

## CORUS ENTERTAINMENT ANNOUNCES FISCAL 2021 SECOND QUARTER RESULTS

*Sequential revenue recovery with significant streaming subscriber and content licensing gains,  
strong free cash flow and reduction of leverage target*

- Consolidated revenues declined 5% for the quarter and 8% year-to-date
- Consolidated segment profit<sup>(1)</sup> decreased 3% for both the quarter and year-to-date
- Consolidated segment profit margin<sup>(1)</sup> of 31% for the quarter and 37% year-to-date
- Net income attributable to shareholders of \$35.3 million (\$0.17 per share basic) for the quarter and \$112.0 million (\$0.54 per share basic) year-to-date
- Net debt to segment profit<sup>(1)</sup> of 3.02 times at February 28, 2021, down from 3.18 times at August 31, 2020
  - Significant reduction of leverage target to under 2.5 times net debt to segment profit<sup>(1)</sup>
- Free cash flow<sup>(1)</sup> of \$89.7 million for the quarter and \$152.1 million year-to-date
- Achieved recent milestone of over 500,000 paying subscribers on streaming platforms, doubled from the prior year

**TORONTO, April 9, 2021 – Corus Entertainment Inc.** (TSX: CJR.B) announced its second quarter financial results today.

“Our Q2 results demonstrate strong operational momentum, bolstered by sequential Television advertising revenue recovery, robust paid streaming subscriber gains and double digit growth in our content licensing business,” said Doug Murphy, President and Chief Executive Officer. “Notably, we are excited to announce the achievement of a significant milestone, with over half a million paid subscriptions to our streaming platforms. We have reached an inflection point in this dynamic industry environment, one that will build on the strength of our diversified portfolio and free cash flow as the economy recovers. Our focus remains on delivery of consolidated revenue growth year over year, driven by the ongoing advancement of our strategic plan and expansion of our financial flexibility commensurate with a reduction in our leverage target.”

### Financial Highlights

(in thousands of Canadian dollars except per share amounts)	Three months ended			Six months ended		
	February 28, 2021	February 29, 2020	% Change	February 28, 2021	February 29, 2020	% Change
<b>Revenues</b>						
Television	338,519	347,843	(3%)	730,621	777,794	(6%)
Radio	20,355	28,152	(28%)	48,608	66,079	(26%)
	<b>358,874</b>	<b>375,995</b>	<b>(5%)</b>	<b>779,229</b>	<b>843,873</b>	<b>(8%)</b>
<b>Segment profit (loss)<sup>(1)</sup></b>						
Television <sup>(2)</sup>	119,556	115,472	4%	299,121	294,090	2%
Radio <sup>(2)</sup>	1,409	4,576	(69%)	8,550	16,604	(49%)
Corporate <sup>(2)</sup>	(8,325)	(4,139)	101%	(16,424)	(10,670)	54%
	<b>112,640</b>	<b>115,909</b>	<b>(3%)</b>	<b>291,247</b>	<b>300,024</b>	<b>(3%)</b>
<b>Segment profit margin<sup>(1)</sup></b>						
Television	35%	33%		41%	38%	
Radio	7%	16%		18%	25%	
Consolidated	<b>31%</b>	<b>31%</b>		<b>37%</b>	<b>36%</b>	
Net income attributable to shareholders	35,300	18,524	91%	111,964	96,640	16%
Adjusted net income attributable to shareholders <sup>(1)</sup>	37,496	25,900	45%	117,347	105,880	11%
Basic earnings per share	\$0.17	\$0.09		\$0.54	\$0.46	
Adjusted basic earnings per share <sup>(1)</sup>	\$0.18	\$0.12		\$0.56	\$0.50	
Diluted earnings per share	\$0.17	\$0.09		\$0.54	\$0.46	
<b>Free cash flow<sup>(1)</sup></b>	<b>89,690</b>	<b>65,073</b>	<b>38%</b>	<b>152,064</b>	<b>118,121</b>	<b>29%</b>

<sup>(1)</sup> Segment profit (loss), segment profit margin, adjusted net income attributable to shareholders, adjusted basic earnings per share, 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 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.

