



CORUS ENTERTAINMENT ANNOUNCES

FISCAL 2019 FOURTH QUARTER AND YEAR END RESULTS

- Consolidated revenues were consistent for the quarter and increased 2% for the year, driven by continued strong performance in Television advertising revenues, up 4% for the quarter and 7% for the year
- Consolidated segment profit⁽¹⁾ was down 4% for the quarter and up 2% for the year
- Consolidated segment profit margin⁽¹⁾ of 29% for the quarter and 35% for the year
- Net income attributable to shareholders of \$22.9 million (\$0.11 per share basic) for the quarter and \$156.1 million (\$0.74 per share basic) for the year
- Net debt to segment profit⁽¹⁾ leverage down to 2.82 times, in part due to debt repayments of \$249.9 million
- Free cash flow⁽¹⁾ of \$93.6 million for the quarter and \$310.0 million for the year

TORONTO, OCTOBER 18, 2019 – Corus Entertainment Inc. (TSX: CJR.B) announced its fourth quarter and year end financial results today.

“Our strong performance in fiscal 2019 reflects the disciplined execution of our strategy to optimize our core business and build for the future. Corus delivered both record annual consolidated revenue and segment profit, driven by strong growth in Television advertising in every quarter,” said Doug Murphy, President and Chief Executive Officer. “Our focus on providing great content to audiences across multiple platforms and our client-centric, data-driven selling approach is yielding impressive results. Additionally we ramped up our slate of owned content in the year, which will further accelerate our long-term revenue diversification objectives through increased sales in the global content marketplace. The purposeful combination of targeted investments and the significant progress we are making towards our leverage goals are building a stronger, more resilient Corus. We are excited to build on the momentum in the coming year.”

Financial Highlights

	Three months ended		Year ended	
	August 31,		August 31,	
(in thousands of Canadian dollars except per share amounts)	2019	2018	2019	2018
Revenues				
Television	343,755	344,646	1,544,892	1,499,322
Radio	33,724	34,438	142,590	148,025
	377,479	379,084	1,687,482	1,647,347
Segment profit⁽¹⁾				
Television	108,612	108,738	573,524	541,789
Radio	6,911	8,457	34,646	40,308
Corporate	(5,747)	(2,634)	(23,085)	(6,469)
	109,776	114,561	585,085	575,628
Net income (loss) attributable to shareholders	22,947	33,675	156,084	(784,509)
Adjusted net income attributable to shareholders ⁽¹⁾⁽²⁾	27,930	39,534	181,006	238,411
Basic earnings (loss) per share	\$0.11	\$0.16	\$0.74	(\$3.77)
Adjusted basic earnings per share ⁽¹⁾⁽²⁾	\$0.13	\$0.19	\$0.85	\$1.14
Diluted earnings (loss) per share ⁽²⁾	\$0.11	\$0.16	\$0.74	(\$3.77)
Free cash flow⁽¹⁾	93,554	95,966	309,970	349,007

⁽¹⁾ 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, explanations and reconciliations see discussion under the Key Performance Indicators section of the Fourth Quarter 2019 Report to Shareholders.

⁽²⁾ Refer to page 10 of this press release for details of adjustments to arrive at adjusted net income attributable to shareholders and adjusted basic earnings per share.

Consolidated Results from Operations

Consolidated revenues for the three months ended August 31, 2019 were \$377.5 million, consistent with \$379.1 million last year, and consolidated segment profit was \$109.8 million, a decrease of 4% from \$114.6 million last year. Net income attributable to shareholders for the quarter ended August 31, 2019 was \$22.9 million (\$0.11 per share basic), as compared to \$33.7 million (\$0.16 per share basic) last year. Net income attributable to shareholders for the fourth quarter of fiscal 2019 includes business acquisition, integration and restructuring costs of \$6.8 million (\$0.02 per share, net of income taxes). Adjusting for the impact of this item results in an adjusted net income attributable to shareholders of \$27.9 million (\$0.13 per share basic) for the quarter. Net income attributable to shareholders for the prior year quarter includes business acquisition, integration and restructuring costs of \$7.7 million (\$0.03 per share, net of income taxes). Adjusting for the impact of this item results in an adjusted net income attributable to shareholders of \$39.5 million (\$0.19 per share basic) for the prior year quarter.

