



CORUS ENTERTAINMENT ANNOUNCES FISCAL 2019 THIRD QUARTER RESULTS

- Consolidated revenues increased 4% for the quarter and 3% year-to-date, driven by a 10% increase in Television advertising revenues for the quarter and 8% for the year-to-date
- Consolidated segment profit⁽¹⁾ was consistent with the quarter and up 3% year-to-date
- Consolidated segment profit margin⁽¹⁾ of 37% for the quarter and 36% year-to-date
- Net income attributable to shareholders of \$66.4⁽²⁾ million (\$0.31 per share basic) for the quarter and \$133.1⁽²⁾ million (\$0.63 per share basic) for the year-to-date
- Free cash flow⁽¹⁾ of \$90.1 million for the quarter and \$216.4 million for the year-to-date

TORONTO, June 26, 2019 – Corus Entertainment Inc. (TSX: CJR.B) announced its third quarter financial results today.

“Corus delivered a third consecutive quarter of consolidated revenue growth, driven primarily by a double-digit increase in Television advertising, partially offset by lower subscriber revenues and softness in our radio segment,” said Doug Murphy, President and Chief Executive Officer. “Significant innovations such as the debut of STACKTV on Amazon Prime Video Channels and expansion of Corus’ social and digital content offerings, combined with our robust new slate of owned content and a strong programming line-up demonstrate our commitment to optimize our core business and build for the future. Importantly, these strong Q3 results have enabled us to achieve our leverage target one quarter ahead of our goal, once again improving our financial flexibility.”

Financial Highlights

	Three months ended		Nine months ended	
	2019	May 31, 2018	2019	May 31, 2018
<small>(in thousands of Canadian dollars except per share amounts)</small>				
Revenues				
Television	421,481	402,990	1,201,137	1,154,676
Radio	36,936	38,420	108,866	113,587
	458,417	441,410	1,310,003	1,268,263
Segment profit⁽¹⁾				
Television	166,650	160,803	464,912	433,051
Radio	9,768	11,447	27,735	31,851
Corporate	(5,895)	(1,829)	(17,338)	(3,835)
	170,523	170,421	475,309	461,067
Net income (loss) attributable to shareholders ⁽²⁾	66,378	(935,899)	133,137	(818,184)
Adjusted net income attributable to shareholders ⁽¹⁾⁽²⁾⁽³⁾	66,077	78,112	153,077	198,877
Basic earnings (loss) per share ⁽²⁾	\$0.31	(\$4.49)	\$0.63	(\$3.94)
Adjusted basic earnings per share ⁽¹⁾⁽²⁾⁽³⁾	\$0.31	\$0.37	\$0.72	\$0.96
Diluted earnings (loss) per share ⁽²⁾	\$0.31	(\$4.49)	\$0.63	(\$3.94)
Free cash flow⁽¹⁾	90,101	87,753	216,416	253,041

⁽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 Third Quarter 2019 Report to Shareholders.

⁽²⁾ Net income attributable to shareholders as well as basic and diluted earnings per share for the three and nine months ended May 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 and nine months ended May 31, 2019, this has resulted in an additional \$16.7 million and \$86.5 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 \$63.6 million (\$0.30 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 Third Quarter 2019 Report to Shareholders.

⁽³⁾ 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 May 31, 2019 were \$458.4 million, up 4% from \$441.4 million last year and consolidated segment profit was \$170.5 million, consistent with \$170.4 million last year. Net income attributable to shareholders for the quarter ended May 31, 2019 was \$66.4 million (\$0.31 per share basic), compared to a net loss attributable to shareholders of \$935.9 million (\$4.49 loss per share basic) last year. Net income attributable to shareholders for the third quarter of fiscal 2019 includes business acquisition, integration and restructuring costs of \$2.3 million (\$0.01 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 \$66.1 million (\$0.31 per share basic) for the quarter. Net loss attributable to shareholders for the prior year quarter includes broadcast license and goodwill impairment charges of \$1,013.7 million (\$4.84 per share basic, net of income taxes), and business acquisition, integration and restructuring costs of \$5.3 million (\$0.02 per share, net of income taxes). Adjusting for the impact of these items results in an adjusted net income attributable to shareholders of \$78.1 million (\$0.37 per share basic) for the prior year quarter.

