

CORUS ENTERTAINMENT ANNOUNCES FISCAL 2023 SECOND QUARTER RESULTS

- Consolidated revenue decreased 5% for the quarter and 6% for the year-to-date
- Consolidated segment profit⁽¹⁾ decreased 32% for the quarter and 28% for the year-to-date
- Consolidated segment profit margin⁽¹⁾ of 17% for the quarter and 25% for the year-to-date
- Net loss attributable to shareholders of \$15.5 million (\$0.08 loss per share basic) for the quarter and net income attributable to shareholders of \$15.9 million (\$0.08 per share basic) for the year-to-date
- Net debt to segment profit⁽¹⁾ of 3.59 times at February 28, 2023, up from 3.02 times at August 31, 2022
- Free cash flow⁽¹⁾ of \$28.4 million for the quarter and \$49.2 million for the year-to-date

TORONTO, April 13, 2023 – Corus Entertainment Inc. (TSX: CJR.B) announced its second quarter financial results today.

“Our second quarter results reflect the impact of current global advertising market conditions on advertising revenue, partially offset by significant growth in our owned content business,” said Doug Murphy, President and Chief Executive Officer. “The ongoing actions we are taking to expand our premium digital video business, with the concurrent expansion of cross-platform monetization capabilities and prudent content investments, are advancing our strategic plan for future profitable growth. We are streamlining our operating model, balancing the near-term realities of current macroeconomic headwinds with long-term value creation as we optimize our asset base. The recent changes to our financial priorities reinforce our commitment to responsible capital allocation while positioning Corus to emerge in a position of strength when the advertising economy recovers.”

Financial Highlights

(in thousands of Canadian dollars except per share amounts)	Three months ended			Six months ended		
	February 28, 2023	February 28, 2022	% Change	February 28, 2023	February 28, 2022	% Change
Revenue						
Television	321,548	339,661	(5%)	723,077	774,408	(7%)
Radio	22,323	22,000	1%	51,985	51,126	2%
	343,871	361,661	(5%)	775,062	825,534	(6%)
Segment profit (loss)⁽¹⁾						
Television	63,019	92,723	(32%)	194,778	271,609	(28%)
Radio	350	125	180%	6,372	5,871	9%
Corporate	(4,234)	(6,292)	33%	(10,323)	(13,754)	25%
	59,135	86,556	(32%)	190,827	263,726	(28%)
Segment profit margin⁽¹⁾						
Television	20%	27%		27%	35%	
Radio	2%	1%		12%	11%	
Consolidated	17%	24%		25%	32%	
Net income (loss) attributable to shareholders	(15,450)	16,221	(195%)	15,937	92,386	(83%)
Basic earnings (loss) per share	(\$0.08)	\$0.08		\$0.08	\$0.44	
Diluted earnings (loss) per share	(\$0.08)	\$0.08		\$0.08	\$0.44	
Free cash flow⁽¹⁾	28,397	88,417	(68%)	49,207	168,404	(71%)

⁽¹⁾ 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 can 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 Second Quarter 2023 Report to Shareholders.

Segment Revenue

(in thousands of Canadian dollars)	Three months ended			Six months ended		
	February 28, 2023	February 28, 2022	% Change	February 28, 2023	February 28, 2022	% Change
Revenue						
Television	321,548	339,661	(5%)	723,077	774,408	(7%)
Advertising	169,124	184,695	(8%)	421,637	469,732	(10%)
Subscriber	124,051	132,823	(7%)	251,566	260,358	(3%)
Distribution, production and other	28,373	22,143	28%	49,874	44,318	13%
Radio	22,323	22,000	1%	51,985	51,126	2%
Total Revenue	343,871	361,661	(5%)	775,062	825,534	(6%)
<i>Optimized advertising revenue⁽¹⁾</i>	52%	42%	14%	53%	39%	24%
<i>New platform revenue⁽¹⁾</i>	12%	10%	4%	11%	9%	8%

⁽¹⁾ 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 Second Quarter 2023 Report to Shareholders.

Operational Highlights

Corus advanced its strategic priorities on multiple fronts. The Company expanded its premium digital video offerings for subscribers and advertisers, evolved its Kids channel portfolio and announced new greenlights for its lifestyle and factual reality content slate. An updated capital allocation policy was adopted and the Company advanced its capital allocation priorities through investments in the business to support future growth opportunities while continuing to navigate an uncertain macroeconomic environment.