<sup>(2)</sup> Segment profit included \$4.4 million in Q2 (TV: \$3.6 million; Radio: \$0.7 million; Corporate: \$0.1 million) and \$8.2 million year-to-date (TV: \$6.1 million; Radio: \$1.1 million; Corporate: \$1.0 million) of estimated Canadian Emergency Wage Subsidy (“CEWS”) benefit and relief on regulatory fees of \$7.8 million in Q2 (TV: \$6.9 million; Radio: \$0.9 million) and \$8.2 million year-to-date (TV: \$7.3 million; Radio: \$0.9 million).

## Segment Revenues

(in thousands of Canadian dollars)	Three months ended			Six months ended		
	February 28, 2021	February 29, 2020	% Change	February 28, 2021	February 29, 2020	% Change
<b>Revenues</b>						
<b>Television</b>	<b>338,519</b>	347,843	<b>(3%)</b>	<b>730,621</b>	777,794	<b>(6%)</b>
Advertising	<b>185,821</b>	199,188	<b>(7%)</b>	<b>432,079</b>	485,446	<b>(11%)</b>
Subscriber	<b>124,211</b>	123,750	<b>0%</b>	<b>247,912</b>	247,419	<b>0%</b>
Merchandising, distribution and other	<b>28,487</b>	24,905	<b>14%</b>	<b>50,630</b>	44,929	<b>13%</b>
<b>Radio</b>	<b>20,355</b>	28,152	<b>(28%)</b>	<b>48,608</b>	66,079	<b>(26%)</b>
<b>Total Revenues</b>	<b>358,874</b>	375,995	<b>(5%)</b>	<b>779,229</b>	843,873	<b>(8%)</b>
<i>Optimized advertising revenues<sup>(1)</sup></i>	<b>28%</b>	22%		<b>27%</b>	23%	
<i>New platform revenues<sup>(2)</sup></i>	<b>8%</b>	5%		<b>7%</b>	4%	

<sup>(1)</sup> Optimized advertising revenues reflect progress on the transformation of how Television advertising is sold. This metric includes revenues from audience segment selling as well as the Cynch automated buying platform expressed as a percentage of Television advertising revenues.

<sup>(2)</sup> New platform revenues reflect progress on Corus' participation in rapidly growing streaming distribution platforms and digital advertising markets. This metric includes incremental subscriber revenues from new streaming initiatives and advertising revenues from digital platforms expressed as a percentage of total Television advertising and subscriber revenues.

## Operational Highlights

- The decline in Television's advertising revenues of 7% were, again, sequentially improved from declines of 31%, 25% and 14% for the three months ended May 31, 2020, August 31, 2020, and November 30, 2020, respectively
- Subscriber revenues remained flat in both Q2 and year-to-date as increases to paid subscriptions on streaming platforms offset linear subscriber declines and channel shutdowns
- Merchandising, distribution and other revenues increased in Q2 and year-to-date primarily as a result of strong content licensing sales from Corus Studios
- The decline in Radio segment revenues in Q2 were consistent with the three months ended November 30, 2020, while sequentially improved from declines of 52% and 43% for the three months ended May 31, 2020 and August 31, 2020, respectively

The Company furthered its expansion onto new platforms, announcing streaming subscriber metrics and several new initiatives:

- As of April 9, 2021, the Company has over 500,000 paying subscribers to its STACKTV, Nick+ and other streaming platforms, an increase from more than 400,000 paying subscribers in January 2021
- Distribution of the Company's premium kids streaming service Nick+ has been expanded to Bell Fibe TV, Alt TV and Virgin TV building on its presence on Amazon Prime Video Channels and Apple TV
- The Company's Global News announced the addition of four new regional news streams to its offering on the Global TV app, expanding Global News' roster to 14 free news streams within the app

