

Fiscal 2018

**Third Quarter Earnings
Conference Call**

Wednesday, June 27, 2018 | 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 information"). 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 may be considered forward-looking information. Although Corus believes that the expectations reflected in such forward-looking information are reasonable, such information involves assumptions and risks and uncertainties and undue reliance should not be placed on such statements. Certain material factors or assumptions are applied with respect to the forward-looking information, including, without limitation, factors and assumptions regarding general market conditions and general outlook for the industry, interests rates, stability of the advertising, distribution, merchandise and subscription markets, operating and capital costs and tariffs, taxes and fees, our ability to source desirable content and our capital and operating results being consistent with our expectations. Actual results may differ materially from those expressed or implied in such information. 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 any forward-looking information may be found under the heading "Risks and Uncertainties" in the Management's Discussion and Analysis for the year ended August 31, 2017 and the third quarter ended May 31, 2018 and under the heading "Risk Factors" in our Annual Information Form. Corus cautions that the foregoing list of important assumptions and factors that may affect future results is not exhaustive. When relying on our forward-looking information to make decisions with respect to Corus, investors and other should carefully consider the foregoing factors and other uncertainties and potential events. Unless otherwise specified, all forward-looking information in this presentation speaks as of the date of this presentation. Unless otherwise required by applicable securities laws, Corus disclaims any intention or obligation to publicly update or revise any forward-looking information whether as a result of new information, events or circumstances that arise after the date thereof or otherwise.

Overview

Canada's Leading Pure Play Media and Content Company

First Principles

- Maximize audiences
- Monetize audiences
- Rationalize our operating model

Robust plan in place to evolve Corus

Q3 Fiscal 2018 Consolidated Results

- Consolidated revenues decreased 4% for the quarter
- Consolidated segment profit¹ decreased 3% for the quarter
- Consolidated segment profit margin¹ of 39% for the quarter
- Net loss attributable to shareholders of \$935.9 million (\$4.49 loss per share basic) for the quarter, which includes non-cash impairment charges of \$1,013.7 million
- Adjusted basic earnings per share¹ of \$0.37 per share for the quarter, up from \$0.35 per share last year
- Free cash flow¹ of \$88 million for the quarter, up from \$83 million last year

¹ Segment profit, segment profit margin, 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 Third Quarter 2018 Report to Shareholders.

Q3 Fiscal 2018 Segmented Financial Results

TELEVISION

- Segment revenues decreased 5% in the quarter
- Advertising revenues declined 5% in the quarter
- Subscriber revenues down 1% in the quarter
- Merchandising, distribution and other revenues decreased 19% in the quarter
- Segment profit¹ down 6% in the quarter
- Segment profit margin¹ of 40% in the quarter
- Goodwill impairment charge of \$1.0 billion in the quarter

¹ Segment profit and segment profit margin 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 Third Quarter 2018 Report to Shareholders.

Q3 Fiscal 2018 Segmented Financial Results

RADIO

- Segment revenues decreased 2% in the quarter
- Segment profit¹ decreased 1% in the quarter
- Segment profit margin¹ of 30% in the quarter
- Broadcast license impairment charge of \$13.7 million in the quarter

¹ Segment profit and segment profit margin 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 Third Quarter 2018 Report to Shareholders.

Revised Capital Allocation Policy

Pay Down Debt

- Delever to under 3.0 times net debt to segment profit to improve financial flexibility

Return Cash to Shareholders

- Effective September 1, 2018
 - New annual dividend rate of \$0.24/Class B Share and \$0.235/Class A Share
- Payment schedule changed to quarterly
 - expected to commence December 2018*
 - subject to approval of Board of Directors in October 2018
- Change to open market purchased Class B shares with 0% discount under the dividend reinvestment plan

* in respect of fiscal Q1 2019

Invest in the Future

- Investments to advance strategic priorities
 - AdTech + Data Analytics
 - Revenue Diversification
 - Own More Content

