, marketing and sales of the MaxTrax and Galaxie digital music services. The JMA is in effect until February 2010.
- On July 26, 2004, Corus Radio's Toronto classic rock station announced that veteran Canadian rocker Kim Mitchell would take over the prime drive-home DJ spot.

financial highlights

The following table presents summary financial information for Corus for each of the listed years ended August 31:

(millions of Canadian dollars except percentages and per share amounts)

| | 2004 | 2003 | 2002 |
|--|---------|---------|---------|
| Revenues | 666.8 | 643.9 | 674.5 |
| Segment profit ⁽¹⁾ | 90.4 | 165.3 | 125.6 |
| Net income (loss) | (23.1) | 40.0 | (168.6) |
| Earnings (loss) per share | | | |
| Basic and diluted | (0.54) | 0.94 | (3.96) |
| Total assets | 1,896.9 | 1,940.6 | 1,940.0 |
| Total long-term financial liabilities | 690.9 | 693.5 | 731.3 |
| Cash dividends declared per share | | | |
| Class A Voting | 0.04 | — | — |
| Class B Non-Voting | 0.05 | — | — |

Notes:

(1) As defined in "Key Performance Indicators – Segment profit".

our assets at a glance

Television

SPECIALTY NETWORKS

| | OWNERSHIP |
|--------------------------------|-----------|
| YTV | 100% |
| Country Music Television (CMT) | 80% |
| W Network | 100% |
| Treehouse TV | 100% |
| Discovery Kids | 54% |
| The Documentary Channel | 53% |
| Telelatino | 50.5% |
| SCREAM | 51% |
| The Locomotion Channel | 50% |
| TELETOON | 40% |
| Food Network | 19.9% |

PREMIUM NETWORKS

| | OWNERSHIP |
|---------------|-----------|
| Movie Central | 100% |
| Encore | 100% |

OTHER

| | OWNERSHIP |
|--------------------------------|-----------|
| Digital Adventure | 100% |
| Max Trax | 100% |
| CHEX TV – Durham | 100% |
| CHEX Television – Peterborough | 100% |
| CKWS TV – Kingston | 100% |

Radio

BRITISH COLUMBIA

| CITY | AM | FM |
|-----------|------------------------------------|-----------------------------------|
| Vancouver | CHMJ (Mojo 730) CKNW (CKNW 980) | CFOX (The Fox) CFMI (Rock 101) |

ALBERTA

| CITY | AM | FM |
|----------|------------------------------------|------------------------------------|
| Calgary | CHQR (QR77) | CKRY (Country 105) CFGQ (Q107) |
| Edmonton | CHQT (Cool 880) CHED (630 CHED) | CISN (CISN Country) CKNG (JOE) |
| Red Deer | | CKGY (KG Country) CIZZ (ZED 99) |

MANITOBA

| CITY | AM | FM |
|----------|-----------------|-----------------|
| Winnipeg | CJOB (CJOB 680) | CJKR (Power 97) |

ONTARIO

| CITY | AM | FM |
|--------------|------------------------------|---|
| Barrie | | CIQB (B101) CHAY (The New CHAY) |
| Burlington | | CING (Country 95.3) |
| Cambridge | | CJDV (DAVE) |
| Collingwood | | CKCB (The Peak) |
| Cornwall | CJUL (Jewel 1220) | CFLG (Variety 104.5) CJSS (Rock 101.9) |
| Guelph | CJOY (1460 CJOY) | CIMJ (Magic 106.1) |
| Hamilton | CHML (AM 900) | CJXY (Y 108) |
| Kingston | CFFX (Oldies 960) | CFMK (JOE) |
| London | CFPL (AM 980) | CFPL (FM 96) CFHK (Energy) |
| Peterborough | CKRU (980 Kruz) | CKWF (The Wolf) |
| Toronto | CFHJ (The New Mojo Radio) | CFNY (102.1 The Edge) CILQ (Q107) |
| Woodstock | | CKDK (The Hawk) |

QUEBEC

| CITY | AM | FM |
|---------------|--|------------------------------|
| Amqui | | CFVM |
| Drummondville | | CJDM |
| Montmagny | | CFEL |
| Montreal | CINW (940 News) CINF (Info 690) CKOI | CFQR (Lite Rock Q92) CHMP |
| Rimouski | | CIKI CJOI |
| St. Jean | | CFZZ |
| St. Jerome | | CIME |

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