Consolidated revenues for the year ended August 31, 2019 were \$1,687.5 million, up 2% from \$1,647.3 million last year, and consolidated segment profit was \$585.1 million, an increase of 2% from \$575.6 million last year. Net income attributable to shareholders for the year ended August 31, 2019 was \$156.1 million (\$0.74 per share basic), as compared to a net loss attributable to shareholders of \$784.5 million (\$3.77 loss per share basic) last year. Net income attributable to shareholders for the year ended August 31, 2019 includes business acquisition, integration and restructuring costs of \$26.3 million (\$0.09 per share, net of income taxes), an impairment on an investment in associates of \$8.7 million (\$0.03 per share, net of income taxes), a gain on debt modification of \$3.9 million (\$0.01 per share, net of income taxes) and a loss on disposal of the Telelatino Network of \$0.3 million (\$nil per share, net of income taxes). Adjusting for the impact of these items results in an adjusted net income attributable to shareholders of \$181.0 million (\$0.85 per share basic, net of income taxes) for the current fiscal year. Net loss attributable to shareholders for the year ended August 31, 2018 includes broadcast license and goodwill impairment charges of \$1.0 billion (\$4.85 per share basic, net of income taxes), and business acquisition, integration and restructuring costs of \$17.1 million (\$0.06 per share, net of income taxes). Adjusting for the impact of these items results in an adjusted net income attributable to shareholders of \$238.4 million (\$1.14 per share basic) for the prior fiscal year.

Consolidated net income attributable to shareholders as well as basic and diluted earnings per share for the three months and year ended August 31, 2019 was impacted by a change in accounting estimate related to the useful life of the Company's television brands. Commencing September 1, 2018, the useful life of television brands was changed from indefinite life to lives ranging from three to 20 years. For the three months and year ended August 31, 2019, this has resulted in an additional \$16.7 million and \$103.2 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 \$12.3 million (\$0.06 per share basic) and \$75.9 million (\$0.36 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 Fourth Quarter 2019 Report to Shareholders.

Operational Results - Highlights for Q4 2019

Television

- Segment revenues were flat in Q4 2019 and increased 3% for the year
- Advertising revenues increased 4% in Q4 2019 and 7% for the year
- Subscriber revenues were down 4% in Q4 2019 and 2% for the year
- Merchandising, distribution and other revenues were down \$3.5 million in Q4 2019 and \$6.7 million for the year
- Segment profit⁽¹⁾ was flat in Q4 2019 and increased 6% for the year
- Segment profit margin⁽¹⁾ of 32% in Q4 2019 and 37% for the year, compared to 32% and 36%, respectively, in the prior year

Radio

- Segment revenues decreased 2% in Q4 2019 and 4% for the year
- Segment profit⁽¹⁾ decreased \$1.5 million in Q4 2019 and \$5.7 million for the year
- Segment profit margin⁽¹⁾ of 20% in Q4 2019 and 24% for the year, compared to 25% 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 Fourth Quarter 2019 Report to Shareholders.

Corporate

- Free cash flow⁽¹⁾ of \$93.6 million in Q4 2019 and \$310.0 million for the year, compared to \$96.0 million and \$349.0 million, respectively, in the prior year
- Net debt to segment profit⁽¹⁾ leverage of 2.82 times at August 31, 2019, down from 3.28 times at August 31, 2018, in part due to debt repayments of \$249.9 million for the year
- Consolidated segment profit margin⁽¹⁾ of 29% in Q4 2019 and 35% for the year, compared to 30% and 35%, respectively, in the prior year

⁽¹⁾ Segment profit, segment profit margin, and free cash flow 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 Fourth Quarter 2019 Report to Shareholders.

Corus Entertainment Inc. reports its financial results in Canadian dollars.

The unaudited interim condensed consolidated financial statements and accompanying notes for the three months and year ended August 31, 2019 and Management's Discussion and Analysis are available on the Company's website at www.corusent.com in the Investor Relations section.

A conference call with Corus senior management is scheduled for October 18, 2019 at 8:00 a.m. ET. While this call is directed at analysts and investors, members of the media are welcome to listen in. The dial-in number for the conference call for local and international callers is 1.647.427.7450 and for North America is 1.888.231.8191. More information can be found on the Corus Entertainment website at www.corusent.com in the Investor Relations section.