## Financial Position & Liquidity

- Free cash flow<sup>(1)</sup> of \$89.7 million in Q2 and \$152.1 million year-to-date compared to \$65.1 million and \$118.1 million, respectively, in the prior year. The six months ended February 28, 2021 benefited from CEWS receipts of \$28.6 million, offset by the payment of deferred corporate income tax installments from fiscal 2020 of \$17.2 million
- Net debt to segment profit<sup>(1)</sup> was 3.02 times at February 28, 2021, down from 3.18 times at August 31, 2020, principally due to bank loan repayments of \$94.6 million year-to-date, and as a result the long-term objective has been revised to below 2.5 times
- As of February 28, 2021, the Company had \$59.2 million of cash and a committed \$300 million revolving credit facility that remains undrawn

<sup>(1)</sup> Free cash flow and net debt to segment profit 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 2021 Report to Shareholders and/or Management's Discussion and Analysis in the Company's Annual Report for the year ended August 31, 2020.

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

The unaudited interim condensed consolidated financial statements and accompanying notes for the three and six months ended February 28, 2021 and Management's Discussion and Analysis are available on the Company's website at [www.corusent.com](http://www.corusent.com) in the Investor Relations section.

A conference call with Corus senior management is scheduled for April 9, 2021 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](http://www.corusent.com) in the Investor Relations section.

## **COVID-19 Update**

All provinces and territories have begun mass vaccination programs to inoculate Canadians against COVID-19, however the phased-in roll-outs remain fluid as public health authorities continue to make adjustments to their plans due to the timing and expected volume of shipments from vaccine suppliers to the Federal government and then to each community. Current government forecasts indicate that Canadians could be fully immunized before the end of September 2021, which is dependent on approved vaccine suppliers continuing to meet delivery targets. Many provinces and territories had begun to ease restrictions subsequent to February 28, 2021, but the growing emergence of COVID-19 variants of concern that are more transmissible and carry increased health risks are causing a surge in cases and an increase in hospitalizations, which has led to most communities reintroducing emergency measures to counter any resurgence of COVID-19 cases. Disruptions caused by the imposition of these emergency measures, particularly in the retail and tourism sectors, continue to negatively impact advertising revenues. Although emergency measures are expected to ease in many provinces and territories in the third quarter of fiscal 2021 as more Canadians begin to receive vaccinations, the uncertainty created by variants of concern and closures of many small businesses could continue to adversely impact advertising and other revenues for a prolonged period. There can be no certainty that inoculations will reduce the impact of the COVID-19 pandemic on the Company's business in the short to medium term.

The extent to which COVID-19 and any other pandemic or public health crisis impacts the Company's business, affairs, operations, financial condition, liquidity, availability of credit and results of operations will depend on future developments that are highly uncertain and cannot be predicted with any meaningful precision, including new information which may emerge concerning the severity of the COVID-19 virus and the actions required to continue to contain the COVID-19 virus or remedy its impact, among others.

The Company's financial priorities remain unchanged. Importantly, the Company remains committed to increasing its financial flexibility over the longer term as evidenced by the reduction in the leverage target to under 2.5 times net debt to segment profit. In this environment the Company believes it is prudent to conserve cash out of an abundance of caution. The Company is constantly evaluating the situation and monitoring any impacts or potential impacts to its business.

## **Use of Non-IFRS Financial Measures**

This press release includes the non-IFRS financial measures of segment profit, segment profit margin, adjusted net income attributable to shareholders, adjusted basic earnings per share, free cash flow and net debt to segment profit 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](http://www.corusent.com) as well as on SEDAR at [www.sedar.com](http://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 press release 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 second quarter ended February 28, 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.

