

**Fiscal 2021**

**Third Quarter Earnings  
Conference Call**

Tuesday, June 29, 2021 | 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 the adoption and anticipated impact of our new strategic plan, advertising and our expectations of advertising trends for fiscal 2021, 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", including the adoption and anticipated impact of our new strategic 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 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, 2020 and the third quarter ended May 31, 2021 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.

# Q3 Fiscal 2021 Highlights

**\$403**  
million

**consolidated revenues**

**\$131**  
million

**consolidated segment profit**

**\$65**  
million

**free cash flow**

**2.82x**

**net debt to segment profit**

# Strongest Fall Schedule In Many Years



18 hours of simulcast every week

# Great Specialty Line-up



# Robust Production Slate



**23 series confirmed for fiscal 2022**

# Robust Production Slate



**30+ series in production or development**

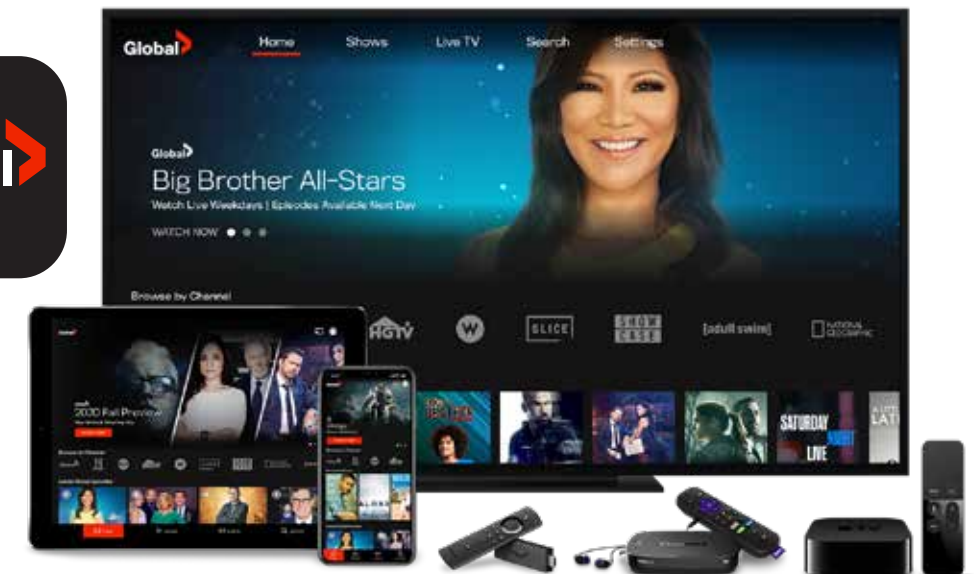
# Strong Growth on New Platforms

**600,000+**  
paying subscribers

**STACKTV**



**nick+**



## Global TV App is gaining traction

- Robust demand for video on demand advertising inventory
- Accessed by 1.5 million+ unique video devices on a quarterly basis, up 17% over the prior year
- Time spent more than doubled, up 115% over the prior year with almost 12 million hours viewed in Q3 alone

# Transforming How Television is Sold

## Common Audience Segments

### NEW



APPetizing



FIRST IN LINE



GOOD SPORTS



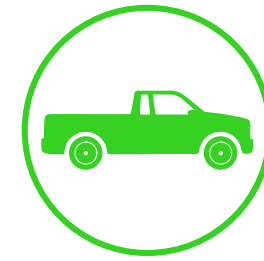
HEALTH AND BEAUTY SAMPLERS



I ♥ PLANET EARTH



TECHNOPHILES



TRUCKIN'