Use of Non-IFRS Financial Measures

This press release includes the non-IFRS financial measures of adjusted net income attributable to shareholders, adjusted basic earnings per share and free cash flow 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.

Non-IFRS financial measures should not be considered as a substitute for, or superior to, measures of financial performance prepared in accordance with IFRS. They are limited in value because they exclude charges that have a material effect on the Company's reported results and, therefore, should not be relied upon as the sole financial measures to evaluate the Company's financial results. The non-IFRS financial measures are meant to supplement, and to be viewed in conjunction with, IFRS financial results. A reconciliation of the Company's non-IFRS measures is included in the Company's most recent Report to Shareholders which is available on Corus' website at www.corusent.com as well as on SEDAR at www.sedar.com.

Caution Concerning Forward-Looking Information

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

To the extent any statements made in this report 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 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 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; 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 fourth quarter ended August 31, 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 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.

About Corus Entertainment Inc.

Corus Entertainment Inc. (TSX: CJR.B) is a leading media and content company that develops and delivers high quality brands and content across platforms for audiences around the world. Engaging audiences since 1999, the company's portfolio of multimedia offerings encompass 35 specialty television services, 39 radio stations, 15 conventional television stations, a suite of digital assets, animation software, technology and media services. Corus is an established creator of globally distributed content through Nelvana animation studio, Corus Studios, and children's book publishing house Kids Can Press. The company also owns innovative full-service social digital agency so.da, and lifestyle entertainment company Kin Canada. Corus' roster of premium brands includes Global Television, W Network, HGTV Canada, Food Network Canada, HISTORY®, Showcase, National Geographic, Disney Channel Canada, YTV and Nickelodeon Canada, Global News, Globalnews.ca, Q107, Country 105, and CFOX. Visit Corus at www.corusent.com.

- 30 -

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CORUS ENTERTAINMENT INC.
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(unaudited - in thousands of Canadian dollars)	As at August 31, 2019	As at August 31, 2018
ASSETS		
Current		
Cash and cash equivalents	82,568	94,801
Accounts receivable	372,828	388,751
Income taxes recoverable	13,772	3,305
Prepaid expenses and other assets	19,557	20,723
Total current assets	488,725	507,580
Tax credits receivable	25,035	18,047
Investments and other assets	51,707	82,213
Property, plant and equipment	225,927	231,192
Program rights	507,913	538,357
Film investments	53,336	43,424
Intangibles	1,876,235	2,012,086
Goodwill	1,383,958	1,387,652
Deferred income tax assets	59,463	62,403
	4,672,299	4,882,954
LIABILITIES AND EQUITY		
Current		
Accounts payable and accrued liabilities	429,483	405,762
Current portion of long-term debt	76,339	106,375
Provisions	10,331	11,175
Total current liabilities	516,153	523,312
Long-term debt	1,655,406	1,877,558
Other long-term liabilities	278,117	295,206
Provisions	7,686	7,801
Deferred income tax liabilities	472,700	502,274
Total liabilities	2,930,062	3,206,151
EQUITY		
Share capital	830,477	2,330,477
Contributed surplus	1,512,818	12,119
Accumulated deficit	(758,757)	(856,668)
Accumulated other comprehensive income	12,187	36,460
Total equity attributable to shareholders	1,596,725	1,522,388
Equity attributable to non-controlling interest	145,512	154,415
Total equity	1,742,237	1,676,803
	4,672,299	4,882,954

CORUS ENTERTAINMENT INC.
CONSOLIDATED STATEMENTS OF INCOME (LOSS) AND COMPREHENSIVE INCOME (LOSS)