#### **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 33 specialty television services, 39 radio stations, 15 conventional television stations, a suite of digital and streaming assets, animation software, technology and media services. Corus is an internationally-renowned content creator and distributor through Nelvana, a world class animation studio expert in all formats and Corus Studios, a globally recognized producer of hit scripted and unscripted content. The company also owns innovative full-service social digital agency so.da, lifestyle entertainment company Kin Canada, leading 2D animation software supplier Toon Boom and children's book publishing house, Kids Can Press. Corus' roster of premium brands includes Global Television, W Network, HGTV Canada, Food Network Canada, HISTORY®, Showcase, Adult Swim, National Geographic, Disney Channel Canada, YTV, Global News, Globalnews.ca, Q107, Country 105, and CFOX, along with broadly distributed Canadian streaming platforms STACKTV, Nick+, the Global TV App and Curiouscast. For more information visit [www.corusent.com](http://www.corusent.com).

- 30 -

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**CORUS ENTERTAINMENT INC.**  
**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**

(unaudited - in thousands of Canadian dollars)	As at February 28, 2021	As at August 31, 2020
<b>ASSETS</b>		
<b>Current</b>		
Cash and cash equivalents	59,222	45,900
Accounts receivable	360,539	297,585
Prepaid expenses and other assets	24,528	17,112
<b>Total current assets</b>	<b>444,289</b>	<b>360,597</b>
Tax credits receivable	31,125	26,745
Investments and other assets	64,812	59,424
Property, plant and equipment	318,907	333,762
Program rights	603,485	637,819
Film investments	41,492	44,891
Intangibles	1,737,255	1,789,018
Goodwill	664,958	664,958
Deferred income tax assets	58,594	53,668
	<b>3,964,917</b>	<b>3,970,882</b>
<b>LIABILITIES AND EQUITY</b>		
<b>Current</b>		
Accounts payable and accrued liabilities	510,309	451,682
Current portion of bank debt	116,589	76,339
Provisions	8,094	8,621
Income taxes payable	9,575	12,698
<b>Total current liabilities</b>	<b>644,567</b>	<b>549,340</b>
Long-term portion of bank debt	1,297,118	1,429,750
Other long-term liabilities	427,953	492,956
Provisions	9,303	9,494
Deferred income tax liabilities	434,691	440,923
<b>Total liabilities</b>	<b>2,813,632</b>	<b>2,922,463</b>
<b>EQUITY</b>		
Share capital	816,189	816,189
Contributed surplus	1,511,886	1,511,325
Accumulated deficit	(1,328,118)	(1,425,432)
Accumulated other comprehensive income (deficit)	772	(2,258)
Total equity attributable to shareholders	1,000,729	899,824
Equity attributable to non-controlling interest	150,556	148,595
<b>Total equity</b>	<b>1,151,285</b>	<b>1,048,419</b>
	<b>3,964,917</b>	<b>3,970,882</b>

**CORUS ENTERTAINMENT INC.**  
**CONSOLIDATED STATEMENTS OF INCOME AND COMPREHENSIVE INCOME**

	Three months ended		Six months ended	
	February 28,	February 29,	February 28,	February 29,
(unaudited - in thousands of Canadian dollars except per share amounts)	2021	2020	2021	2020
Revenues	358,874	375,995	779,229	843,873
Direct cost of sales, general and administrative expenses	246,234	260,086	487,982	543,849
Depreciation and amortization	38,301	40,299	76,288	80,266
Interest expense	24,347	29,783	49,083	58,606
Integration, restructuring and other costs	2,988	10,024	7,324	12,558
Other expense (income), net	(6,292)	5,448	(6,857)	3,385
Income before income taxes	53,296	30,355	165,409	145,209
Income tax expense	13,399	7,932	42,964	38,426
<b>Net income for the period</b>	<b>39,897</b>	<b>22,423</b>	<b>122,445</b>	<b>106,783</b>
<b>Other comprehensive income (loss), net of income taxes:</b>				
<b>Items that may be reclassified subsequently to income:</b>				
Unrealized change in fair value of cash flow hedges	2,542	(9,157)	5,029	(4,208)
Unrealized foreign currency translation adjustment	(383)	231	(412)	178
	2,159	(8,926)	4,617	(4,030)
<b>Items that will not be reclassified to income:</b>				
Unrealized change in fair value of financial assets	(808)	1,057	(1,587)	6,565
Actuarial gain (loss) on post-retirement benefit plans	6,344	(12,471)	9,729	(7,715)
	5,536	(11,414)	8,142	(1,150)
Other comprehensive income (loss), net of income taxes	7,695	(20,340)	12,759	(5,180)
<b>Comprehensive income for the period</b>	<b>47,592</b>	<b>2,083</b>	<b>135,204</b>	<b>101,603</b>
<b>Net income attributable to:</b>				
Shareholders	35,300	18,524	111,964	96,640
Non-controlling interest	4,597	3,899	10,481	10,143
	39,897	22,423	122,445	106,783
<b>Comprehensive income (loss) attributable to:</b>				
Shareholders	42,995	(1,816)	124,723	91,460
Non-controlling interest	4,597	3,899	10,481	10,143
	47,592	2,083	135,204	101,603
<b>Earnings per share attributable to shareholders:</b>				
Basic	\$0.17	\$0.09	\$0.54	\$0.46
Diluted	\$0.17	\$0.09	\$0.54	\$0.46

