

## CORUS ENTERTAINMENT ANNOUNCES FISCAL 2022 THIRD QUARTER RESULTS

- Consolidated revenue increased 8% for the quarter and 6% year-to-date
- Consolidated segment profit<sup>(1)</sup> decreased 5% for the quarter and 8% year-to-date
- Consolidated segment profit margin<sup>(1)</sup> of 29% for the quarter and 31% year-to-date
- Net income attributable to shareholders of \$29.6 million (\$0.14 per share basic) for the quarter and \$122.0 million (\$0.59 per share basic) year-to-date
- Net debt to segment profit<sup>(1)</sup> of 2.76 times at May 31, 2022, consistent with 2.76 times at August 31, 2021
- Free cash flow<sup>(1)</sup> of \$27.5 million for the quarter and \$194.9 million year-to-date

**TORONTO, June 29, 2022 – Corus Entertainment Inc.** (TSX: CJR.B) announced its third quarter financial results today.

“Our portfolio of businesses is producing growth on all fronts, delivering strong consolidated revenue gains for the fifth consecutive quarter,” said Doug Murphy, President and Chief Executive Officer. “The diversity and resiliency of our business is evident with these results, as we benefit from multiple revenue initiatives including organic investments to further expand our digital business, grow our streaming product offering and build out our original content slate in pursuit of international content licensing opportunities. We have unveiled yet another strong fall schedule that once again secures our foothold as Canada’s home of leading entertainment and lifestyle programming.”

### Financial Highlights

(in thousands of Canadian dollars except per share amounts)	Three months ended			Nine months ended		
	2022	May 31, 2021	% Change	2022	May 31, 2021	% Change
<b>Revenue</b>						
Television	404,130	379,822	6%	1,178,538	1,110,443	6%
Radio	29,328	23,177	27%	80,454	71,785	12%
	433,458	402,999	8%	1,258,992	1,182,228	6%
<b>Segment profit (loss)<sup>(1)</sup></b>						
Television <sup>(2) (3)</sup>	127,518	140,012	(9%)	399,127	439,133	(9%)
Radio <sup>(2) (3)</sup>	5,667	1,285	341%	11,538	9,835	17%
Corporate <sup>(2)</sup>	(9,457)	(10,626)	(11%)	(23,211)	(27,050)	(14%)
	123,728	130,671	(5%)	387,454	421,918	(8%)
<b>Segment profit margin<sup>(1)</sup></b>						
Television	32%	37%		34%	40%	
Radio	19%	6%		14%	14%	
Consolidated	29%	32%		31%	36%	
Net income attributable to shareholders	29,621	40,666	(27%)	122,007	152,630	(20%)
Basic earnings per share	\$0.14	\$0.20		\$0.59	\$0.73	
Diluted earnings per share	\$0.14	\$0.19		\$0.59	\$0.73	
<b>Free cash flow<sup>(1)</sup></b>	27,468	64,702	(58%)	194,872	216,766	(10%)

<sup>(1)</sup> In addition to disclosing results in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”), the Company also provides supplementary non-IFRS measures as a method of evaluating the Company’s performance and to provide a better understanding of how management views the Company’s performance. These non-IFRS or non-GAAP measures include: segment profit (loss), segment profit margin, free cash flow, net debt to segment profit, optimized advertising revenue and new platform revenue. These are not measurements in accordance with IFRS and should not be considered as an alternative to any other measure of performance under IFRS. Please see additional discussion and reconciliations under the Key Performance Indicators and Non-GAAP Financial Measures section of the Company’s Third Quarter 2022 Report to Shareholders.

<sup>(2)</sup> No claims for the Canada Emergency Wage Subsidy (“CEWS”) have been made in fiscal 2022. In the prior year, segment profit for the quarter included \$4.5 million (Television: \$3.9 million; Radio: \$0.6 million) and \$12.6 million year-to-date (Television: \$10.0 million; Radio: \$1.7 million; Corporate: \$0.9 million) of CEWS.

<sup>(3)</sup> In the prior year, segment profit included relief on regulatory fees. As a result, CRTC part I and II fees have increased by \$1.0 million (Television: \$0.9 million; Radio: \$0.1 million) in the quarter and by \$9.4 million year-to-date (Television: \$8.6 million; Radio: \$0.8 million) compared to the same prior year periods.