GROCERY BIG SPENDER



FASHIONISTAS



DEEP POCKETS



SMALL CARS



SUVers



GREAT GETAWAYS



MY NEW RIDES



LOOKING BEAUTIFUL



HOME IMPROVERS



KEEPIN' IT CLEAN



CUSTOM



JAVA JOINTS



QUICK SERVICE RESTAURANT



FAMILY SIT DOWN



FLEDGLING FAMILIES



YOUNG DIVERSE FAMILIES



BURGEONING FAMILIES



MIDDLE AGED ACHIEVERS



PROSPEROUS PARENTS

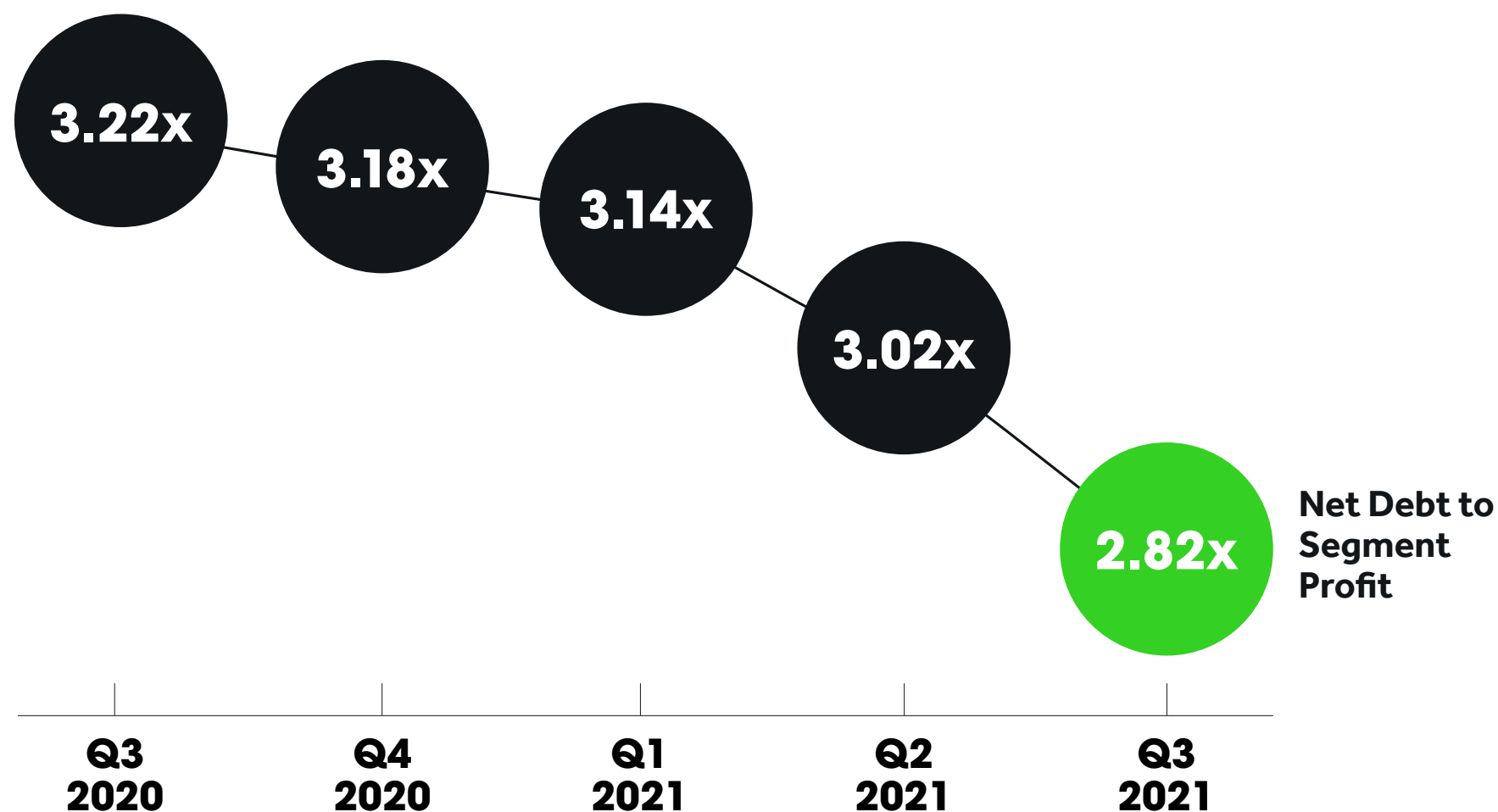


EMPTY NESTERS

Industry Solution reaches **>90%+** of English TV

# Significant Progress on Financial Priorities

## Significant Progress on De-leveraging



- Solid free cash flow of \$65 million for the third quarter
- Net debt to segment profit of 2.82 times at May 31, 2021, down from 3.18 times at August 31, 2020
- Dividend of \$0.06 per share declared for Class B holders

# Q3 Fiscal 2021 Consolidated Results

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

	Q3-2021	%Chg
Consolidated revenues	403	15
Consolidated segment profit <sup>1,3</sup>	131	17
Consolidated segment profit margin <sup>3</sup>	32%	-
Net income attributable to shareholders	41	n/m
Basic earnings per share	\$0.20	n/m