Consolidated revenues for the nine months ended May 31, 2019 were \$1,310.0 million, up 3% from \$1,268.3 million last year. Consolidated segment profit was \$475.3 million, up 3% from \$461.1 million last year. Net income attributable to shareholders for the nine months ended May 31, 2019 was \$133.1 million (\$0.63 per share basic), compared to a net loss attributable to shareholders of \$818.2 million (\$3.94 loss per share basic) last year. Net income attributable to shareholders for the nine months ended May 31, 2019 includes business acquisition, integration and restructuring costs of \$19.5 million (\$0.07 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 \$153.1 million (\$0.72 per share basic, net of income taxes) for the current fiscal year. Net loss attributable to shareholders for the nine months ended May 31, 2018 includes broadcast license and goodwill impairment charges of \$1,013.7 million (\$4.87 per share basic, net of income taxes), and business acquisition, integration and restructuring costs of \$9.4 million (\$0.03 per share, net of income taxes). Adjusting for the impact of these items results in an adjusted net income attributable to shareholders of \$198.9 million (\$0.96 per share basic) for the prior year-to-date period.

Consolidated net income attributable to shareholders as well as basic and diluted earnings per share for the three and nine months ended May 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 and nine months ended May 31, 2019, this has resulted in an additional \$16.7 million and \$86.5 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 \$63.6 million (\$0.30 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 Third Quarter 2019 Report to Shareholders.

Operational Results - Highlights for Q3 2019

Television

- Segment revenues increased 5% in Q3 2019 and 4% year-to-date
- Advertising revenues increased 10% in Q3 2019 and 8% year-to-date
- Subscriber revenues were down 4% in Q3 2019 and 2% year-to-date
- Merchandising, distribution and other revenues were down \$1.2 million in Q3 2019 and \$3.2 million year-to-date
- Segment profit⁽¹⁾ increased 4% in Q3 2019 and 7% year-to-date
- Segment profit margin⁽¹⁾ of 40% in Q3 2019 and 39% year-to-date, compared to 40% and 38%, 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 Third Quarter 2019 Report to Shareholders.

Radio

- Segment revenues decreased 4% in both Q3 2019 and the year-to-date
- Segment profit⁽¹⁾ decreased \$1.7 million in Q3 2019 and \$4.1 million year-to-date
- Segment profit margin⁽¹⁾ of 26% in Q3 2019 and 25% year-to-date, compared to 30% and 28%, respectively, in the prior year

Corporate

- Divestiture of 50.5% interest in the Telelatino Network for \$12.5 million, net of divested cash and prepaid revenue related to ongoing service arrangements (gross proceeds of \$19.0 million) in Q3 2019
- Free cash flow⁽¹⁾ of \$90.1 million in Q3 2019 and \$216.4 million year-to-date, compared to \$87.8 million and \$253.0 million, respectively, in the prior year
- Net debt to segment profit⁽¹⁾ leverage of 2.92 times at May 31, 2019, down from 3.28 times at August 31, 2018, in part due to debt repayments of \$190.0 million for the year-to-date
- Consolidated segment profit margin⁽¹⁾ of 37% in Q3 2019 and 36% year-to-date, compared to 39% and 36%, 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 Third 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 and nine months ended May 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 June 26, 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 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 third quarter ended May 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. The company's portfolio of multimedia offerings encompass 37 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 -

For further information, please contact:

Doug Murphy
President and Chief Executive Officer
Corus Entertainment Inc.
Doug.Murphy@corusent.com

Heidi Kucher
Director, Investor Relations
Corus Entertainment Inc.
Heidi.Kucher@corusent.com

John Gossling
Executive Vice President and Chief Financial Officer
Corus Entertainment Inc.
John.Gossling@corusent.com

Melissa Eckersley
Corporate Communications Lead
Corus Entertainment Inc.
Melissa.Eckersley@corusent.com