- **Global TV App adds two premium networks, Freeplay section.** Magnolia Network Canada and Lifetime are now available on the Global TV App, offering over 500 episodes and more than 300 hours of content to users with a subscription to these networks through their cable package. The Global TV App also introduced Freeplay – an all-new section available across Global TV App platforms where users can watch thousands of hours of free ad-supported content from over 100 shows and over 75 movies.
- **Kids channel portfolio evolves with launch of two rebranded kids' networks.** TELETOON was rebranded as Cartoon Network on linear platforms and STACKTV beginning March 27, 2023. In addition, Corus introduced a new kids' television channel, relaunching the prior Cartoon Network as Boomerang. Alongside the recent launch of multi-platform kids' streaming service TELETOON+, these rebrands modernize and expand Corus' catalogue of kids' entertainment across its portfolio.
- **Corus Studios Announces Recent Sales and New Series.** Corus Studios sold over 200 hours of content during Q2 of fiscal 2023, including interconnected movies *The Love Club* (4x120) to Hallmark Channel U.S. and three series to Hulu in the U.S. Titles debuting for sale in the international market include Pamela Anderson's new series *Pamela's Cooking With Love* (working title) (8x60), *Renovation Resort* (7x60) starring Bryan Baeumler and Scott McGillivray, and Bryan Baeumlers' new series *Bryan's All In* (10x60).

Financial Highlights

- Effective March 31, 2023, Corus' annual dividend rate was reduced to \$0.12 per Class B Share and \$0.115 per Class A Share. This redeployment of capital from dividends is expected to be directed to debt repayment. In addition, a revised dividend payment schedule was adopted with expected quarterly payment dates shifting to August, November, February and May (from June, September, December and March), with any such dividend declarations being subject to Board approval.
- Free cash flow⁽¹⁾ of \$28.4 million in Q2 and \$49.2 million year-to-date compared to \$88.4 million and \$168.4 million year-to-date, respectively, in the same comparable prior year periods. The decrease in free cash flow⁽¹⁾ for the second quarter is attributable to a decrease in cash provided by operating activities of \$61.6 million. The decrease in free cash flow⁽¹⁾ for the six months ended February 28, 2023 is mainly attributable to a decrease in cash provided by operating activities of \$75.7 million and cash provided by investing activities in the prior year's six months ended February 28, 2022, related to a \$43.5 million non-recurring venture fund distribution.
- Net debt to segment profit⁽¹⁾ was 3.59 times at February 28, 2023, up from 3.02 times at August 31, 2022. The main driver of the increase in this ratio is the decrease of segment profit⁽¹⁾ for the most recent four quarters.
- As of February 28, 2023, the Company had \$57.9 million of cash and cash equivalents and approximately \$300.0 million available under its Revolving Facility, \$241.6 million of which could be drawn.

⁽¹⁾ 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 Financial Measures* section of the Second Quarter 2023 Report to Shareholders and/or Management's Discussion and Analysis in the Company's Annual Report for the year ended August 31, 2022 ("2022 MD&A").

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, 2023 and Management's Discussion and Analysis are available on the Company's website at www.corusent.com in the Investor Relations section and under the Company's SEDAR profile at www.sedar.com.

A conference call with Corus senior management is scheduled for April 13, 2023 at 8:00 a.m. ET. While this call is directed at analysts and investors, members of the media are welcome to listen in. To instantly join the conference call by phone, please use the following URL to easily register and be connected to the conference call automatically: <https://bit.ly/3zhNlds> You can also dial direct to be entered into the call by an Operator. The dial-in number for the conference call for local and international callers is 1.647.484.0475 and for North America is 1.888.256.1007. This call will be archived and available for replay in the Investor Relations section of the

Corus website beginning **April 13, 2023, at 11a.m.ET** or accessible by telephone until April 20, 2023, at 1.888.203.1112 (toll-free North America) or 647.436.0148 (local or international), using replay code 9635047#. More information can be found on the Corus Entertainment website at www.corusent.com in the Investor Relations section.

Risks and Uncertainties

Significant risks and uncertainties affecting the Company and its business are discussed under the heading "Risks and Uncertainties" and "Seasonal Fluctuations" in the 2022 MD&A, as filed at www.sedar.com on October 24, 2022.

As discussed further in the 2022 MD&A, 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, including current ongoing factors that can create or exacerbate recessionary conditions, may affect discretionary consumer and business spending, including on advertising and marketing, resulting in changes to demand for Corus' product and services offerings. In addition, the continued elevated consumer price index inflation also affects the Company's business, operations and financial performance through disruption to supply chains, increased costs of programming, services and labour or disruption to availability of labour, 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.