Free cash flow <sup>2,3</sup>	65	(29)

- Strong operating execution with significant revenue and segment profit growth across all businesses
- Double-digit growth in TV & Radio advertising and content revenues coupled with robust streaming subscriber additions
- Disciplined cost management

<sup>1</sup> Segment profit includes estimated Canada Emergency Wage Subsidy benefit of \$4.4 million and relief on regulatory fees of \$0.6 million offset by the impact of a stronger share price on stock-based compensation expense.

<sup>2</sup> Free cash flow in the prior year benefitted from government relief measures including a cash income tax installment deferral which had an impact of \$22 million year over year

<sup>3</sup> Segment profit, segment profit margin and free cash flow 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 Third Quarter 2021 Report to Shareholders and/or Management's Discussion and Analysis in the Company's Annual Report for the year ended August 31, 2020.

# Q3 Fiscal 2021 Television Results

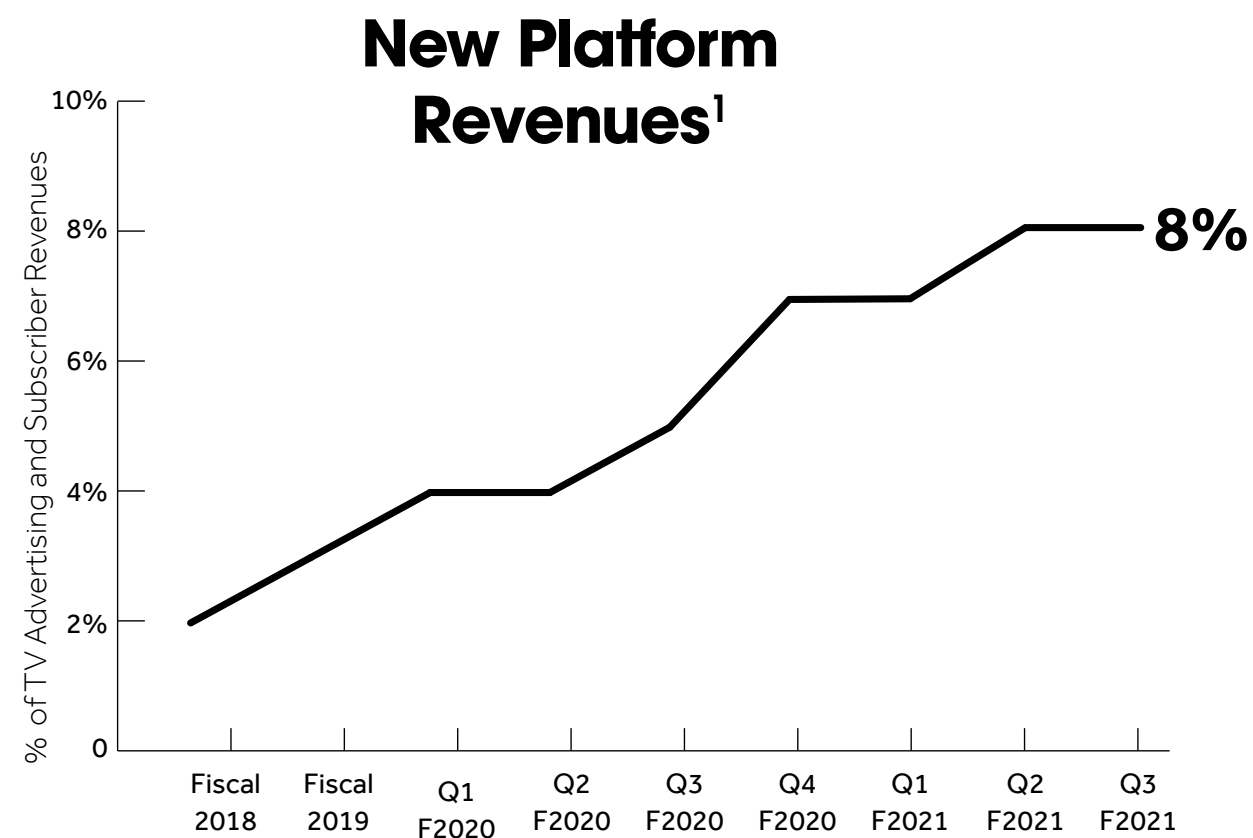
(in millions of dollars except percentages)

