

Fiscal 2020 **Fourth Quarter and** **Year-End Earnings** **Conference Call**

Thursday, October 22, 2020 | 10 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, advertising, distribution, merchandise and subscription revenues, operating costs and tariffs, taxes and fees, and can generally be identified by the use of 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, 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 the general market conditions and general outlook for the industry, interest 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; failure to meet covenants under our senior credit facility; epidemics, pandemics or other public health crises, including the current outbreak of novel coronavirus ("COVID-19") 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, 2019 and the fourth quarter ended August 31, 2020 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 others should carefully consider the foregoing factors and other uncertainties and potential events. Unless otherwise specified, all forward-looking information in this document speaks as of the date of this document. 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.

Positioning Corus to Grow

Transform
how we sell
Television

Accelerate
the growth of
STACKTV

License
Nelvana and
Corus Studios
content
internationally

Maximize
financial
flexibility

Fall Schedule Launch



Fall Schedule Launch

Specialty TV



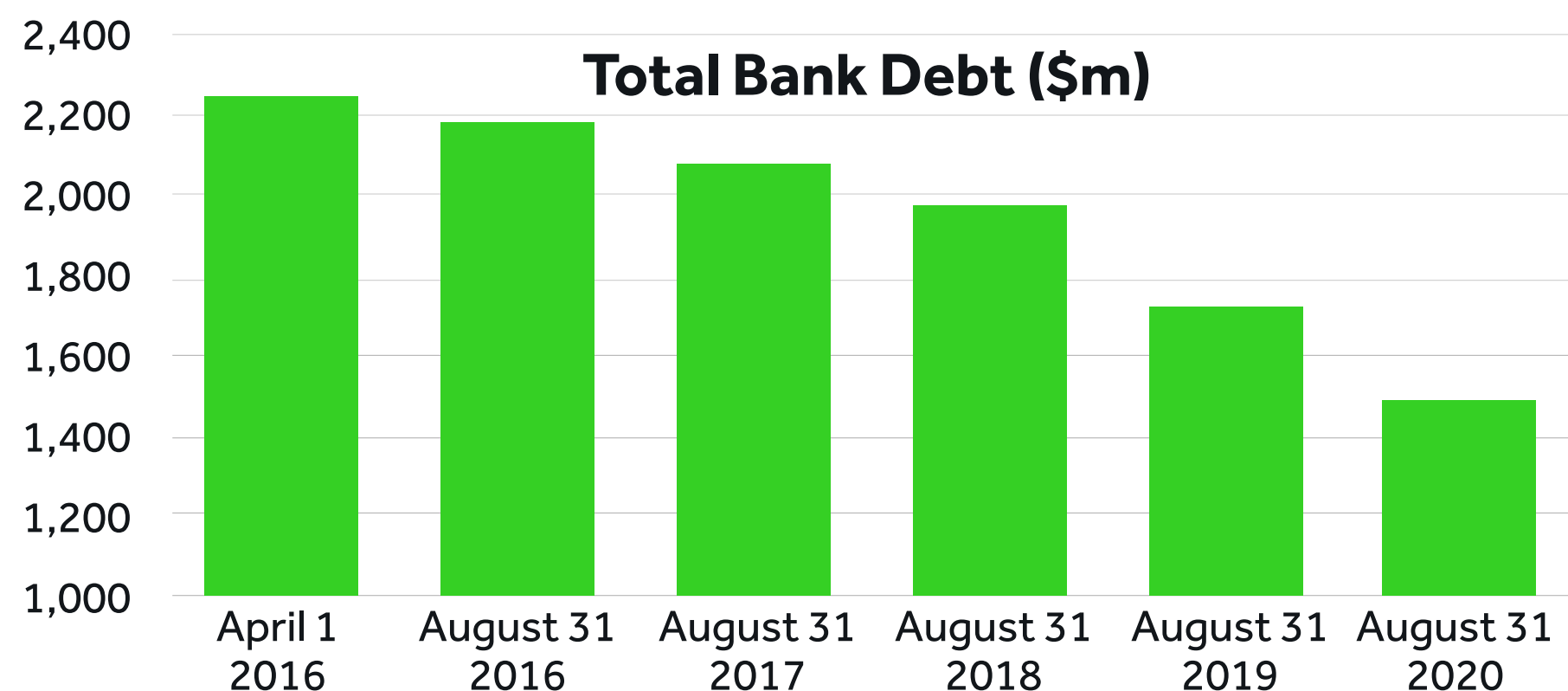
Corus Specialty has **15th of 20** top shows