**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 (deficit)	Total equity attributable to shareholders	Non-controlling interest	Total equity
As at August 31, 2020	816,189	1,511,325	(1,425,432)	(2,258)	899,824	148,595	1,048,419
Comprehensive income	—	—	111,964	12,759	124,723	10,481	135,204
Dividends declared	—	—	(24,996)	—	(24,996)	(8,407)	(33,403)
Actuarial gain on post-retirement benefit plans	—	—	9,729	(9,729)	—	—	—
Share-based compensation expense	—	561	—	—	561	—	561
Return of capital to non-controlling interest	—	—	—	—	—	(1,622)	(1,622)
Reallocation of equity interest	—	—	617	—	617	(617)	—
Equity funding by a non-controlling interest	—	—	—	—	—	2,126	2,126
<b>As at February 28, 2021</b>	<b>816,189</b>	<b>1,511,886</b>	<b>(1,328,118)</b>	<b>772</b>	<b>1,000,729</b>	<b>150,556</b>	<b>1,151,285</b>

(unaudited - in thousands of Canadian dollars)	Share capital	Contributed surplus	Accumulated deficit	Accumulated other comprehensive income	Total equity attributable to shareholders	Non-controlling interest	Total equity
As at August 31, 2019	830,477	1,512,818	(758,757)	12,187	1,596,725	145,512	1,742,237
Comprehensive income (loss)	—	—	96,640	(5,180)	91,460	10,143	101,603
Dividends declared	—	—	(25,221)	—	(25,221)	(10,661)	(35,882)
Share repurchase under normal course issuer bid ("NCIB")	(9,761)	(3,629)	—	—	(13,390)	—	(13,390)
Share repurchase commitment under NCIB	(5,511)	(398)	—	—	(5,909)	—	(5,909)
Actuarial loss on post-retirement benefit plans	—	—	(7,715)	7,715	—	—	—
Share-based compensation expense	—	561	—	—	561	—	561
Equity funding by a non-controlling interest	—	—	—	—	—	5,411	5,411
As at February 29, 2020	815,205	1,509,352	(695,053)	14,722	1,644,226	150,405	1,794,631