Redeployment of capital primarily directed to debt repayment

Build for the Future

- Delever Balance Sheet
- Optimize Core Business
- Diversify Revenue Base

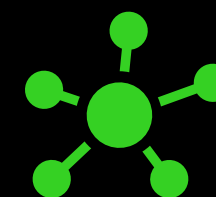
Strategic Priorities



**own and control
more content**



**engage our
audiences**



**expand into new
and adjacent
markets**

Optimize the Core

1. Portfolio optimization and content partnerships
2. Follow viewers on all platforms
3. Leverage the power of local
4. Own more content
5. Integrate technology throughout the business

Portfolio Optimization and Content Partnerships

Lifestyle



Drama



Kids



Portfolio supported by broad and comprehensive partnerships

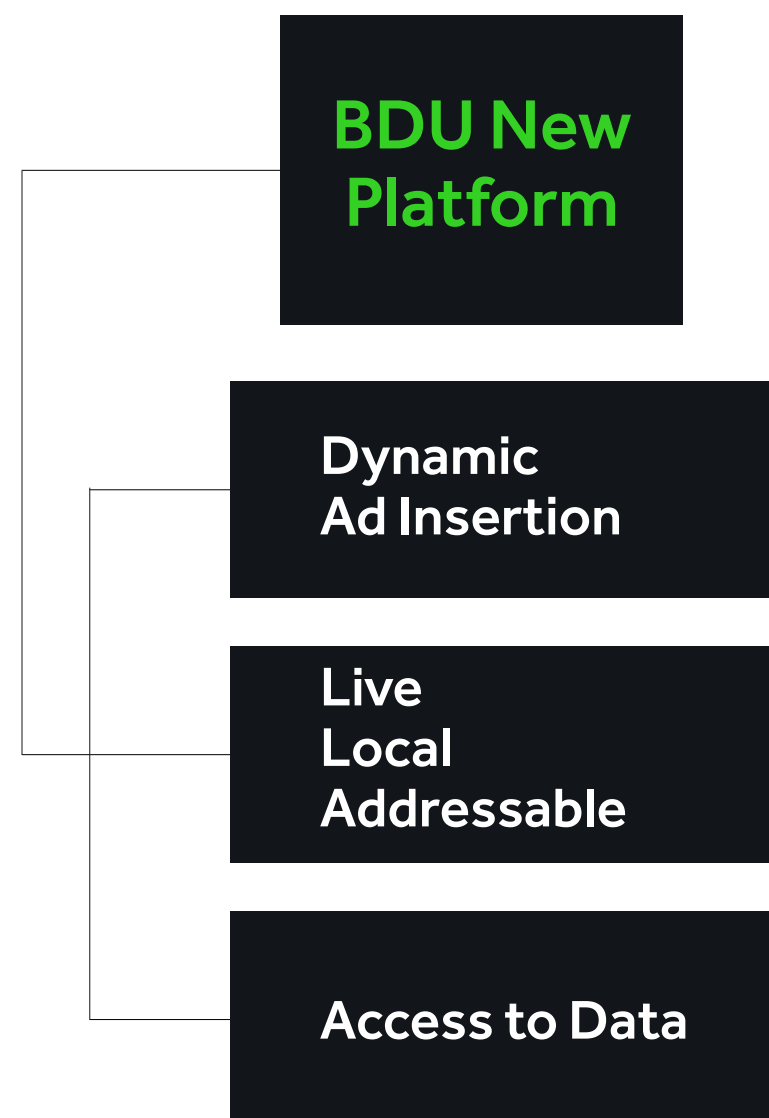
Follow Viewers on all Platforms