## Segment Revenue

(in thousands of Canadian dollars)	Three months ended			Nine months ended		
	2022	May 31, 2021	% Change	2022	May 31, 2021	% Change
<b>Revenue</b>						
<b>Television</b>	<b>404,130</b>	379,822	6%	<b>1,178,538</b>	1,110,443	6%
Advertising	<b>237,993</b>	233,181	2%	<b>707,725</b>	665,260	6%
Subscriber	<b>130,410</b>	124,402	5%	<b>390,768</b>	372,314	5%
Merchandising, distribution and other	<b>35,727</b>	22,239	61%	<b>80,045</b>	72,869	10%
<b>Radio</b>	<b>29,328</b>	23,177	27%	<b>80,454</b>	71,785	12%
<b>Total Revenue</b>	<b>433,458</b>	402,999	8%	<b>1,258,992</b>	1,182,228	6%
<i>Optimized advertising revenue<sup>(1)</sup></i>	<b>47%</b>	38%	29%	<b>42%</b>	30%	45%
<i>New platform revenue<sup>(1)</sup></i>	<b>11%</b>	8%	40%	<b>10%</b>	8%	40%

<sup>(1)</sup> Optimized advertising revenue and new platform revenue do not have standardized meanings prescribed by IFRS. For definitions and explanations, see the discussion under the Key Performance Indicators and Non-GAAP Financial Measures section of the Third Quarter 2022 Report to Shareholders.

## Operational Highlights

The Company advanced its Strategic Priorities on multiple fronts. Corus expanded its digital and traditional video advertising offerings; unveiled its extensive 2022/2023 programming lineup for Global TV and Corus' portfolio of Specialty Networks, announced its 2022/2023 original content production slate and international sales were secured through Corus' content business. The Company advanced its capital allocation priorities through investments in the business to support future growth opportunities, maintaining dividends, bank debt repayments, and share repurchases.

- The Company's Corus Studios announced its largest U.S. output deal ever with streaming platform Hulu. This new multi-year agreement consists of over 400 episodes of lifestyle, renovation, unscripted and crime content from Corus Studios, building on the previously announced sale to Hulu of 200+ episodes last year.
- The Company and Paramount Global announced that Pluto TV, the world's leading FAST (free ad-supported streaming television) service, will launch in Canada this fall. Pluto TV will encompass more than 100 unique, curated channels and over 20,000 hours of content, offering a full spectrum of free programming including drama, comedy, lifestyle, kids, movies, around-the-clock news, and more. Corus will act as advertising sales representative in Canada and provide multiple Canadian channels to the service.
- The Company announced more than 200 additional hours of Canadian original content across its portfolio of networks. The lineup of premium original content for 2022/2023 includes 45 greenlights and renewals, and more than 600 episodes. *Departure* and *Family Law* will return to the Global TV schedule while the Corus Studios slate for 2022/2023 includes 24 titles, with returning hits *Island of Bryan* and *Scott's Vacation House Rules* plus new series *Pamela's Garden of Eden* and *Renovation Resort*.
- The Company's Global TV unveiled its extensive 2022/2023 programming lineup, featuring returning top hits *Survivor*, *9-1-1* and *CSI: Vegas*, and new series *Fire Country*, *Monarch* and *So Help Me Todd*.

## Financial Highlights

- Free cash flow<sup>(1)</sup> of \$27.5 million in Q3 and \$194.9 million year-to-date compared to \$64.7 million and \$216.8 million year-to-date, respectively, in the same comparable prior year periods. The decrease in free cash flow in the third quarter is attributable to a decrease in cash provided by operating activities of \$37.5 million. The decrease in free cash flow for the nine months ended May 31, 2022 is mainly attributable to a decrease in cash provided by operating activities of \$63.4 million, offset by a \$43.5 million venture fund distribution.
- Net debt to segment profit<sup>(1)</sup> was 2.76 times at May 31, 2022, up from 2.70 at February 28, 2022, but consistent with August 31, 2021. Although net debt decreased from the repayment of bank loans, partially offset by the issuance of Senior Unsecured Notes due 2030 and production financing for an acquired subsidiary, the main driver to the increase in this ratio is the decrease of segment profit<sup>(1)</sup> for the most recent four quarters.
- In the third quarter, the Company purchased 4,018,000 of its Class B Non-Voting Participating Shares under a normal course issuer bid at an average acquisition price of \$4.29.
- As of May 31, 2022, the Company had \$51.7 million of cash and cash equivalents and the committed \$300.0 million Revolving Facility that remains undrawn.