Other financial risks which may be related to or elevated by the foregoing include leverage risk related to the Company's financial covenants and debt servicing payments, requirements and compliance under its credit facility, and impacts thereof; the volatility of the market price for the Company's Class B Non-Voting Shares, which can be impacted by factors beyond the Company's control and which can decline even if the Company's operating results, underlying asset values or prospects have not changed; and risks related to the payment, amount or timing of dividends. Please see the 2022 MD&A for a full discussion of these and other risks and uncertainties.

Outlook

Currently, the Company expects its year over year Television advertising revenue in the third quarter will be relatively consistent with the year over year performance in the first quarter of fiscal 2023, given continuing macroeconomic and other risk factors described above and in the 2022 MD&A. While the Company continues to expect improvement in the macro-environment over the medium term, visibility continues to be limited at this time.

The Company recently updated its Capital Allocation Policy, in light of the foregoing as well as considering the continuing low visibility into the macroeconomic environment and, in addition to continuing to take rigorous cost reduction measures, the Company believes it is prudent to conserve cash out of an abundance of caution. Updates to the Capital Allocation Policy include the non-renewal of the Company's share buyback program when it expired on January 16, 2023 and a reduction in its annual dividend rates effective March 31, 2023. The Company expects this redeployment of capital to be directed to debt repayment.

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, net debt to segment profit, as well as supplementary financial measures not presented in the financial statements such as optimized advertising revenue, and new platform revenue. Non-GAAP or non-IFRS measures 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 six months ended February 28, 2023, 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 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 2023, subscriber revenue and anticipated subscription trends, distribution, production and other revenue, the Company's dividend policy and the payment of future dividends; the Company's leverage target; 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 negatives 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 impact of recessionary conditions and continuing supply chain constraints; the potential impact of new competition and industry mergers and acquisitions; changes to

applicable tax, licensing and regulatory regimes; inflation and interest rates, stability of the advertising, subscription, production and distribution markets; changes to key suppliers or clients; operating and capital costs and tariffs, taxes and fees, the Company's ability to source, produce or sell desirable content and the Company's capital and operating results being consistent with its 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, retain and manage fluctuations in advertising revenue; the Company's ability to maintain relationships with key suppliers and clients and on anticipated financial terms and conditions; audience acceptance of the Company's television programs and cable networks; the Company's ability to manage retention and reputation risks related to its on-air talent; the Company's ability to recoup production costs; the availability of tax credits; the availability of expected news, production and related credits, programs and funding; the existence of co-production treaties; the Company's ability to compete in any of the industries in which it does business including with competitors which may not be regulated in the same way or to the same degree; the business and strategic 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 including statements, decisions or positions by applicable regulators including, without limitation, the Canadian Radio-television and Telecommunications Commission ("CRTC"), Canadian Heritage and Innovation, Science and Economic Development Canada ("ISED"); changes to licensing status or conditions; unanticipated or un-mitigatable programming costs; 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 and safety crises in Canada and globally, including COVID-19; physical and operational changes to the Company's key facilities and infrastructure; cybersecurity threats or incidents to the Company or its key suppliers and vendors; 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, 2022 and under the heading "Risk Factors" in the Company's Annual Information Form for the year ended August 31, 2022. 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 and may be updated or amended from time to time. Except as 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, digital and streaming services, 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 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 streaming platforms STACKTV, TELETOON+, the Global TV App and Curiouscast. Corus is the domestic advertising representative and an original content partner for Pluto TV, a Paramount Company, which is the leading free ad-supported streaming television (FAST) service. For more information visit www.corusent.com.

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Investor inquiries:

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

Media inquiries:

Melissa Eckersley
Director, Corporate Communications
Corus Entertainment Inc.
Melissa.Eckersley@corusent.com

