

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

(unaudited) (in thousands of Canadian dollars)	Three months ended <b>November 30,</b>	
	<b>2011</b>	2010
<b>OPERATING ACTIVITIES</b>		
Net income for the period	52,680	49,540
Earnings from discontinued operations	—	(1,523)
Add (deduct) non-cash items:		
Depreciation	6,239	6,108
Amortization of program rights	47,055	42,542
Amortization of film investments	9,987	8,286
Deferred income taxes	1,362	472
Share-based compensation expense	293	253
Imputed interest	3,034	2,600
Other	(243)	(267)
Net change in non-cash working capital balances related to operations	(41,391)	(32,677)
Payment of program and film rights	(35,429)	(38,153)
Net additions to film investments	(17,136)	(21,850)
Cash provided by operating activities from continuing operations	26,451	15,331
Cash provided by operating activities from discontinued operations	—	112
<b>Cash provided by operating activities</b>	<b>26,451</b>	<b>15,443</b>
<b>INVESTING ACTIVITIES</b>		
Additions to property, plant and equipment	(3,370)	(13,266)
Net cash flows for intangibles, investments and other assets	1,131	(885)
Other	(153)	(225)
<b>Cash used in investing activities from continuing operations</b>	<b>(2,392)</b>	<b>(14,376)</b>
<b>FINANCING ACTIVITIES</b>		
Increase in bank loans	—	30,192
Issuance of shares under stock option plan	86	2,303
Shares repurchased	(3,888)	—
Dividends paid	(11,675)	(11,591)
Dividend paid to non-controlling interest	(4,223)	(4,206)
Capital lease payments and other	(2,272)	(2,180)
<b>Cash (used in) provided by financing activities from continuing operations</b>	<b>(21,972)</b>	<b>14,518</b>
Net change during the period in cash and cash equivalents from continuing operations	2,087	15,473
Net change during the period in cash and cash equivalents from discontinued operations	—	112
<b>Net increase in cash and cash equivalents during the period</b>	<b>2,087</b>	<b>15,585</b>
Cash and cash equivalents, beginning of period	55,922	7,969
<b>Cash and cash equivalents, end of period</b>	<b>58,009</b>	<b>23,554</b>