<sup>(1)</sup> Free cash flow, net debt to segment profit and 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 and Non-GAAP Measures* section of the Third Quarter 2022 Report to Shareholders and/or Management's Discussion and Analysis in the Company's Annual Report for the year ended August 31, 2021.

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, 2022 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 and under the Company's SEDAR profile at [www.sedar.com](http://www.sedar.com).

A conference call with Corus senior management is scheduled for June 29, 2022 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 1.647.484.0477 and for North America is 1.800.289.0571. 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**

Many provinces and territories have lifted many of the health restrictions related to COVID-19, which has led to a phased return to on-site work across various sectors. However, disruptions caused by prior imposition or removal of public health restrictions, public sentiment about the pandemic and continuing COVID-19 infection rates, including labour shortages, employee absenteeism at the Company or its clients and suppliers, changes in consumer demand, and supply chain shortages or disruptions, particularly in the retail, tourism and entertainment sectors, can negatively impact the Company's operations and financial performance, including advertising demand and revenue. There can be no certainty that current vaccination and public health measures can mitigate negative impacts caused by the COVID-19 pandemic on the Company's business in the short to medium term.

### **Other Economic and Market Conditions**

As discussed further in the 2021 MD&A under the heading "Economic Conditions", the Company's operating performance is affected by general Canadian and worldwide economic conditions. Changes or volatility in domestic or international economic conditions, economic uncertainty or geopolitical conflict and tensions, may affect discretionary consumer and business spending, resulting in increased or decreased demand for Corus' product offerings. In addition, elevated consumer price index inflation driven by sharp increases in energy and food prices as well as supply disruptions and strong demand for goods can also affect the Company's business operations and financial performance. All of the foregoing factors may adversely affect the Company through disruption to supply chains, increased costs of labour or disruption to availability of labour, related reduced advertising demand or spending, or lower demand for the Company's products and services, all of which may lead to decreased revenue or profitability. Finally, in all cases, the Company's business and financial condition are subject to audience and consumer acceptance of Corus' brands, programming and talent.

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

This press release includes the non-GAAP or non-IFRS financial measures of segment profit, segment profit margin, free cash flow, adjusted net income, adjusted basic earnings per share, net debt to segment profit, optimized advertising revenue, and new platform revenue that are not in accordance with, nor an alternate to, generally accepted accounting principles ("GAAP") and may be different from non-GAAP or non-IFRS measures used by other companies. In addition, these non-GAAP measures are not based on any comprehensive set of accounting rules or principles.

Non-GAAP 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-GAAP financial measures are meant to supplement, and to be viewed in conjunction with, IFRS financial results. A reconciliation of the Company's non-GAAP measures is included in the Company's most recent Report to Shareholders for the three and nine months ended May 31, 2022, 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"). This forward-looking information relates to, among other things, the Company's objectives, goals, strategies, targets, intentions, plans, estimates and outlook, including the adoption and anticipated impact of the Company's strategic plan, advertising and expectations of advertising trends for fiscal 2022, distribution, merchandise and subscription revenue, the Company's dividend policy and the payment of future dividends; the Company's leverage target; the Company's proposed share purchases, including the number of Class B non-voting shares to be repurchased under its normal course issuer bid, if any, and timing thereof; the Company's ability to manage retention and reputation risks related to its on-air talent; expectations regarding financial performance including capital allocation strategy and capital structure management, 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" or the negative of these terms 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 including the potential impact of new competition and industry mergers and acquisitions, interest rates, stability of the advertising, distribution, merchandise and subscription markets, operating and capital costs and tariffs, taxes and fees, the Company's ability to source desirable content and the Company's capital and operating results being consistent with the Company's 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: the Company's ability to attract and retain advertising revenue; audience acceptance of the Company's television programs and cable networks; the Company's ability to recoup production costs; the availability of tax credits and the existence of co-production treaties; the Company's ability to compete in any of the industries in which it does business; the opportunities (or lack thereof) that may be presented to and pursued by the Company; 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; the Company's*