CORUS ENTERTAINMENT INC.
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(unaudited - in thousands of Canadian dollars)	As at May 31, 2019	As at August 31, 2018
ASSETS		
Current		
Cash and cash equivalents	69,221	94,801
Accounts receivable	451,961	388,751
Income taxes recoverable	—	3,305
Prepaid expenses and other assets	22,759	20,723
Total current assets	543,941	507,580
Tax credits receivable	33,079	18,047
Investments and other assets	52,513	82,213
Property, plant and equipment	215,214	231,192
Program rights	542,795	538,357
Film investments	52,968	43,424
Intangibles ⁽¹⁾	1,903,523	2,012,086
Goodwill	1,383,958	1,387,652
Deferred income tax assets	70,238	62,403
	4,798,229	4,882,954
LIABILITIES AND EQUITY		
Current		
Accounts payable and accrued liabilities	439,694	405,762
Current portion of long-term debt	91,339	106,375
Provisions	9,628	11,175
Income taxes payable	18,856	—
Total current liabilities	559,517	523,312
Long-term debt	1,699,262	1,877,558
Other long-term liabilities	317,314	295,206
Provisions	10,275	7,801
Deferred income tax liabilities	475,444	502,274
Total liabilities	3,061,812	3,206,151
EQUITY		
Share capital	830,477	2,330,477
Contributed surplus	1,512,604	12,119
Accumulated deficit	(770,635)	(856,668)
Accumulated other comprehensive income	17,081	36,460
Total equity attributable to shareholders	1,589,527	1,522,388
Equity attributable to non-controlling interest	146,890	154,415
Total equity	1,736,417	1,676,803
	4,798,229	4,882,954

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

	Three months ended		Nine months ended	
	May 31,		May 31,	
(unaudited - in thousands of Canadian dollars except per share amounts)	2019	2018	2019	2018
Revenues	458,417	441,410	1,310,003	1,268,263
Direct cost of sales, general and administrative expenses	287,894	270,989	834,694	807,196
Depreciation and amortization ⁽¹⁾	35,899	20,432	145,028	62,022
Interest expense	28,220	32,500	91,405	96,341
Broadcast license and goodwill impairment	—	1,013,692	—	1,013,692
Gain on debt modification	(3,889)	—	(3,889)	—
Business acquisition, integration and restructuring costs	2,309	5,285	19,537	9,368
Other expense, net	4,171	1,002	11,929	5,083
Income (loss) before income taxes	103,813	(902,490)	211,299	(725,439)
Income tax expense	30,168	26,253	59,158	72,584
Net income (loss) for the period	73,645	(928,743)	152,141	(798,023)
Other comprehensive income (loss), net of income taxes:				
Items that may be reclassified subsequently to income (loss):				
Unrealized foreign currency translation adjustment	395	177	515	607
Unrealized change in fair value of cash flow hedges	(12,905)	(459)	(27,651)	13,260
	(12,510)	(282)	(27,136)	13,867
Items that will not be reclassified to income (loss):				
Unrealized change in fair value of financial assets	(1,735)	(118)	(1,639)	(118)
Actuarial gain (loss) on post-retirement benefit plans	(9,766)	4,997	(10,942)	4,129
	(11,501)	4,879	(12,581)	4,011
Other comprehensive income (loss), net of income taxes	(24,011)	4,597	(39,717)	17,878
Comprehensive income (loss) for the period	49,634	(924,146)	112,424	(780,145)
Net income (loss) attributable to:				
Shareholders	66,378	(935,899)	133,137	(818,184)
Non-controlling interest	7,267	7,156	19,004	20,161
	73,645	(928,743)	152,141	(798,023)
Comprehensive income (loss) attributable to:				
Shareholders	42,367	(931,302)	93,420	(800,306)
Non-controlling interest	7,267	7,156	19,004	20,161
	49,634	(924,146)	112,424	(780,145)
Earnings (loss) per share attributable to shareholders:				
Basic	\$0.31	(\$4.49)	\$0.63	(\$3.94)
Diluted	\$0.31	(\$4.49)	\$0.63	(\$3.94)

⁽¹⁾ Net income attributable to shareholders as well as basic and diluted earnings per share for the three and nine months ended May 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 and nine months ended May 31, 2019, this has resulted in an additional \$16.7 million and \$86.5 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 \$63.6 million (\$0.30 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 Third 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)	—	—	133,137	(39,717)	93,420	19,004	112,424
Dividends declared	—	—	(38,147)	—	(38,147)	(21,409)	(59,556)
Reduction of stated capital	(1,500,000)	1,500,000	—	—	—	—	—
Actuarial loss on post-retirement benefit plans	—	—	(10,942)	10,942	—	—	—
Share-based compensation expense	—	485	—	—	485	—	485
Divestiture of subsidiary with a non-controlling equity interest	—	—	—	—	—	(5,120)	(5,120)
As at May 31, 2019	830,477	1,512,604	(770,635)	17,081	1,589,527	146,890	1,736,417