Source:

Numeris PPM Data; FL'20 STD (Aug31/20-Oct4/20) vs. FL'19 STD (Aug26/19-Sept29/19), Total Canada; AMA(000), A25-54, 1+ airing, CDN SPEC. ENG (excludes: Non-Com Stations), Excludes: MTV VMAs

Significant Progress on Financial Priorities

- Strong free cash flow¹ of \$87 million for the quarter and \$296 million for the year
- Repaid ~\$480 million of bank debt in the past two years and ~\$230 million of bank debt in fiscal 2020. Total bank debt of \$1.5 billion at August 31, 2020



- Leverage at August 31, 2020 was 3.18 times net debt to segment profit¹, down from 3.22 times in Q3 F2020

¹ Free cash flow and net debt to segment profit do not have standardized meanings prescribed by International Financial Reporting Standards ("IFRS"). The Company believes these non-IFRS measures are frequently used as a key measure to evaluate performance. For definitions, explanations and reconciliations see discussion under the Key Performance Indicators section of the Fourth Quarter 2020 Report to Shareholders.

Q4 and Year-End F2020 Consolidated Results

- Consolidated revenue of \$318 million for the quarter and \$1,511 million for the year
- Consolidated segment profit^{1,2} of \$95 million for the quarter and \$506 million for the year
- Consolidated segment profit margin^{1,2} of 30% for the quarter and 33% for the year
- Net income attributable to shareholders of \$30 million (\$0.15 per share basic) for the quarter
- Net loss attributable to shareholders of \$625 million (\$2.98 loss per share basic) for the year includes Q3 non-cash impairment charges related to broadcast licences and goodwill of \$787 million

¹ Segment profit and segment profit margin do not have standardized meanings prescribed by International Financial Reporting Standards ("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 Fourth Quarter 2020 Report to Shareholders.

² Segment profit (loss) for the three months and year ended August 31, 2020 was impacted by the adoption of the new accounting standard, IFRS 16 - Leases, effective September 1, 2019. This has resulted in an increase in segment profit for the quarter and year of approximately \$3.3 million and \$13.4 million, respectively, and an increase in free cash flow of approximately \$3.8 million and \$15.9 million, respectively. Further discussion of this can be found in the Impact of New Accounting Policies section of the Fourth Quarter 2020 Report to Shareholders

Q4 and Year-End F2020 Television Results

- Segment revenues were down 13% in the quarter and 9% for the year
- Advertising revenues decreased 25% in the quarter and 15% for the year, driven by the impact of COVID on advertising demand
- Subscriber revenues were 1% lower in the quarter and year
- Merchandising, distribution and other revenues were up 15% in the quarter and year, benefitting from increased demand for our original content in the global marketplace
- Expenses decreased 15% in the quarter and include an estimated \$14 million of CEWS Funding
- Segment profit¹ was down 9% in the quarter and 11% for the year
- Segment profit margin¹ of 33% in the quarter and 36% for the year

¹ Segment profit and segment profit margin do not have standardized meanings prescribed by International Financial Reporting Standards ("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 Fourth Quarter 2020 Report to Shareholders.

Q4 and Year-End F2020 Radio Results

- Segment revenues decreased 43% in the quarter and 28% for the year, driven by the impact of COVID on advertising demand
- Expenses were down 33% in the quarter and 19% in the year, and include an estimated \$2 million of CEWS funding
- Segment profit¹ decreased \$5.7 million in the quarter and \$18.6 million for the year
- Segment profit margin¹ of 6% in the quarter and 16% for the year

¹ Segment profit and segment profit margin do not have standardized meanings prescribed by International Financial Reporting Standards ("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 Fourth Quarter 2020 Report to Shareholders.