	Three months ended		Year ended	
	August 31,		August 31,	
(unaudited - in thousands of Canadian dollars except per share amounts)	2019	2018	2019	2018
Revenues	377,479	379,084	1,687,482	1,647,347
Direct cost of sales, general and administrative expenses	267,703	264,523	1,102,397	1,071,719
Depreciation and amortization ⁽¹⁾	37,326	19,839	182,354	81,861
Interest expense	26,313	31,005	117,718	127,346
Broadcast license and goodwill impairment	—	—	—	1,013,692
Gain on debt modification	—	—	(3,889)	—
Business acquisition, integration and restructuring costs	6,779	7,703	26,316	17,071
Other expense (income), net	(1,455)	609	10,474	5,692
Income (loss) before income taxes	40,813	55,405	252,112	(670,034)
Income tax expense	12,287	15,545	71,445	88,129
Net income (loss) for the period	28,526	39,860	180,667	(758,163)
Other comprehensive income (loss), net of income taxes:				
Items that may be reclassified subsequently to income (loss):				
Unrealized foreign currency translation adjustment	(206)	117	309	724
Unrealized change in fair value of cash flow hedges	(3,887)	(344)	(31,538)	12,916
	(4,093)	(227)	(31,229)	13,640
Items that will not be reclassified to income (loss):				
Unrealized change in fair value of financial assets	(801)	—	(2,440)	(118)
Actuarial gain (loss) on post-retirement benefit plans	1,647	7,421	(9,295)	11,550
	846	7,421	(11,735)	11,432
Other comprehensive income (loss), net of income taxes	(3,247)	7,194	(42,964)	25,072
Comprehensive income (loss) for the period	25,279	47,054	137,703	(733,091)
Net income (loss) attributable to:				
Shareholders	22,947	33,675	156,084	(784,509)
Non-controlling interest	5,579	6,185	24,583	26,346
	28,526	39,860	180,667	(758,163)
Comprehensive income (loss) attributable to:				
Shareholders	19,700	40,869	113,120	(759,437)
Non-controlling interest	5,579	6,185	24,583	26,346
	25,279	47,054	137,703	(733,091)
Earnings (loss) per share attributable to shareholders:				
Basic	\$0.11	\$0.16	\$0.74	(\$3.77)
Diluted	\$0.11	\$0.16	\$0.74	(\$3.77)

⁽¹⁾ Net income attributable to shareholders as well as basic and diluted earnings per share for the three months and year ended August 31, 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 months and year ended August 31, 2019, this has resulted in an additional \$16.7 million and \$103.2 million, respectively, in amortization expense in the depreciation and amortization line within the Consolidated Statement of Income and Comprehensive Income, and reduced net income and comprehensive income attributable to shareholders, net of income taxes, by \$12.3 million (\$0.06 per share basic) and \$75.9 million (\$0.36 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 Fourth Quarter 2019 Report to Shareholders.

CORUS ENTERTAINMENT INC.

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

(unaudited - in thousands of Canadian dollars)	Share capital	Contributed surplus	Accumulated deficit	Accumulated other comprehensive income (loss)	Total equity attributable to shareholders	Non-controlling interest	Total equity
As at August 31, 2018, as previously presented	2,330,477	12,119	(856,668)	36,460	1,522,388	154,415	1,676,803
IFRS 9 transitional adjustment ⁽¹⁾	—	—	—	9,396	9,396	—	9,396
IFRS 15 transitional adjustment ⁽¹⁾	—	—	1,985	—	1,985	—	1,985
Adjusted balance as at September 1, 2018	2,330,477	12,119	(854,683)	45,856	1,533,769	154,415	1,688,184
Comprehensive income (loss)	—	—	156,084	(42,964)	113,120	24,583	137,703
Dividends declared	—	—	(50,863)	—	(50,863)	(28,366)	(79,229)
Reduction of stated capital	(1,500,000)	1,500,000	—	—	—	—	—
Actuarial loss on post-retirement benefit plans	—	—	(9,295)	9,295	—	—	—
Share-based compensation expense	—	699	—	—	699	—	699
Divestiture of subsidiary with a non-controlling equity interest	—	—	—	—	—	(5,120)	(5,120)
As at August 31, 2019	830,477	1,512,818	(758,757)	12,187	1,596,725	145,512	1,742,237

(unaudited - in thousands of Canadian dollars)	Share capital	Contributed surplus	Retained earnings (accumulated deficit)	Accumulated other comprehensive income	Total equity attributable to shareholders	Non-controlling interest	Total equity
As at August 31, 2017	2,291,814	11,449	114,492	22,938	2,440,693	158,828	2,599,521
Comprehensive income (loss)	—	—	(784,509)	25,072	(759,437)	26,346	(733,091)
Dividends declared	—	—	(198,201)	—	(198,201)	(30,809)	(229,010)
Issuance of shares under dividend reinvestment plan	38,578	—	—	—	38,578	—	38,578
Issuance of shares under stock option plan	85	—	—	—	85	—	85
Actuarial gain on post-retirement benefit plans	—	—	11,550	(11,550)	—	—	—
Share-based compensation expense	—	670	—	—	670	—	670
Funding of equity interest	—	—	—	—	—	50	50
As at August 31, 2018	2,330,477	12,119	(856,668)	36,460	1,522,388	154,415	1,676,803

⁽¹⁾ Refer to the Company's Fourth Quarter 2019 Report to Shareholders for details on New Accounting Pronouncements Adopted in Fiscal 2019 in the Impact of New Accounting Policies and Changes in Estimates section.