(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)	—	—	(818,184)	17,878	(800,306)	20,161	(780,145)
Dividends declared	—	—	(178,073)	—	(178,073)	(21,729)	(199,802)
Issuance of shares under dividend reinvestment plan	29,185	—	—	—	29,185	—	29,185
Issuance of shares under stock option plan	85	—	—	—	85	—	85
Actuarial gain on post-retirement benefit plans	—	—	4,129	(4,129)	—	—	—
Share-based compensation expense	—	507	—	—	507	—	507
Funding of equity interest	—	—	—	—	—	50	50
As at May 31, 2018	2,321,084	11,956	(877,636)	36,687	1,492,091	157,310	1,649,401

⁽¹⁾ Refer to the Company's Third 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

	Three months ended		Nine months ended	
		May 31,		May 31,
(unaudited - in thousands of Canadian dollars)	2019	2018	2019	2018
OPERATING ACTIVITIES				
Net income (loss) for the period	73,645	(928,743)	152,141	(798,023)
Adjustments to reconcile net income (loss) to cash flow from operations:				
Amortization of program rights	137,002	134,259	394,130	393,334
Amortization of film investments	6,059	4,362	12,444	10,217
Depreciation and amortization	35,899	20,432	145,028	62,022
Broadcast license and goodwill impairment	—	1,013,692	—	1,013,692
Deferred income taxes (recovery)	821	11,641	(19,126)	11,739
Impairment of investment in associate	—	—	8,720	—
Share-based compensation expense	238	151	485	507
Imputed interest	10,325	10,452	31,990	33,330
Gain on debt modification	(3,889)	—	(3,889)	—
Proceeds from termination of interest rate swap	—	—	—	24,644
Payment of program rights	(157,264)	(133,073)	(394,068)	(371,442)
Net spend on film investments	(14,847)	(10,646)	(43,232)	(30,927)
CRTC benefit payments	(312)	(376)	(1,223)	(1,273)
Other	(2,893)	(2,546)	(6,701)	(5,274)
Cash flow from operations	84,784	119,605	276,699	342,546
Net change in non-cash working capital balances related to operations	12,039	(26,658)	(48,185)	(77,420)
Cash provided by operating activities	96,823	92,947	228,514	265,126
INVESTING ACTIVITIES				
Additions to property, plant and equipment	(5,418)	(2,338)	(11,578)	(7,297)
Proceeds from sale of property	—	—	—	545
Business divestiture, net of divested cash	12,529	—	12,529	—
Business acquisition	(6,011)	—	(6,011)	—
Net cash flows for intangibles, investments and other assets	(1,156)	(3,763)	(3,670)	(7,442)
Cash used in investing activities	(56)	(6,101)	(8,730)	(14,194)
FINANCING ACTIVITIES				
Decrease in bank loans	(72,425)	(26,724)	(189,973)	(81,451)
Deferred financing costs	(3,342)	—	(3,342)	(4,088)
Issuance of shares under stock option plan	—	—	—	85
Dividends paid	(12,715)	(48,853)	(25,432)	(148,220)
Dividends paid to non-controlling interest	(6,245)	(5,541)	(23,408)	(21,729)
Other	(469)	(444)	(3,209)	(3,530)
Cash used in financing activities	(95,196)	(81,562)	(245,364)	(258,933)
Net change in cash and cash equivalents during the period	1,571	5,284	(25,580)	(8,001)
Cash and cash equivalents, beginning of the period	67,650	80,416	94,801	93,701
Cash and cash equivalents, end of the period	69,221	85,700	69,221	85,700

CORUS ENTERTAINMENT INC.
BUSINESS SEGMENT INFORMATION

(unaudited - in thousands of Canadian dollars)

Three months ended May 31, 2019

	Television	Radio	Corporate	Consolidated
Revenues	421,481	36,936	—	458,417
Direct cost of sales, general and administrative expenses	254,831	27,168	5,895	287,894
Segment profit (loss)⁽¹⁾	166,650	9,768	(5,895)	170,523
Depreciation and amortization				35,899
Interest expense				28,220
Gain on debt modification				(3,889)
Business acquisition, integration and restructuring costs				2,309
Other expense, net				4,171
Income before income taxes				103,813

