AGENDA ITEM:
UPDATE ON THE NHL LOCKOUT

	Board of Directors
MEETING:	November 22, 2012
FROM:	Kirstine Stewart, Executive Vice President, English Services Neil McEneaney, General Manager, Finance and Strategy, English Services
PURPOSE:	Updated financial projections re the impact of the NHL Lockout

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SIGNIFICANT POINTS:

Overview	▪ On Sept 16 the NHL lockout began
	▪ The NHL has canceled all games until November 30th. This represents a 7 week lockout to the CBC
	▪ CBC has implemented a contingency plan to mitigate the disruption to Hockey
	▪ This Plan specifically addresses:
	  ▪ Replacement programming for Hockey Night in Canada
	  ▪ Minimization of Sports Department costs
	  ▪ An approach to managing financial losses
	  ▪ An approach to managing Cash Flow

Financial Impact s.18(b) s.21(1)(b)	▪ CBC contingency plan is being implemented according to plan.

UPDATE ON CONTINGENCY PLAN: KEY CHANGES

s.18(b)
s.21(1)(b)

	Original Assumptions	Updated Assumptions
Revenues		

UPDATE ON CONTINGENCY PLAN: KEY CHANGES

s.18(b)
s.21(1)(b)

	Original Assumptions	Updated Assumptions
Revenues		

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UPDATE ON CONTINGENCY PLAN: KEY CHANGES

s.18(b)
s.21(1)(b)
s.68.1

	Original Assumptions	Updated Assumptions

Replacement schedule	▪ The replacement programming strategy is an *'Encore and News'* plan
	▪ Encore Entertainment programming will be at [redacted] such as:
	  ▪ Drama: Arctic Air, Murdoch Mysteries
	  ▪ Comedy: Mr. D, This Hour has 22 Minutes
		▪ Classic hockey games and Encore programming has replaced Hockey Night in Canada
		▪ Revised schedule is less expensive than the original replacement schedule largely due to the low cost of Classic hockey games and no cost repeat programming

Financial position		

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UPDATE ON CONTINGENCY PLAN: KEY CHANGES

s.18(b)
s.21(1)(b)

	Original Assumptions	Updated Assumptions
Financial position		

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UPDATE ON CONTINGENCY PLAN: KEY CHANGES

s.18(b)
s.21(1)(b)

	Original Assumptions	Updated Assumptions
Cash flow		

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FINANCIAL PROJECTIONS

s.18(b)
s.21(1)(b)
s.68.1

Hockey Return Scenarios 2012-13					
Lockout Period	**December 1st** **7 weeks** *(original plan)*	**December 1st** **7 weeks** *(updated)*	**January 1st** **12 Weeks** *(original plan)*	**January 1st** **12 Weeks** *(updated)*	**Loss of the Regular Season**
1) Revenues					
Lost hockey revenues					
Replacement programming revenues					
Hockey syndication revenues					
Net revenue (losses)					
2) Rights fees					
Monthly rights fees (per amortization)					
3) Costs					
Replacement schedule costs					
Hockey production savings					
Sales hospitality savings					
Mobile Division - lost margin					
Total cost impact					
Total projected loss					
Total weekly loss					