CORUS ENTERTAINMENT INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS

(unaudited - in thousands of Canadian dollars)	Three months ended		Year ended	
	2019	August 31, 2018	2019	August 31, 2018
OPERATING ACTIVITIES				
Net income (loss) for the period	28,526	39,860	180,667	(758,163)
Adjustments to reconcile net income (loss) to cash flow from operations:				
Amortization of program rights	122,301	122,966	516,431	516,300
Amortization of film investments	3,591	5,980	16,035	16,197
Depreciation and amortization	37,326	19,839	182,354	81,861
Broadcast license and goodwill impairment	—	—	—	1,013,692
Deferred income taxes (recovery)	8,960	5,130	(10,166)	16,869
Impairment of investment in associate	—	—	8,720	—
Share-based compensation expense	214	163	699	670
Imputed interest	9,219	9,910	41,209	43,240
Gain on debt modification	—	—	(3,889)	—
Proceeds from termination of interest rate swap	—	—	—	24,644
Payment of program rights	(143,886)	(141,744)	(537,954)	(513,186)
Net spend on film investments	(1,797)	(2,795)	(45,029)	(33,722)
CRTC benefit payments	(1,338)	(1,059)	(2,561)	(2,332)
Other	780	(1,391)	(5,921)	(6,665)
Cash flow from operations	63,896	56,859	340,595	399,405
Net change in non-cash working capital balances related to operations	51,143	48,922	2,958	(28,498)
Cash provided by operating activities	115,039	105,781	343,553	370,907
INVESTING ACTIVITIES				
Additions to property, plant and equipment	(18,477)	(8,820)	(30,055)	(16,117)
Proceeds from sale of property	—	300	—	845
Business divestiture, net of divested cash	—	—	12,529	—
Business acquisition	—	—	(6,011)	—
Net cash flows for intangibles, investments and other assets	(3,008)	(2,866)	(6,678)	(10,308)
Cash used in investing activities	(21,485)	(11,386)	(30,215)	(25,580)
FINANCING ACTIVITIES				
Decrease in bank loans	(59,976)	(27,188)	(249,949)	(108,639)
Deferred financing costs	(98)	—	(3,440)	(4,088)
Issuance of shares under stock option plan	—	—	—	85
Dividends paid	(12,718)	(50,588)	(38,150)	(198,808)
Dividends paid to non-controlling interest	(6,957)	(7,080)	(30,365)	(28,809)
Other	(458)	(438)	(3,667)	(3,968)
Cash used in financing activities	(80,207)	(85,294)	(325,571)	(344,227)
Net change in cash and cash equivalents during the period	13,347	9,101	(12,233)	1,100
Cash and cash equivalents, beginning of the period	69,221	85,700	94,801	93,701
Cash and cash equivalents, end of the period	82,568	94,801	82,568	94,801

CORUS ENTERTAINMENT INC.
BUSINESS SEGMENT INFORMATION

(unaudited - in thousands of Canadian dollars)

Three months ended August 31, 2019

	Television	Radio	Corporate	Consolidated
Revenues	343,755	33,724	—	377,479
Direct cost of sales, general and administrative expenses	235,143	26,813	5,747	267,703
Segment profit (loss)⁽¹⁾	108,612	6,911	(5,747)	109,776
Depreciation and amortization				37,326
Interest expense				26,313
Business acquisition, integration and restructuring costs				6,779
Other income, net				(1,455)
Income before income taxes				40,813

Three months ended August 31, 2018

	Television	Radio	Corporate	Consolidated
Revenues	344,646	34,438	—	379,084
Direct cost of sales, general and administrative expenses	235,908	25,981	2,634	264,523
Segment profit (loss)⁽¹⁾	108,738	8,457	(2,634)	114,561
Depreciation and amortization				19,839
Interest expense				31,005
Business acquisition, integration and restructuring costs				7,703
Other expense, net				609
Income before income taxes				55,405