Premium VOD*

premium
VOD

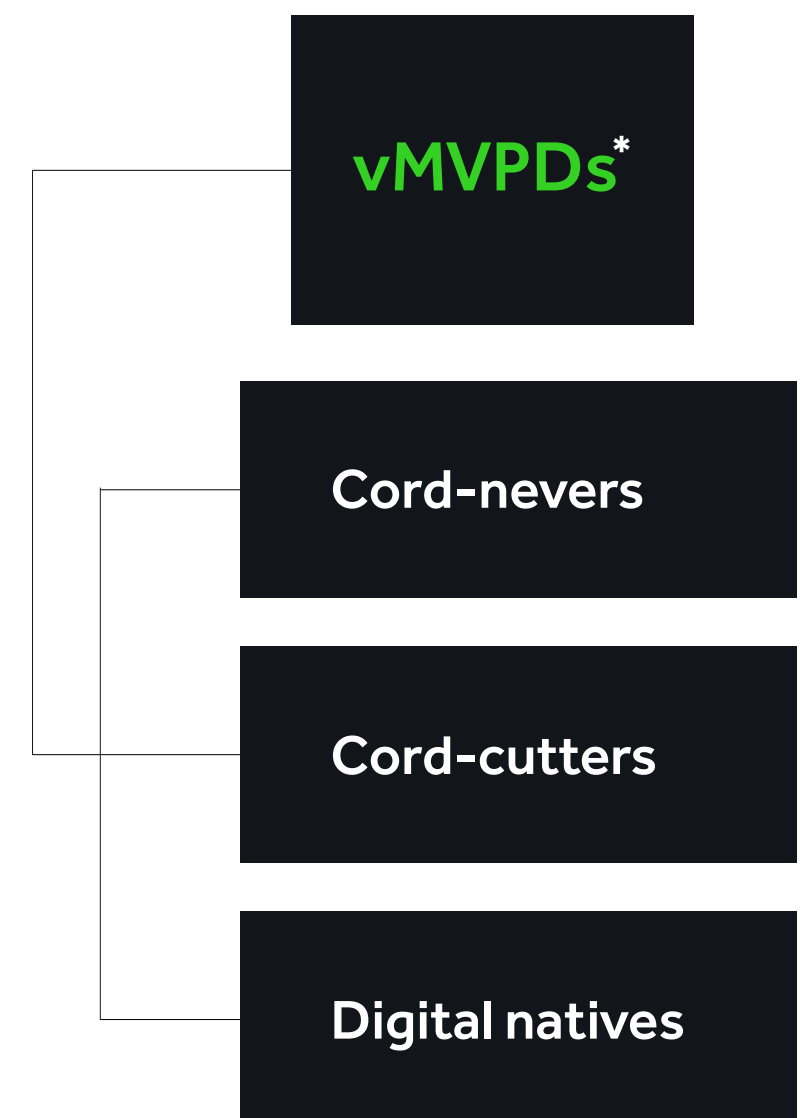
* Video On Demand

BDU* Partner Roadmap



* Broadcast Distribution Undertaking

Video On-line



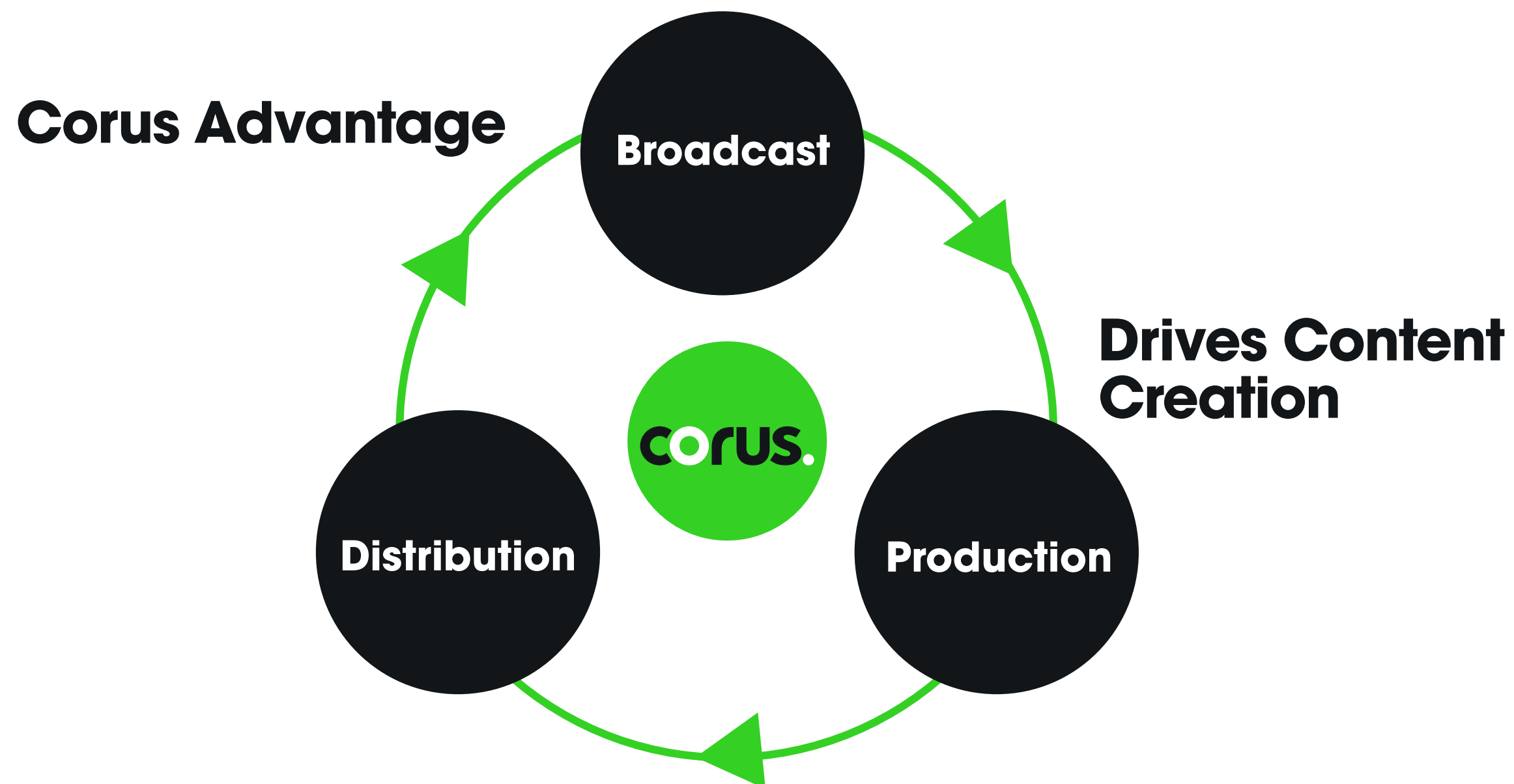
* Virtual Multichannel Video Programming Distributor

Leverage the Power of Local

- Revenue, content and cost benefits realized in large local markets



Own More Content



Revenue Diversification is On Track

Pipeline includes 25 original series that further “Own More Content” strategy



14 series in production



11 series in production

Integrate Technology Throughout the Business



Audience-Based Buying and Data Analytics



Grocery Big Spender



Fashionistas



Dream Homes



Deep Pockets



Small Cars



SUVers



Fledgling Families



Prosperous Parents



Looking Beautiful



Home Improvers



Great Gataways



Java Joints



Quick Service Restaurant



Family Sit Down



Young Metro Diversity



Middle Aged Achievers



Custom



Burgeoning Families



Empty Nesters

Launched Automated Buying Platform (beta)

- Supply-side platform
- Scale-up of audience-based buying
- Improves customer experience



Exploring Opportunities on Digital and Social Platforms



Fiscal 2019 Outlook

Intense focus to:

- ✓ Delever Balance Sheet
- ✓ Reduce Costs
- ✓ Invest for the Future

**Revised Capital Allocation Policy and Optimize the Core plan
are key to positioning Corus for the future**

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Q&A