	Q3-2021	%Chg
Segment revenues	380	15
Advertising revenues	233	22
Subscriber revenues	124	2
Merchandising, distribution and other revenues	22	21
Segment profit <sup>1</sup>	140	21
Segment profit margin <sup>1</sup>	37%	2 pts

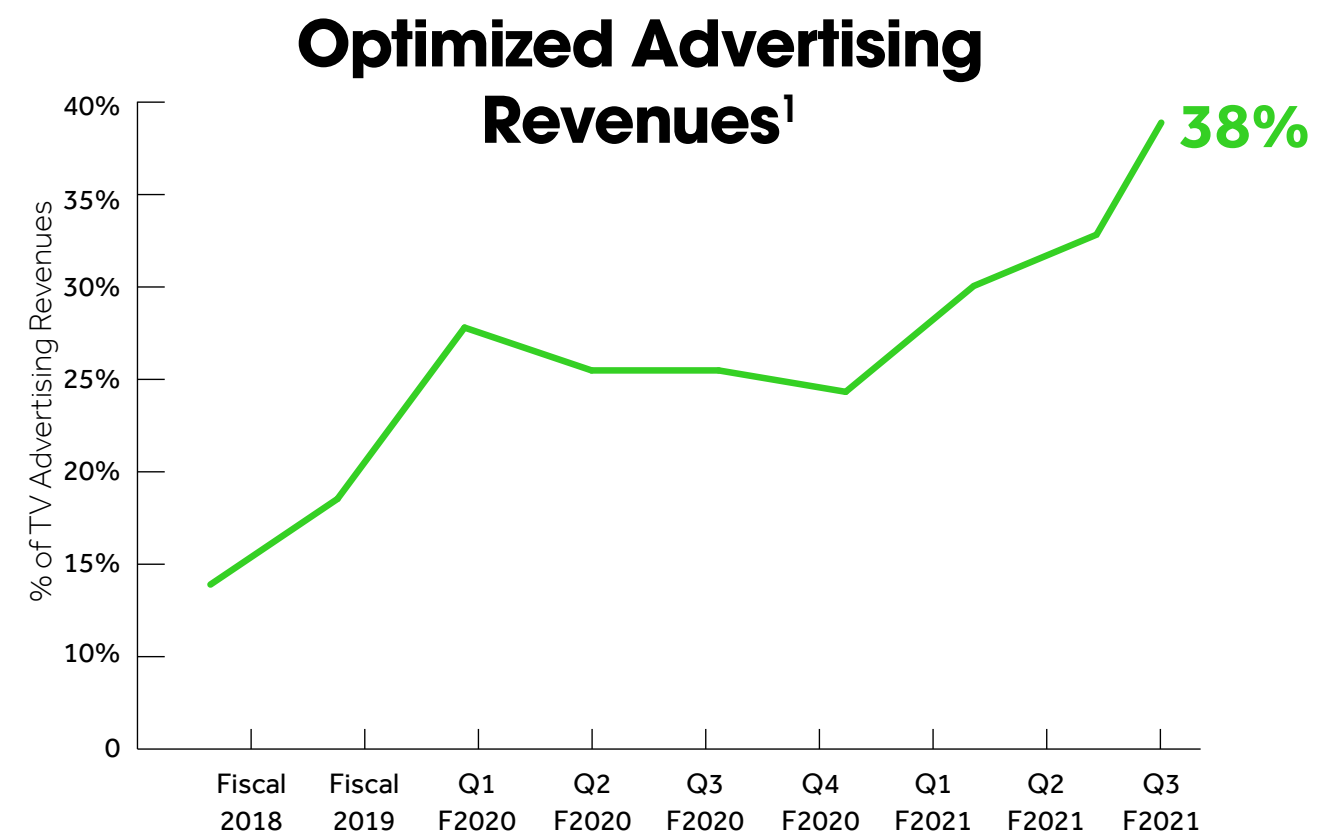
- Significant advertising revenue recovery
- Subscriber revenues reflect strong uptake of STACKTV and Nick+ (now with >600,000 paying subscribers)
- Robust content revenue gains from merchandise licensing, book publishing and animation software sales
- Programming expenses normalized compared to delayed deliveries in prior year due to impact of pandemic