Year ended August 31, 2019

	Television	Radio	Corporate	Consolidated
Revenues	1,544,892	142,590	—	1,687,482
Direct cost of sales, general and administrative expenses	971,368	107,944	23,085	1,102,397
Segment profit (loss)⁽¹⁾	573,524	34,646	(23,085)	585,085
Depreciation and amortization				182,354
Interest expense				117,718
Gain on debt modification				(3,889)
Business acquisition, integration and restructuring costs				26,316
Other expense, net				10,474
Income before income taxes				252,112

⁽¹⁾ Segment profit (loss) does not have a standardized meaning prescribed by IFRS. For definitions and explanations, see discussion under the Key Performance Indicators section of the Fourth Quarter 2019 Report to Shareholders.

(unaudited - in thousands of Canadian dollars)

Year ended August 31, 2018

	Television	Radio	Corporate	Consolidated
Revenues	1,499,322	148,025	—	1,647,347
Direct cost of sales, general and administrative expenses	957,533	107,717	6,469	1,071,719
Segment profit (loss)⁽¹⁾	541,789	40,308	(6,469)	575,628
Depreciation and amortization				81,861
Interest expense				127,346
Broadcast license and goodwill impairment				1,013,692
Business acquisition, integration and restructuring costs				17,071
Other expense, net				5,692
Loss before income taxes				(670,034)

⁽¹⁾ Segment profit (loss) does not have a standardized meaning prescribed by IFRS. For definitions and explanations, see discussion under the Key Performance Indicators section of the Fourth Quarter 2019 Report to Shareholders.

REVENUES BY TYPE

	Three months ended		Year ended	
	August 31,		August 31,	
(unaudited - in thousands of Canadian dollars)	2019	2018	2019	2018
Advertising	226,033	218,896	1,101,814	1,043,810
Subscriber fees	123,028	128,329	496,447	507,756
Merchandising, distribution and other	28,418	31,859	89,221	95,781
	377,479	379,084	1,687,482	1,647,347

NON-IFRS FINANCIAL MEASURES

	Three months ended		Year ended	
	August 31,		August 31,	
(unaudited - in thousands of Canadian dollars, except per share amounts)	2019	2018	2019	2018
Adjusted Net Income Attributable to Shareholders				
Net income (loss) attributable to shareholders	22,947	33,675	156,084	(784,509)
Adjustments, net of income tax:				
Impairment of investment in associates	—	—	7,565	—
Broadcast license and goodwill impairment charges	—	—	—	1,010,061
Gain on debt modification	—	—	(2,856)	—
Loss from disposition of the Telelatino Network	—	—	814	—
Business acquisition, integration and restructuring costs	4,983	5,859	19,399	12,859
Adjusted net income attributable to shareholders	27,930	39,534	181,006	238,411
Basic earnings (loss) per share	\$0.11	\$0.16	\$0.74	(\$3.77)
Adjustments, net of income tax:				
Impairment of investment in associates	—	—	\$0.03	—
Broadcast license and goodwill impairment charges	—	—	—	\$4.85
Gain on debt modification	—	—	(\$0.01)	—
Loss from disposition of the Telelatino Network	—	—	—	—
Business acquisition, integration and restructuring costs	\$0.02	\$0.03	\$0.09	\$0.06
Adjusted basic earnings per share	\$0.13	\$0.19	\$0.85	\$1.14

(unaudited - in thousands of Canadian dollars)	Three months ended		Year ended	
		August 31,		August 31,
Free Cash Flow	2019	2018	2019	2018
Cash provided by (used in):				
Operating activities	115,039	105,781	343,553	370,907
Investing activities	(21,485)	(11,386)	(30,215)	(25,580)
	93,554	94,395	313,338	345,327
Add: cash used in business acquisitions and strategic investments ⁽¹⁾	—	1,571	9,161	3,680
Deduct: cash provided by business divestiture, net of divested cash ⁽²⁾	—	—	(12,529)	—
Free cash flow	93,554	95,966	309,970	349,007

⁽¹⁾ Strategic investments are comprised of investments in venture funds and associated companies

⁽²⁾ Disposition of the Telelatino Network