ability to integrate and realize anticipated benefits from its acquisitions and to effectively manage its growth; the Company's ability to successfully defend itself against litigation matters and complaints; failure to meet covenants under the Company's senior credit facility, senior unsecured notes or other instruments or facilities; 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 Company's Management's Discussion and Analysis for the year ended August 31, 2021 and under the heading "Risk Factors" in the Company's Annual Information Form for the year ended August 31, 2021. Corus cautions that the foregoing list of important assumptions and factors that may affect future results is not exhaustive. When relying on the Company's 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, Magnolia Network Canada, The HISTORY® Channel, 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).

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

(unaudited - in thousands of Canadian dollars)	As at May 31, 2022	As at August 31, 2021
<b>ASSETS</b>		
<b>Current</b>		
Cash and cash equivalents	51,693	43,685
Accounts receivable	412,801	325,587
Income taxes recoverable	—	5,597
Prepaid expenses and other assets	22,105	24,106
<b>Total current assets</b>	<b>486,599</b>	<b>398,975</b>
Tax credits receivable	37,345	24,501
Investments and other assets	68,593	98,667
Property, plant and equipment	294,605	316,226
Program rights	699,451	576,076
Film investments	55,665	39,732
Intangibles	1,647,820	1,687,432
Goodwill	666,308	664,958
Deferred income tax assets	50,471	50,050
	<b>4,006,857</b>	<b>3,856,617</b>
<b>LIABILITIES AND EQUITY</b>		
<b>Current</b>		
Accounts payable and accrued liabilities	612,460	509,817
Current portion of long-term debt	10,811	35,328
Provisions	7,368	7,202
Income taxes payable	101	—
<b>Total current liabilities</b>	<b>630,740</b>	<b>552,347</b>
Long-term debt	1,257,184	1,313,965
Other long-term liabilities	393,922	331,482
Provisions	8,969	9,497
Deferred income tax liabilities	419,192	428,963
<b>Total liabilities</b>	<b>2,710,007</b>	<b>2,636,254</b>
<b>EQUITY</b>		
Share capital	790,831	816,189
Contributed surplus	1,510,198	1,512,431
Accumulated deficit	(1,192,931)	(1,282,897)
Accumulated other comprehensive income	31,877	21,811
<b>Total equity attributable to shareholders</b>	<b>1,139,975</b>	<b>1,067,534</b>
Equity attributable to non-controlling interest	156,875	152,829
<b>Total equity</b>	<b>1,296,850</b>	<b>1,220,363</b>
	<b>4,006,857</b>	<b>3,856,617</b>

