

TO THE SHAREHOLDERS OF CORUS ENTERTAINMENT INC.

We have audited the consolidated balance sheet of Corus Entertainment Inc. (the "Company") as at August 31, 2000 and the consolidated statements of income, retained earnings and cash flows for the year then ended and the consolidated balance sheet of Shaw Communications Inc. – Corus Entertainment Division (the "Division") as at August 31, 1999 and the consolidated statements of income (loss), net investment and cash flows for each of the years in the two-year period ended August 31, 1999. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in Canada. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the Company as at August 31, 2000, and the results of its operations and its cash flows for the year then ended and the financial position of the Division as at August 31, 1999 and the results of its operations and its cash flows for each of the years in the two-year period ended August 31, 1999 in accordance with accounting principles generally accepted in Canada.

As more fully described in note 1, the Division comprised the entertainment division of Shaw Communications Inc. The Division had no legal status until September 1, 1999 when it became a separate, publicly traded company bearing the name Corus Entertainment Inc.

Toronto, Canada
October 10, 2000

Ernst & Young LLP
Ernst & Young LLP
Chartered Accountants