Three months ended May 31, 2018

	Television	Radio	Corporate	Consolidated
Revenues	402,990	38,420	—	441,410
Direct cost of sales, general and administrative expenses	242,187	26,973	1,829	270,989
Segment profit (loss)⁽¹⁾	160,803	11,447	(1,829)	170,421
Depreciation and amortization				20,432
Interest expense				32,500
Broadcast license and goodwill impairment				1,013,692
Business acquisition, integration and restructuring costs				5,285
Other expense, net				1,002
Loss before income taxes				(902,490)

Nine months ended May 31, 2019

	Television	Radio	Corporate	Consolidated
Revenues	1,201,137	108,866	—	1,310,003
Direct cost of sales, general and administrative expenses	736,225	81,131	17,338	834,694
Segment profit (loss)⁽¹⁾	464,912	27,735	(17,338)	475,309
Depreciation and amortization				145,028
Interest expense				91,405
Gain on debt modification				(3,889)
Business acquisition, integration and restructuring costs				19,537
Other expense, net				11,929
Income before income taxes				211,299

⁽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 Third Quarter 2019 Report to Shareholders.

(unaudited - in thousands of Canadian dollars)

Nine months ended May 31, 2018

	Television	Radio	Corporate	Consolidated
Revenues	1,154,676	113,587	—	1,268,263
Direct cost of sales, general and administrative expenses	721,625	81,736	3,835	807,196
Segment profit (loss)⁽¹⁾	433,051	31,851	(3,835)	461,067
Depreciation and amortization				62,022
Interest expense				96,341
Broadcast license and goodwill impairment				1,013,692
Business acquisition, integration and restructuring costs				9,368
Other expense, net				5,083
Loss before income taxes				(725,439)

⁽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 Third Quarter 2019 Report to Shareholders.

REVENUES BY TYPE

	Three months ended		Nine months ended	
	May 31,		May 31,	
(unaudited - in thousands of Canadian dollars)	2019	2018	2019	2018
Advertising	314,162	291,040	875,781	824,914
Subscriber fees	121,096	126,164	373,419	379,427
Merchandising, distribution and other	23,159	24,206	60,803	63,922
	458,417	441,410	1,310,003	1,268,263

NON-IFRS FINANCIAL MEASURES

	Three months ended		Nine months ended	
	May 31,		May 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	66,378	(935,899)	133,137	(818,184)
Adjustments, net of income tax:				
Impairment of investment in associates	—	—	7,565	—
Broadcast license and goodwill impairment charges	—	1,010,061	—	1,010,061
Gain on debt modification	(2,856)	—	(2,856)	—
Loss from disposition of the Telelatino Network	814	—	814	—
Business acquisition, integration and restructuring costs	1,741	3,950	14,417	7,000
Adjusted net income attributable to shareholders	66,077	78,112	153,077	198,877
Basic earnings (loss) per share	\$0.31	(\$4.49)	\$0.63	(\$3.94)
Adjustments, net of income tax:				
Impairment of investment in associates	—	—	\$0.03	—
Broadcast license and goodwill impairment charges	—	\$4.84	—	\$4.87
Gain on debt modification	(\$0.01)	—	(\$0.01)	—
Loss from disposition of the Telelatino Network	—	—	—	—
Business acquisition, integration and restructuring costs	\$0.01	\$0.02	\$0.07	\$0.03
Adjusted basic earnings per share	\$0.31	\$0.37	\$0.72	\$0.96

(unaudited - in thousands of Canadian dollars)	Three months ended		Nine months ended	
		May 31,		May 31,
Free Cash Flow	2019	2018	2019	2018
Cash provided by (used in):				
Operating activities	96,823	92,947	228,514	265,126
Investing activities	(56)	(6,101)	(8,730)	(14,194)
	96,767	86,846	219,784	250,932
Add: cash used in business acquisitions and strategic investments ⁽¹⁾	5,863	907	9,161	2,109
Deduct: cash provided by business divestiture, net of divested cash ⁽²⁾	(12,529)	—	(12,529)	—
Free cash flow	90,101	87,753	216,416	253,041

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

⁽²⁾ Disposition of the Telelatino Network