

Fiscal 2017

**Third Quarter Earnings
Conference Call**

Tuesday, June 27, 2017 | 8 a.m. ET



Safe Harbour Disclosure Forward-looking Statements

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

To the extent any statements made in this presentation contains 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 relate 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 other should carefully consider the foregoing factors and other uncertainties and potential events. Unless otherwise required by applicable securities laws, Corus disclaims 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.

Consolidated Financial Results - Q3 Fiscal 2017

- Consolidated revenue was \$462 million, up 28% from \$361 million last year (up 3% on a pro forma basis¹)
- Consolidated segment profit² was \$176 million, up 35% from \$130 million last year (up 14% on a pro forma basis¹)
- Consolidated segment profit margins² of 38%
- Net income attributable to shareholders of \$66.7 million (\$0.33 per share basic)
- Adjusted basic earnings per share^{2,3} of \$0.35 per share

¹ Pro forma results reflect the inclusion of a full three months of Shaw Media in the three months ended May 31, 2016.

² Segment profit, segment profit margin, adjusted net income attributable to shareholders, adjusted basic earnings per share, and free cash flow do not have standardized meanings prescribed by IFRS. The Company believes these non-IFRS measures are frequently used as key measures to evaluate performance. For definitions and explanations, see discussion under the Key Performance Indicators section of the Fiscal 2017 Report to Shareholders.

³ For the three months ended May 31, 2017, adjusted net income attributable to shareholders excludes business acquisition, integration and restructuring charges of \$4.6 million (\$0.02 per share).

Segmented Financial Results - Q3 Fiscal 2017

TELEVISION (on a pro forma basis¹)

- Segment revenues increased 3%
- Advertising revenues were flat
- Subscriber revenues increased 4%
- Merchandising, distribution and other revenues increased 44%
- Segment profit² increased 13%
- Segment profit margin² was 41%, versus 37% in the prior year

RADIO

- Segment revenues decreased 1%
- Advertising revenues were flat
- Segment profit² increased 20%
- Segment profit margin² of 30%, versus 24% in the prior year

¹ Pro forma results reflect the inclusion of a full three months of Shaw Media in the three months ended May 31, 2016.

² Segment profit and segment profit margin do not have standardized meanings prescribed by IFRS. The Company reports on these because they are key measures used to evaluate performance. For definitions and explanations, see discussion under the Key Performance Indicators section of the 2017 Report to Shareholders.

2017 Financial Priorities

- Capture all revenue and cost synergies, delivering \$40-50 million in cost savings in the first 18-24 months after the close of the Shaw Media acquisition
- Deliver solid free cash flow, enabling prudent investments to advance our strategic priorities and reduce net leverage to below 3.5x by the end of fiscal 2017 and below 3.0x by the end of fiscal 2018
- Maintain our dividend of \$1.14 per Class B Share

Q3 Business Highlights - Conventional Television



6 new dramas and 4 new comedies added
to our strong new fall schedule



Q3 Business Highlights - New Licensing Agreement

Multi-year licensing agreement secured with The Walt Disney Studios for Canadian broadcast rights to Star Wars movie franchise

The Star Wars logo is displayed in its iconic white, three-dimensional block letter font. The letters are set against a black background that is filled with numerous small, white, out-of-focus dots, creating a starry space effect. A small 'TM' trademark symbol is located at the bottom right of the 'S' in 'WARS'.

Q3 Business Highlights - Specialty Television

4^{of} 5^{top}¹

Specialty Channels
Among Adults



5^{of} 5^{top}²

Specialty Channels
Among Women



5^{of} 5^{top}³

Specialty Channels
Among Kids



1 Numeris PPM data, Total Canada, AMA(000), Spring'17 (Jan2/17-May28/17), Canadian Commercial Specialty rankers – ex. sports stations, Adults ages 25-54

2 Numeris PPM data, Total Canada, AMA(000), Spring'17 (Jan2/17-May28/17), Canadian Commercial Specialty rankers – ex. sports stations, Women ages 25-54

3 Numeris PPM data, Total Canada, AMA(000), Spring'17 (Jan2/17-May28/17), Kids 2-11 rankers based on Kids stations only - including non-commercial stations

Q3 Business Highlights - Owned Content



Masters of Flip



Buying the View



Home to Win
Season 2

corus.
STUDIOS



Hotel Transylvania
The Series



Mysticons

nelvana

corus.

Q3 Awards International Recognition



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Q&A