CORUS ENTERTAINMENT INC.
INTERIM CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(unaudited - in thousands of Canadian dollars)	As at February 28, 2023	As at August 31, 2022
ASSETS		
Current		
Cash and cash equivalents	57,852	54,912
Accounts receivable	329,023	311,015
Income taxes recoverable	13,751	17,180
Prepaid expenses and other assets	27,482	21,423
Total current assets	428,108	404,530
Tax credits receivable	44,800	32,744
Investments and other assets	62,617	63,931
Property, plant and equipment	277,302	294,026
Program rights	777,597	660,722
Film investments	73,296	59,122
Intangibles	1,629,601	1,620,796
Goodwill	316,308	316,308
Deferred income tax assets	47,429	50,301
	3,657,058	3,502,480
LIABILITIES AND EQUITY		
Current		
Accounts payable and accrued liabilities	637,569	526,899
Current portion of long-term debt	15,426	15,574
Provisions	5,665	8,540
Total current liabilities	658,660	551,013
Long-term debt	1,244,854	1,246,076
Other long-term liabilities	430,471	376,570
Provisions	7,265	9,830
Deferred income tax liabilities	407,725	415,010
Total liabilities	2,748,975	2,598,499
EQUITY		
Share capital	281,052	781,918
Contributed surplus	2,012,464	1,511,481
Accumulated deficit	(1,569,976)	(1,574,358)
Accumulated other comprehensive income	34,915	33,000
Total equity attributable to shareholders	758,455	752,041
Equity attributable to non-controlling interests	149,628	151,940
Total equity	908,083	903,981
	3,657,058	3,502,480

CORUS ENTERTAINMENT INC.

INTERIM CONDENSED CONSOLIDATED STATEMENTS OF INCOME (LOSS) AND COMPREHENSIVE INCOME (LOSS)

	Three months ended		Six months ended	
	February 28,		February 28,	
(unaudited - in thousands of Canadian dollars except per share amounts)	2023	2022	2023	2022
Revenue	343,871	361,661	775,062	825,534
Direct cost of sales, general and administrative expenses	284,736	275,105	584,235	561,808
Depreciation and amortization	40,282	39,747	80,416	77,128
Interest expense	34,751	25,759	69,123	51,281
Restructuring and other costs	2,137	1,011	4,966	2,054
Other expense (income), net	1,375	(5,938)	8,421	(2,801)
Income (loss) before income taxes	(19,410)	25,977	27,901	136,064
Income tax expense (recovery)	(4,491)	6,029	8,222	35,187
Net income (loss) for the period	(14,919)	19,948	19,679	100,877
Other comprehensive income, net of income taxes				
Items that may be reclassified subsequently to income (loss):				
Unrealized change in fair value of cash flow hedges	2,336	1,515	1,294	3,501
Unrealized foreign currency translation adjustment	423	(225)	1,309	32
	2,759	1,290	2,603	3,533
Items that will not be reclassified to income (loss):				
Unrealized change in fair value of financial assets	(365)	(2,912)	(688)	10,668
Actuarial gain on post-retirement benefit plans	1,489	3,128	547	2,460
	1,124	216	(141)	13,128
Other comprehensive income, net of income taxes	3,883	1,506	2,462	16,661
Comprehensive income (loss) for the period	(11,036)	21,454	22,141	117,538
Net income (loss) attributable to:				
Shareholders	(15,450)	16,221	15,937	92,386
Non-controlling interests	531	3,727	3,742	8,491
	(14,919)	19,948	19,679	100,877
Comprehensive income (loss) attributable to:				
Shareholders	(11,567)	17,727	18,399	109,047
Non-controlling interests	531	3,727	3,742	8,491
	(11,036)	21,454	22,141	117,538
Earnings (loss) per share attributable to shareholders:				
Basic	(\$0.08)	\$0.08	\$0.08	\$0.44
Diluted	(\$0.08)	\$0.08	\$0.08	\$0.44

CORUS ENTERTAINMENT INC.
INTERIM CONDENSED 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 interests	Total equity
As at August 31, 2022	781,918	1,511,481	(1,574,358)	33,000	752,041	151,940	903,981
Comprehensive income	—	—	15,937	2,462	18,399	3,742	22,141
Dividends declared	—	—	(11,505)	—	(11,505)	(10,073)	(21,578)
Reduction of stated capital	(500,000)	500,000	—	—	—	—	—
Change in fair value of put option liability	—	—	(597)	—	(597)	164	(433)
Shares repurchased under normal course issuer bid ("NCIB")	(3,089)	1,119	—	—	(1,970)	—	(1,970)
Reversal of automatic share purchase commitment	2,223	(504)	—	—	1,719	—	1,719
Actuarial gain on post-retirement benefit plans	—	—	547	(547)	—	—	—
Share-based compensation expense	—	368	—	—	368	—	368
Equity funding by a non-controlling interest	—	—	—	—	—	3,855	3,855
As at February 28, 2023	281,052	2,012,464	(1,569,976)	34,915	758,455	149,628	908,083