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

	Three months ended		Nine months ended	
		May 31,		May 31,
(unaudited - in thousands of Canadian dollars except per share amounts)	2022	2021	2022	2021
Revenue	433,458	402,999	1,258,992	1,182,228
Direct cost of sales, general and administrative expenses	309,730	272,328	871,538	760,310
Depreciation and amortization	39,952	38,117	117,080	114,405
Interest expense	28,514	26,807	79,795	75,890
Debt refinancing	(3,830)	3,408	(3,428)	3,408
Restructuring and other costs	4,169	1,561	6,223	8,885
Other expense (income), net	10,795	(4,755)	7,592	(11,612)
Income before income taxes	44,128	65,533	180,192	230,942
Income tax expense	11,136	17,258	46,323	60,222
<b>Net income for the period</b>	<b>32,992</b>	<b>48,275</b>	<b>133,869</b>	<b>170,720</b>
<b>Other comprehensive income, net of income taxes:</b>				
<b>Items that may be reclassified subsequently to income:</b>				
Unrealized change in fair value of cash flow hedges	1,506	4,611	5,007	9,640
Unrealized foreign currency translation adjustment	8	(1,295)	40	(1,707)
	1,514	3,316	5,047	7,933
<b>Items that will not be reclassified to income:</b>				
Unrealized change in fair value of financial assets	(5,649)	18,055	5,019	16,468
Actuarial gain on post-retirement benefit plans	4,467	4,171	6,927	13,900
	(1,182)	22,226	11,946	30,368
Other comprehensive income, net of income taxes	332	25,542	16,993	38,301
<b>Comprehensive income for the period</b>	<b>33,324</b>	<b>73,817</b>	<b>150,862</b>	<b>209,021</b>
<b>Net income attributable to:</b>				
Shareholders	29,621	40,666	122,007	152,630
Non-controlling interest	3,371	7,609	11,862	18,090
	32,992	48,275	133,869	170,720
<b>Comprehensive income attributable to:</b>				
Shareholders	29,953	66,208	139,000	190,931
Non-controlling interest	3,371	7,609	11,862	18,090
	33,324	73,817	150,862	209,021
<b>Earnings per share attributable to shareholders:</b>				
Basic	\$0.14	\$0.20	\$0.59	\$0.73
Diluted	\$0.14	\$0.19	\$0.59	\$0.73

**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	Total equity attributable to shareholders	Non-controlling interest	Total equity
As at August 31, 2021	816,189	1,512,431	(1,282,897)	21,811	1,067,534	152,829	1,220,363
Comprehensive income	—	—	122,007	16,993	139,000	11,862	150,862
Dividends declared	—	—	(37,411)	—	(37,411)	(14,145)	(51,556)
Business acquisition	—	—	—	—	—	864	864
Change in fair value of put option liability arising from business acquisition	—	—	(1,557)	—	(1,557)	(254)	(1,811)
Shares repurchased under normal course issuer bid ("NCIB")	(21,127)	(2,852)	—	—	(23,979)	—	(23,979)
Share repurchase commitment under NCIB	(4,231)	(316)	—	—	(4,547)	—	(4,547)
Actuarial gain on post-retirement benefit plans	—	—	6,927	(6,927)	—	—	—
Share-based compensation expense	—	935	—	—	935	—	935
Equity funding by a non-controlling interest	—	—	—	—	—	5,719	5,719
<b>As at May 31, 2022</b>	<b>790,831</b>	<b>1,510,198</b>	<b>(1,192,931)</b>	<b>31,877</b>	<b>1,139,975</b>	<b>156,875</b>	<b>1,296,850</b>

(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	—	—	152,630	38,301	190,931	18,090	209,021
Dividends declared	—	—	(37,493)	—	(37,493)	(11,543)	(49,036)
Actuarial gain on post-retirement benefit plans	—	—	13,900	(13,900)	—	—	—
Share-based compensation expense	—	830	—	—	830	—	830
Return of capital to non-controlling interest	—	—	—	—	—	(1,622)	(1,622)
Equity funding by a non-controlling interest	—	—	—	—	—	2,126	2,126
Reallocation of equity interest	—	—	617	—	617	(617)	—
As at May 31, 2021	816,189	1,512,155	(1,295,778)	22,143	1,054,709	155,029	1,209,738