**CORUS ENTERTAINMENT INC.**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**

(unaudited - in thousands of Canadian dollars)	Three months ended		Six months ended	
	February 28, 2021	February 29, 2020	February 28, 2021	February 29, 2020
<b>OPERATING ACTIVITIES</b>				
Net income for the period	39,897	22,423	122,445	106,783
Adjustments to reconcile net income to cash flow from operations:				
Amortization of program rights	126,138	122,962	235,860	255,563
Amortization of film investments	2,656	5,255	6,920	11,081
Depreciation and amortization	38,301	40,299	76,288	80,266
Deferred income tax recovery	(10,878)	(99)	(16,237)	(6,078)
Share-based compensation expense	269	307	561	561
Imputed interest	11,009	13,682	22,043	26,238
Payment of program rights	(121,147)	(147,809)	(202,257)	(267,001)
Net spend on film investments	(7,557)	(17,958)	(17,306)	(33,480)
CRTC benefit payments	(23)	(11)	(635)	(733)
Other	607	(2,533)	1,279	(3,208)
Cash flow from operations	79,272	36,518	228,961	169,992
Net change in non-cash working capital balances related to operations	14,436	29,225	(71,872)	(46,777)
<b>Cash provided by operating activities</b>	<b>93,708</b>	<b>65,743</b>	<b>157,089</b>	<b>123,215</b>
<b>INVESTING ACTIVITIES</b>				
Additions to property, plant and equipment	(3,206)	(2,016)	(4,182)	(6,290)
Proceeds from sale of property	147	30	147	39
Net cash flows for intangibles, investments and other assets	(1,349)	1,316	(1,780)	30
<b>Cash used in investing activities</b>	<b>(4,408)</b>	<b>(670)</b>	<b>(5,815)</b>	<b>(6,221)</b>
<b>FINANCING ACTIVITIES</b>				
Decrease in bank loans	(61,119)	(38,295)	(94,636)	(86,969)
Shares repurchased under NCIB	—	(9,667)	—	(12,963)
Return of capital to non-controlling interest	—	—	(1,622)	—
Payments of lease liabilities	(3,999)	(4,163)	(7,966)	(8,047)
Equity funding by a non-controlling interest	2,126	3,277	2,126	5,411
Dividends paid	(12,499)	(12,648)	(24,996)	(25,366)
Dividends paid to non-controlling interest	(4,162)	(7,246)	(8,407)	(10,661)
Other	(362)	(2,122)	(2,451)	(2,509)
<b>Cash used in financing activities</b>	<b>(80,015)</b>	<b>(70,864)</b>	<b>(137,952)</b>	<b>(141,104)</b>
Net change in cash and cash equivalents during the period	9,285	(5,791)	13,322	(24,110)
Cash and cash equivalents, beginning of the period	49,937	64,249	45,900	82,568
<b>Cash and cash equivalents, end of the period</b>	<b>59,222</b>	<b>58,458</b>	<b>59,222</b>	<b>58,458</b>

**CORUS ENTERTAINMENT INC.**  
**BUSINESS SEGMENT INFORMATION**

(unaudited - in thousands of Canadian dollars)

**Three months ended February 28, 2021**

	Television	Radio	Corporate	Consolidated
Revenues	338,519	20,355	—	358,874
Direct cost of sales, general and administrative expenses	218,963	18,946	8,325	246,234
<b>Segment profit (loss)<sup>(1)</sup></b>	<b>119,556</b>	<b>1,409</b>	<b>(8,325)</b>	<b>112,640</b>
Depreciation and amortization				38,301
Interest expense				24,347
Integration, restructuring and other costs				2,988
Other income, net				(6,292)
<b>Income before income taxes</b>				<b>53,296</b>

Three months ended February 29, 2020

	Television	Radio	Corporate	Consolidated
Revenues	347,843	28,152	—	375,995
Direct cost of sales, general and administrative expenses	232,371	23,576	4,139	260,086
<b>Segment profit (loss)<sup>(1)</sup></b>	<b>115,472</b>	<b>4,576</b>	<b>(4,139)</b>	<b>115,909</b>
Depreciation and amortization				40,299
Interest expense				29,783
Integration, restructuring and other costs				10,024
Other expense, net				5,448
<b>Income before income taxes</b>				<b>30,355</b>

**Six months ended February 28, 2021**

	Television	Radio	Corporate	Consolidated
Revenues	730,621	48,608	—	779,229
Direct cost of sales, general and administrative expenses	431,500	40,058	16,424	487,982
<b>Segment profit (loss)<sup>(1)</sup></b>	<b>299,121</b>	<b>8,550</b>	<b>(16,424)</b>	<b>291,247</b>
Depreciation and amortization				76,288
Interest expense				49,083
Integration, restructuring and other costs				7,324
Other income, net				(6,857)
<b>Income before income taxes</b>				<b>165,409</b>