(unaudited - in thousands of Canadian dollars)	Share capital	Contributed surplus	Accumulated deficit	Accumulated other comprehensive income	Total equity attributable to shareholders	Non-controlling interests	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	—	—	92,386	16,661	109,047	8,491	117,538
Dividends declared	—	—	(24,996)	—	(24,996)	(6,625)	(31,621)
Business acquisition	—	—	—	—	—	436	436
Change in fair value of put option liability arising from business acquisition	—	—	(1,421)	—	(1,421)	(257)	(1,678)
Share repurchase under NCIB	(4,919)	(1,439)	—	—	(6,358)	—	(6,358)
Share repurchase commitment under NCIB	(1,338)	(386)	—	—	(1,724)	—	(1,724)
Actuarial gain on post-retirement benefit plans	—	—	2,460	(2,460)	—	—	—
Share-based compensation expense	—	611	—	—	611	—	611
Equity funding by a non-controlling interest	—	—	—	—	—	5,719	5,719
As at February 28, 2022	809,932	1,511,217	(1,214,468)	36,012	1,142,693	160,593	1,303,286

CORUS ENTERTAINMENT INC.
INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

	Three months ended		Six months ended	
	February 28,		February 28,	
(unaudited - in thousands of Canadian dollars)	2023	2022	2023	2022
OPERATING ACTIVITIES				
Net income (loss) for the period	(14,919)	19,948	19,679	100,877
Adjustments to reconcile net income (loss) to cash flow from operations:				
Amortization of program rights	143,551	133,928	295,940	276,120
Amortization of film investments	6,234	3,473	10,509	7,084
Depreciation and amortization	40,282	39,747	80,416	77,128
Deferred income tax recovery	(3,575)	(2,439)	(8,559)	(2,481)
Share-based compensation expense	102	317	368	611
Imputed interest	15,179	11,869	31,356	23,140
Payment of program rights	(173,932)	(136,037)	(333,047)	(230,208)
Net spend on film investments	(14,691)	(12,329)	(36,275)	(27,594)
Other	(491)	(4,652)	141	(4,654)
Cash flow from operations	(2,260)	53,825	60,528	220,023
Net change in non-cash working capital balances related to operations	33,192	38,674	(5,005)	(88,821)
Cash provided by operating activities	30,932	92,499	55,523	131,202
INVESTING ACTIVITIES				
Additions to property, plant and equipment	(2,426)	(4,171)	(5,373)	(6,047)
Proceeds from sale of property	247	100	340	125
Business combination, net of cash acquired	—	2,606	—	2,606
Venture fund distribution	—	—	—	43,478
Net cash flows for intangibles, investments and other assets	(427)	(596)	(1,354)	(1,218)
Cash provided by (used in) investing activities	(2,606)	(2,061)	(6,387)	38,944
FINANCING ACTIVITIES				
Decrease in bank loans	(33,127)	(271,225)	(2,070)	(319,758)
Financing fees	(998)	(4,400)	(998)	(4,400)
Issuance of senior unsecured notes	—	250,000	—	250,000
Share repurchase under NCIB	—	(5,850)	(2,045)	(5,850)
Equity funding by a non-controlling interest	3,855	3,742	3,855	3,742
Payment of lease liabilities	(4,438)	(4,153)	(8,813)	(8,168)
Dividends paid	(11,962)	(12,499)	(23,965)	(24,996)
Dividends paid to non-controlling interests	(3,710)	(3,700)	(10,073)	(6,625)
Other	(1,006)	(215)	(2,087)	(2,326)
Cash used in financing activities	(51,386)	(48,300)	(46,196)	(118,381)
Net change in cash and cash equivalents during the period	(23,060)	42,138	2,940	51,765
Cash and cash equivalents, beginning of the period	80,912	53,312	54,912	43,685
Cash and cash equivalents, end of the period	57,852	95,450	57,852	95,450

CORUS ENTERTAINMENT INC.
BUSINESS SEGMENT INFORMATION

(unaudited - in thousands of Canadian dollars)

Three months ended February 28, 2023

	Television	Radio	Corporate	Consolidated
Revenue	321,548	22,323	—	343,871
Direct cost of sales, general and administrative expenses	258,529	21,973	4,234	284,736
Segment profit (loss)⁽¹⁾	63,019	350	(4,234)	59,135
Depreciation and amortization				40,282
Interest expense				34,751
Restructuring and other costs				2,137
Other expense, net				1,375
Loss before income taxes				(19,410)

