

Fiscal 2019

**Second Quarter Earnings
Conference Call**

Friday, April 5, 2019 | 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 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 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, 2018 and the second quarter ended February 28, 2019 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.

Key Fiscal 2019 Highlights

- Q2 results exceeded our expectations and reflect continued momentum in Fiscal 2019
- Considerable progress on debt repayment with leverage reduction ahead of target
- Disciplined execution of operating plan on track including:
 - New pricing flexibility in specialty
 - Gaining traction in ad tech and audience segmentation
 - Impressive growth in digital advertising
 - Focused on new business and emergence of direct-to-consumer advertising on TV

Global

8^{of} top¹ 20
programs
for Adults 25 to 54



1 Source: Numeris PPM Data, Total Canada, SP'19 STD (Jan7/2019 – Mar24/2019), English Canadian National Conventional Program Ranker based on 3+ airings, A25-54 AMA(000), excludes NFL playoffs

Specialty TV



NETWORK

Strong performance in Q2

Adult Swim

Launched April 1, 2019



In the U.S., Adult Swim is #1 network with Adults 18-34 and Men 18-34 for the past 14 years¹

Portfolio optimization to grow coveted new audiences

¹ Source: Nielsen, Total Day

Nelvana



Growing slate through partnerships

¹ Joint venture between Nelvana and Discovery, Inc.