Six months ended February 29, 2020

	Television	Radio	Corporate	Consolidated
Revenues	777,794	66,079	—	843,873
Direct cost of sales, general and administrative expenses	483,704	49,475	10,670	543,849
<b>Segment profit (loss)<sup>(1)</sup></b>	<b>294,090</b>	<b>16,604</b>	<b>(10,670)</b>	<b>300,024</b>
Depreciation and amortization				80,266
Interest expense				58,606
Integration, restructuring and other costs				12,558
Other expense, net				3,385
<b>Income before income taxes</b>				<b>145,209</b>

<sup>(1)</sup> 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 Second Quarter 2021 Report to Shareholders.

## REVENUES BY TYPE

(unaudited - in thousands of Canadian dollars)	Three months ended		Six months ended	
	February 28, 2021	February 29, 2020	February 28, 2021	February 29, 2020
Advertising	205,006	225,860	478,078	548,269
Subscriber fees	124,211	123,750	247,912	247,419
Merchandising, distribution and other	29,657	26,385	53,239	48,185
	<b>358,874</b>	<b>375,995</b>	<b>779,229</b>	<b>843,873</b>

## NON-IFRS FINANCIAL MEASURES

(unaudited - in thousands of Canadian dollars, except per share amounts)	Three months ended		Six months ended	
	February 28, 2021	February 29, 2020	February 28, 2021	February 29, 2020
<b>Adjusted Net Income Attributable to Shareholders</b>	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
<b>Net income attributable to shareholders</b>	<b>35,300</b>	18,524	<b>111,964</b>	96,640
<b>Adjustments, net of income tax:</b>				
Integration, restructuring and other costs	2,196	7,376	5,383	9,240
<b>Adjusted net income attributable to shareholders</b>	<b>37,496</b>	25,900	<b>117,347</b>	105,880
<b>Basic earnings per share</b>	<b>\$0.17</b>	\$0.09	<b>\$0.54</b>	\$0.46
<b>Adjustments, net of income tax:</b>				
Integration, restructuring and other costs	\$0.01	\$0.03	\$0.02	\$0.04
<b>Adjusted basic earnings per share</b>	<b>\$0.18</b>	\$0.12	<b>\$0.56</b>	\$0.50

(unaudited - in thousands of Canadian dollars)	Three months ended		Six months ended	
	February 28, 2021	February 29, 2020	February 28, 2021	February 29, 2020
<b>Free Cash Flow</b>	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
Cash provided by (used in):				
Operating activities	93,708	65,743	157,089	123,215
Investing activities	(4,408)	(670)	(5,815)	(6,221)
	<b>89,300</b>	65,073	<b>151,274</b>	116,994
Add: cash used in business acquisitions and strategic investments <sup>(1)</sup>	390	—	790	1,127
<b>Free cash flow</b>	<b>89,690</b>	65,073	<b>152,064</b>	118,121

<sup>(1)</sup> Strategic investments are comprised of investments in venture funds and associated companies.

(unaudited - in thousands of Canadian dollars)	Six months ended	
	February 28, 2021	August 31, 2020
<b>Net Debt and Net Debt to Segment Profit</b>	<b>2021</b>	<b>2020</b>
Total bank loans, net of unamortized financing fees	1,413,707	1,506,089
Lease liabilities	146,985	148,580
Cash and cash equivalents	(59,222)	(45,900)
<b>Net debt</b>	<b>1,501,470</b>	1,608,769
Segment profit (denominator) <sup>(1)</sup>	497,062	505,839
<b>Net debt to segment profit</b>	<b>3.02</b>	3.18

<sup>(1)</sup> Reflects aggregate amounts for the most recent four quarters, as detailed in the table in the "Quarterly Consolidated Financial Information" section of the Second Quarter 2021 Report to Shareholders.