Three months ended February 28, 2022

	Television	Radio	Corporate	Consolidated
Revenue	339,661	22,000	—	361,661
Direct cost of sales, general and administrative expenses	246,938	21,875	6,292	275,105
Segment profit (loss)⁽¹⁾	92,723	125	(6,292)	86,556
Depreciation and amortization				39,747
Interest expense				25,759
Restructuring and other costs				1,011
Other income, net				(5,938)
Income before income taxes				25,977

Six months ended February 28, 2023

	Television	Radio	Corporate	Consolidated
Revenue	723,077	51,985	—	775,062
Direct cost of sales, general and administrative expenses	528,299	45,613	10,323	584,235
Segment profit (loss)⁽¹⁾	194,778	6,372	(10,323)	190,827
Depreciation and amortization				80,416
Interest expense				69,123
Restructuring and other costs				4,966
Other expense, net				8,421
Income before income taxes				27,901

Six months ended February 28, 2022

	Television	Radio	Corporate	Consolidated
Revenue	774,408	51,126	—	825,534
Direct cost of sales, general and administrative expenses	502,799	45,255	13,754	561,808
Segment profit (loss)⁽¹⁾	271,609	5,871	(13,754)	263,726
Depreciation and amortization				77,128
Interest expense				51,281
Restructuring and other costs				2,054
Other income, net				(2,801)
Income before income taxes				136,064

⁽¹⁾ Segment profit (loss) does not have a standardized meaning prescribed by IFRS. For definitions and explanations, see discussion under the Key Performance Indicators and Non-GAAP Financial Measures section of the Second Quarter 2023 Report to Shareholders.

REVENUE BY TYPE

(unaudited - in thousands of Canadian dollars)	Three months ended		Six months ended	
	2023	February 28, 2022	2023	February 28, 2022
Advertising	190,294	205,539	471,061	518,313
Subscriber	124,051	132,823	251,566	260,358
Distribution, production and other	29,526	23,299	52,435	46,863
	343,871	361,661	775,062	825,534

NON-GAAP FINANCIAL MEASURES

(unaudited - in thousands of Canadian dollars, except percentages)	Three months ended			Six months ended		
	February 28, 2023	2022	% Change	February 28, 2023	2022	% Change
Optimized advertising revenue	2023	2022		2023	2022	
Optimized advertising revenue (numerator)	87,669	77,237	14%	225,345	182,203	24%
Television advertising revenue (denominator)	169,124	184,695	(8%)	421,637	469,732	(10%)
Optimized advertising revenue percentage	52%	42%		53%	39%	

(unaudited - in thousands of Canadian dollars, except percentages)	Three months ended			Six months ended		
	February 28, 2023	2022	% Change	February 28, 2023	2022	% Change
New platform revenue	2023	2022		2023	2022	
New platform revenue (numerator)	34,172	33,016	4%	73,860	68,231	8%
Television advertising revenue	169,124	184,695	(8%)	421,637	469,732	(10%)
Television subscriber revenue	124,051	132,823	(7%)	251,566	260,358	(3%)
Total Television advertising and subscriber revenue (denominator)	293,175	317,518	(8%)	673,203	730,090	(8%)
New platform revenue percentage	12%	10%		11%	9%	

(unaudited - in thousands of Canadian dollars)	Three months ended		Six months ended	
	February 28, 2023	2022	February 28, 2023	2022
Free Cash Flow	2023	2022	2023	2022
Cash provided by (used in):				
Operating activities	30,932	92,499	55,523	131,202
Investing activities	(2,606)	(2,061)	(6,387)	38,944
	28,326	90,438	49,136	170,146
Add (deduct): cash used (provided by) in business acquisitions and strategic investments ⁽¹⁾	71	(2,021)	71	(1,742)
Free cash flow	28,397	88,417	49,207	168,404

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

(unaudited - in thousands of Canadian dollars)	As at February 28,		As at August 31,	
	2023	2022	2023	2022
Net Debt and Net Debt to Segment Profit				
Total debt, net of unamortized financing fees and prepayment options	1,260,280	1,261,650	1,260,280	1,261,650
Lease liabilities	129,406	134,369	129,406	134,369
Cash and cash equivalents	(57,852)	(54,912)	(57,852)	(54,912)
Net debt (numerator)	1,331,834	1,341,107	1,331,834	1,341,107
Segment profit (denominator) ⁽¹⁾	370,744	443,643	370,744	443,643
Net debt to segment profit	3.59	3.02	3.59	3.02

⁽¹⁾ 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 2023 Report to Shareholders.