Corus Studios



New Series



Vacation House Rules



Make Your Move



Farmhouse Facelift

New Sales



Stitched



\$ave My Reno



Backyard Builds



Masters of Flip



Worst to First

Established global content provider



Expanding Cross Platform Reach



**Global
NEWS**
Globalnews.ca

Significant growth online

More Content Across Platforms



#destinationdishes



Engaging audiences in new ways

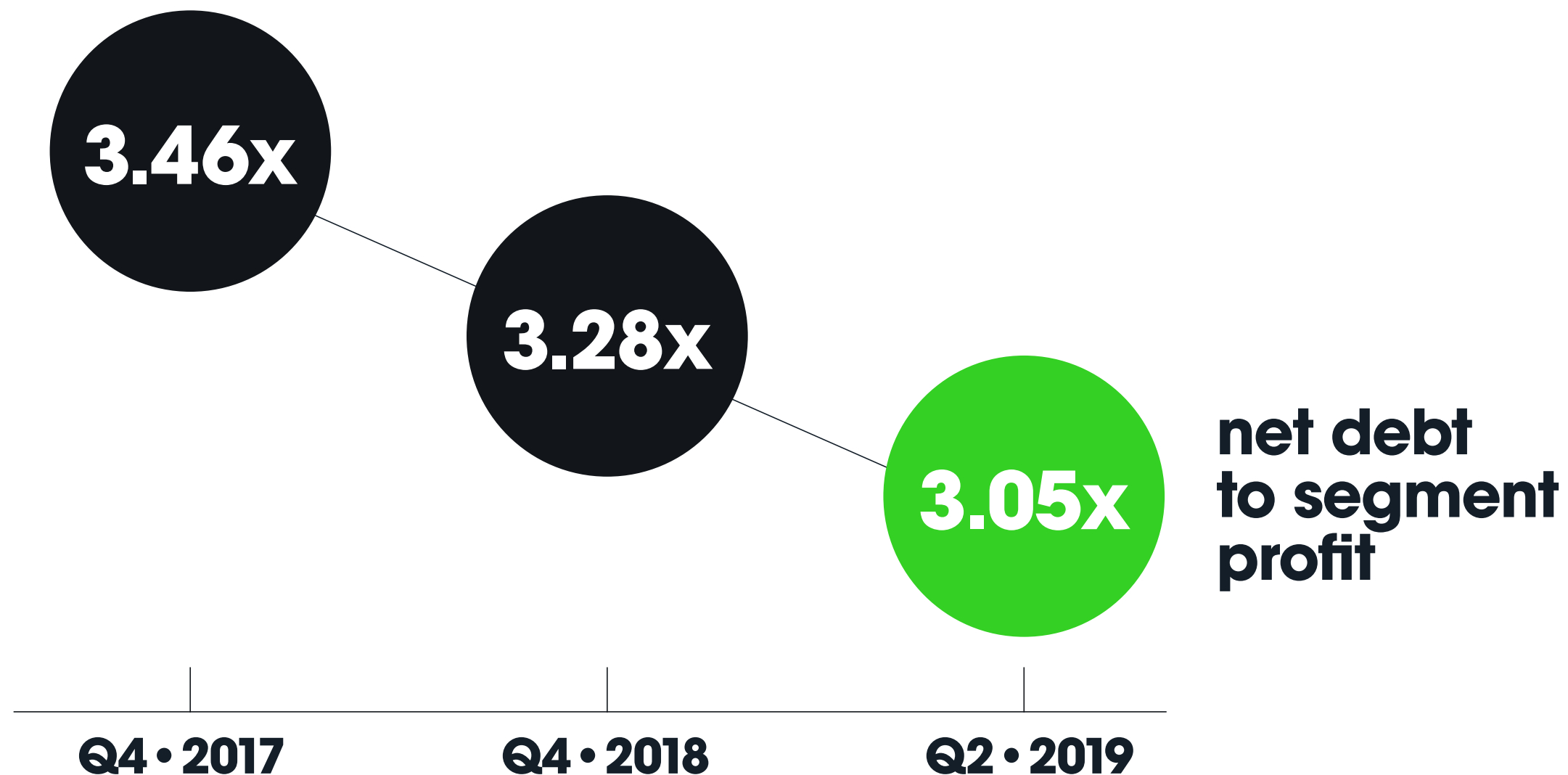
Q2 Fiscal 2019 Consolidated Results

- Consolidated revenues increased 4% for the quarter and 3% year-to-date, driven by an 11% increase in Television advertising revenues for the quarter and 7% year-to-date
- Consolidated segment profit¹ was flat for the quarter and up 5% for the year-to date
- Consolidated segment profit margin¹ of 29% for the quarter and 36% for the year-to-date
- Net income attributable to shareholders of \$6.3² million (\$0.03 per share basic) for the quarter and \$66.8² million (\$0.31 per share basic) for the year-to-date
- Free cash flow¹ of \$83.9 million for the quarter and \$126.3 million for the year-to-date

¹ Segment profit, segment profit margin 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, explanations and reconciliations see discussion under the Key Performance Indicators section of the Second Quarter 2019 Report to Shareholders.

² Net income attributable to shareholders as well as basic earnings per share for the three and six months ended February 28, 2019 was impacted by a change in accounting estimate related to the useful life of the Company's television brand assets. Commencing September 1, 2018, the useful life of television brand assets was changed from indefinite life to lives ranging from three to 20 years. For the three and six months ended February 28, 2019, this has resulted in an additional \$34.9 million and \$69.8 million, respectively, in amortization expense in the depreciation and amortization line within the Consolidated Statement of Income and Comprehensive Income, and reduced net income attributable to shareholders, net of income taxes, by \$25.7 million (\$0.12 per share basic) and \$51.3 million (\$0.24 per share basic), respectively. Further discussion of this can be found in the Impact of New Accounting Policies and Changes in Estimates section of the Second Quarter 2019 Report to Shareholders.

Q2 Fiscal 2019 Consolidated Results



Significant progress on delevering

Q2 Fiscal 2019 Television Results

TELEVISION

- Segment revenues increased 5% for the quarter and 4% for the year-to-date
- Advertising revenues increased 11% for the quarter and 7% for the year-to-date
- Subscriber revenues were down 1% for the quarter and flat for the year-to-date
- Merchandising, distribution and other revenues were down \$2.5 million (13%) for the quarter and \$2.0 million (6%) for the year-to-date
- Segment profit¹ increased 10% in both the quarter and the year-to-date
- Segment profit margin¹ of 32% for the quarter and 38% for the year-to-date, compared to 31% and 36%, respectively, in the prior year

¹ 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 the discussion under the Key Performance Indicators section of the Second Quarter 2019 Report to Shareholders.