<sup>1</sup> 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 Third Quarter 2021 Report to Shareholders and/or Management's Discussion and Analysis in the Company's Annual Report for the year ended August 31, 2020.

# Q3 Fiscal 2021 Revenue Performance Metrics



- Reflects progress on Corus' participation in rapidly growing streaming distribution platforms and digital advertising markets
- Includes incremental subscriber revenues from new streaming initiatives and advertising revenues from digital platforms



- Reflects progress on the transformation of how Television advertising is sold
- Includes revenues from audience segment selling as well as Cynch automated buying platform

<sup>1</sup> New platform revenues and optimized advertising revenues are non-IFRS measures that are not in accordance with, nor an alternate to, generally accepted accounting principles ("IFRS") and may be different from non-IFRS measures used by other companies. In addition, these non-IFRS measures are not based on any comprehensive set of accounting rules or principles.

**significant progress on revenue growth and diversification initiatives**

# Q3 Fiscal 2021 Radio Results

(in millions of dollars except percentages)

	Q3-2021	%Chg
Segment Revenues	23	31
Segment profit <sup>1</sup>	1	n/m
Segment profit margin <sup>1</sup>	6%	16 pts

- Significant advertising revenue recovery
- Focus on disciplined cost management

<sup>1</sup> 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 Second Quarter 2021 Report to Shareholders and/or Management's Discussion and Analysis in the Company's Annual Report for the year ended August 31, 2020

# Delivering strong consolidated revenue growth

- Global has unveiled the best fall schedule in many years
- Canada is getting back to business, driving significant advertising demand
- Streaming business is driving increased paying subscribers (100,000+ since April 9, 2021)
- Robust content production slate for fiscal 2022
- Successfully diversified sources of financing, increased Corus' financial flexibility and extended maturity date on bank loans to May 31, 2025
- Creating a great place to work while we make notable contributions to local communities
  - Helped raise \$4.4 million for 344 community giving initiatives this quarter, with 2,400 volunteer hours contributed



**Fiscal 2021**

# **Third Quarter Earnings Conference Call**

Tuesday, June 29, 2021 | 8 a.m. ET

# **Q&A**