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

	Three months ended		Nine months ended	
		<b>May 31,</b>		<b>May 31,</b>
(unaudited - in thousands of Canadian dollars)	<b>2022</b>	2021	<b>2022</b>	2021
<b>OPERATING ACTIVITIES</b>				
Net income for the period	<b>32,992</b>	48,275	<b>133,869</b>	170,720
Adjustments to reconcile net income to cash flow from operations:				
Amortization of program rights	<b>150,093</b>	139,301	<b>426,213</b>	375,161
Amortization of film investments	<b>12,051</b>	2,980	<b>19,135</b>	9,900
Depreciation and amortization	<b>39,952</b>	38,117	<b>117,080</b>	114,405
Deferred income tax recovery	<b>(4,861)</b>	(6,419)	<b>(7,342)</b>	(22,656)
Share-based compensation expense	<b>324</b>	269	<b>935</b>	830
Imputed interest	<b>11,827</b>	10,710	<b>34,967</b>	32,753
Debt refinancing	<b>(3,830)</b>	3,408	<b>(3,428)</b>	3,408
Payment of program rights	<b>(173,366)</b>	(169,787)	<b>(403,574)</b>	(372,044)
Net spend on film investments	<b>(11,803)</b>	(4,013)	<b>(39,397)</b>	(21,319)
CRTC benefit payments	—	—	—	(635)
Other	<b>10,882</b>	(599)	<b>5,826</b>	680
Cash flow from operations	<b>64,261</b>	62,242	<b>284,284</b>	291,203
Net change in non-cash working capital balances related to operations	<b>(34,463)</b>	5,071	<b>(123,284)</b>	(66,801)
<b>Cash provided by operating activities</b>	<b>29,798</b>	67,313	<b>161,000</b>	224,402
<b>INVESTING ACTIVITIES</b>				
Additions to property, plant and equipment	<b>(2,819)</b>	(2,002)	<b>(8,866)</b>	(6,184)
Proceeds from sale of property	—	172	<b>125</b>	319
Business combination, net of cash acquired	—	—	<b>3,606</b>	—
Venture fund distribution	—	—	<b>43,478</b>	—
Net cash flows for intangibles, investments and other assets	<b>489</b>	(732)	<b>(1,729)</b>	(2,512)
<b>Cash provided by (used in) investing activities</b>	<b>(2,330)</b>	(2,562)	<b>36,614</b>	(8,377)
<b>FINANCING ACTIVITIES</b>				
Decrease in bank loans	<b>(27,872)</b>	(507,527)	<b>(347,630)</b>	(602,163)
Financing fees	<b>(1,492)</b>	(12,119)	<b>(5,892)</b>	(12,119)
Issuance of senior unsecured notes	—	500,000	<b>250,000</b>	500,000
Share repurchase under NCIB	<b>(17,231)</b>	—	<b>(23,081)</b>	—
Return of capital to non-controlling interest	—	—	—	(1,622)
Equity funding by a non-controlling interest	—	—	<b>3,742</b>	2,126
Payment of lease liabilities	<b>(4,441)</b>	(4,170)	<b>(12,609)</b>	(12,136)
Dividends paid	<b>(12,415)</b>	(12,497)	<b>(37,411)</b>	(37,493)
Dividends paid to non-controlling interest	<b>(7,520)</b>	(3,136)	<b>(14,145)</b>	(11,543)
Other	<b>(254)</b>	(406)	<b>(2,580)</b>	(2,857)
<b>Cash used in financing activities</b>	<b>(71,225)</b>	(39,855)	<b>(189,606)</b>	(177,807)
Net change in cash and cash equivalents during the period	<b>(43,757)</b>	24,896	<b>8,008</b>	38,218
Cash and cash equivalents, beginning of the period	<b>95,450</b>	59,222	<b>43,685</b>	45,900
<b>Cash and cash equivalents, end of the period</b>	<b>51,693</b>	84,118	<b>51,693</b>	84,118



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

(unaudited - in thousands of Canadian dollars)

**Three months ended May 31, 2022**

	Television	Radio	Corporate	Consolidated
Revenue	404,130	29,328	—	433,458
Direct cost of sales, general and administrative expenses	276,612	23,661	9,457	309,730
<b>Segment profit (loss)<sup>(1)</sup></b>	<b>127,518</b>	<b>5,667</b>	<b>(9,457)</b>	<b>123,728</b>
Depreciation and amortization				39,952
Interest expense				28,514
Debt refinancing				(3,830)
Restructuring and other costs				4,169
Other expense, net				10,795
<b>Income before income taxes</b>				<b>44,128</b>

Three months ended May 31, 2021

	Television	Radio	Corporate	Consolidated
Revenue	379,822	23,177	—	402,999
Direct cost of sales, general and administrative expenses	239,810	21,892	10,626	272,328
<b>Segment profit (loss)<sup>(1)</sup></b>	<b>140,012</b>	<b>1,285</b>	<b>(10,626)</b>	<b>130,671</b>
Depreciation and amortization				38,117
Interest expense				26,807
Debt refinancing				3,408
Restructuring and other costs				1,561
Other income, net				(4,755)
<b>Income before income taxes</b>				<b>65,533</b>