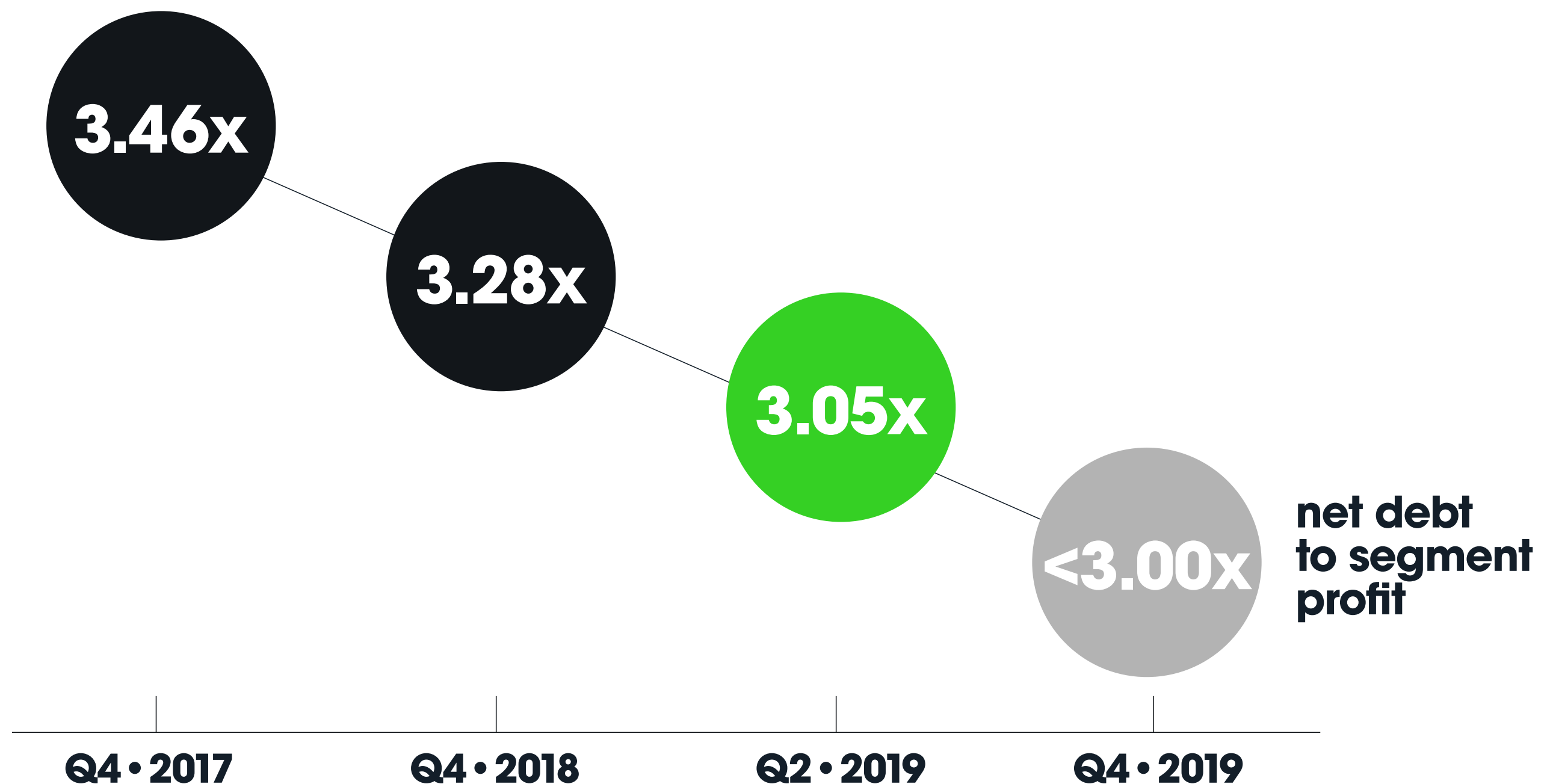
Q2 Fiscal 2019 Radio Results

RADIO

- Segment revenues decreased 8% for the quarter and 4% for the year-to-date
- Segment profit¹ decreased \$1.9 million (28%) for the quarter and \$2.4 million (12%) for the year-to-date
- Segment profit margin¹ of 16% for the quarter and 25% for the year-to-date, compared to 21% and 27%, respectively, in the prior year

¹ 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 the discussion under the Key Performance Indicators section of the Second Quarter 2019 Report to Shareholders.

Clear Path to Reduction in Leverage



New Canadian Media Attribution Study



<https://thinktv.ca/research/canadian-media-attribution-study/>

Common Audience Segments



**Audience-Based
Buying**

Advocating to align industry around a shared approach

Fiscal 2019: Outlook

- TV ad growth expected in Q3
- Growing slate of owned content
- Notable progress on our advanced advertising and data initiatives
- New cross-platform initiatives are gaining traction
- Focused on driving free cash flow and decreasing our leverage

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Q&A