Strategic Priorities



**Create
a great place
to work**



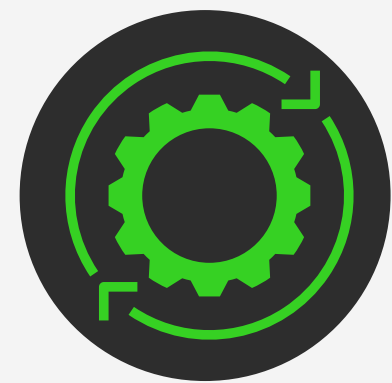
**Build
a content
powerhouse**



**Connect
with
audiences**



**Help
brands
grow**

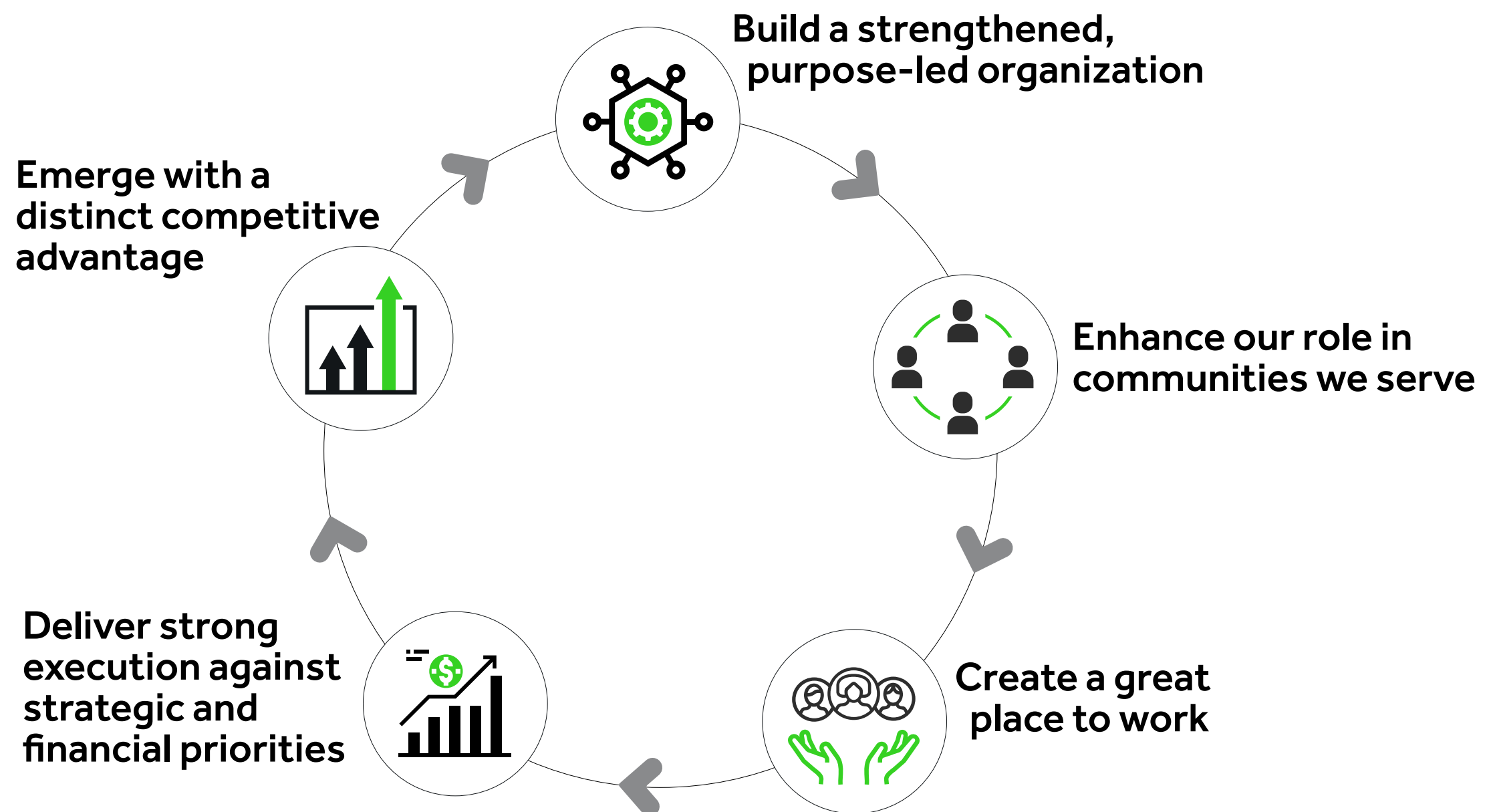


**Operate
with
discipline**

Consolidated Year Over Year Revenue Growth

- **Transform how we sell Television**
 - Advance advertising technology roadmap
 - Expand presence across digital platforms
- **Accelerate the growth of STACKTV**
 - Launched in June 2019 and now in almost 300,000 homes
- **License Nelvana and Corus Studios content internationally**
 - Deliver double-digit growth through global sales
- **Maximize financial flexibility**
 - Disciplined focus on free cash flow

Integration Of ESG Principles Into Strategy





Q&A

Fiscal 2020

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corus.