**Nine months ended May 31, 2022**

	Television	Radio	Corporate	Consolidated
Revenue	1,178,538	80,454	—	1,258,992
Direct cost of sales, general and administrative expenses	779,411	68,916	23,211	871,538
<b>Segment profit (loss)<sup>(1)</sup></b>	<b>399,127</b>	<b>11,538</b>	<b>(23,211)</b>	<b>387,454</b>
Depreciation and amortization				117,080
Interest expense				79,795
Debt refinancing				(3,428)
Restructuring and other costs				6,223
Other expense, net				7,592
<b>Income before income taxes</b>				<b>180,192</b>

Nine months ended May 31, 2021

	Television	Radio	Corporate	Consolidated
Revenue	1,110,443	71,785	—	1,182,228
Direct cost of sales, general and administrative expenses	671,310	61,950	27,050	760,310
<b>Segment profit (loss)<sup>(1)</sup></b>	<b>439,133</b>	<b>9,835</b>	<b>(27,050)</b>	<b>421,918</b>
Depreciation and amortization				114,405
Interest expense				75,890
Debt refinancing				3,408
Restructuring and other costs				8,885
Other income, net				(11,612)
<b>Income before income taxes</b>				<b>230,942</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 Third Quarter 2022 Report to Shareholders.

## REVENUE BY TYPE

(unaudited - in thousands of Canadian dollars)	Three months ended		Nine months ended	
	2022	May 31, 2021	2022	May 31, 2021
Advertising	265,915	255,082	784,228	733,160
Subscriber	130,410	124,402	390,768	372,314
Merchandising, distribution and other	37,133	23,515	83,996	76,754
	433,458	402,999	1,258,992	1,182,228

## NON-GAAP FINANCIAL MEASURES

(unaudited - in thousands of Canadian dollars, except percentages)	Three months ended			Nine months ended		
	2022	May 31, 2021	% Change	2022	May 31, 2021	% Change
<b>Optimized advertising revenue</b>						
Optimized advertising revenue (numerator)	112,677	87,496	29%	294,880	202,739	45%
Television advertising revenue (denominator)	237,993	233,181	2%	707,725	665,260	6%
<b>Optimized advertising revenue percentage</b>	47%	38%		42%	30%	

(unaudited - in thousands of Canadian dollars, except percentages)	Three months ended			Nine months ended		
	2022	May 31, 2021	% Change	2022	May 31, 2021	% Change
<b>New platform revenue</b>						
New platform revenue (numerator)	40,992	29,199	40%	109,223	77,842	40%
Television advertising revenue	237,993	233,181	2%	707,725	665,260	6%
Television subscriber revenue	130,410	124,402	5%	390,768	372,314	5%
Total Television advertising and subscriber revenue (denominator)	368,403	357,583	3%	1,098,493	1,037,574	6%
<b>New platform revenue percentage</b>	11%	8%		10%	8%	

(unaudited - in thousands of Canadian dollars)	Three months ended		Nine months ended	
	2022	May 31, 2021	2022	May 31, 2021
<b>Free Cash Flow</b>				
Cash provided by (used in):				
Operating activities	29,798	67,313	161,000	224,402
Investing activities	(2,330)	(2,562)	36,614	(8,377)
	27,468	64,751	197,614	216,025
Add: cash used in (provided by) business acquisitions and strategic investments <sup>(1)</sup>	—	(49)	(2,742)	741
<b>Free cash flow</b>	27,468	64,702	194,872	216,766

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

(unaudited - in thousands of Canadian dollars)	Nine months ended	
	May 31, 2022	August 31, 2021
<b>Net Debt and Net Debt to Segment Profit</b>		
Total debt, net of unamortized financing fees and prepayment options	1,267,995	1,349,293
Lease liabilities	136,722	143,546
Cash and cash equivalents	(51,693)	(43,685)
<b>Net debt (numerator)</b>	1,353,024	1,449,154
Segment profit (denominator) <sup>(1)</sup>	490,154	524,618
<b>Net debt to segment profit</b>	2.76	2.76

<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 Third Quarter 2022 Report to Shareholders.