

VIA COM

FISCAL FOURTH QUARTER AND FULL YEAR 2017 RESULTS



Cautionary Statement Concerning Forward-Looking Statements

This presentation contains both historical and forward-looking statements. All statements that are not statements of historical fact are, or may be deemed to be, forward-looking statements. Forward-looking statements reflect our current expectations concerning future results, objectives, plans and goals, and involve known and unknown risks, uncertainties and other factors that are difficult to predict and which may cause future results, performance or achievements to differ. These risks, uncertainties and other factors include, among others: the public acceptance of our brands, programs, motion pictures and other entertainment content on the various platforms on which they are distributed; technological developments, alternative content offerings and their effects in our markets and on consumer behavior; the potential for loss of carriage or other reduction in the distribution of our content; significant changes in our senior leadership and the ability of our recently-announced strategic initiatives to achieve their operating objectives; economic fluctuations in advertising and retail markets, and economic conditions generally; evolving cybersecurity and similar risks; the impact of piracy; increased costs for programming, motion pictures and other rights; the loss of key talent; competition for content, audiences, advertising and distribution; fluctuations in our results due to the timing, mix, number and availability of our motion pictures and other programming; other domestic and global economic, political, business, competitive and/or regulatory factors affecting our businesses generally; changes in the Federal communications or other laws and regulations; and other factors described in our news releases and filings with the Securities and Exchange Commission, including but not limited to our 2017 Annual Report on Form 10-K and reports on Form 10-Q and Form 8-K. The forward-looking statements included in this presentation are made only as of the date of this presentation, and we do not have any obligation to publicly update any forward-looking statements to reflect subsequent events or circumstances. If applicable, reconciliations for any non-GAAP financial information contained in this presentation are included in this presentation or available on our website at www.viacom.com.

This presentation is a supplement to, and should be read in conjunction with, Viacom's earnings release for the quarter and year ended September 30, 2017.

Consolidated Financial Summary

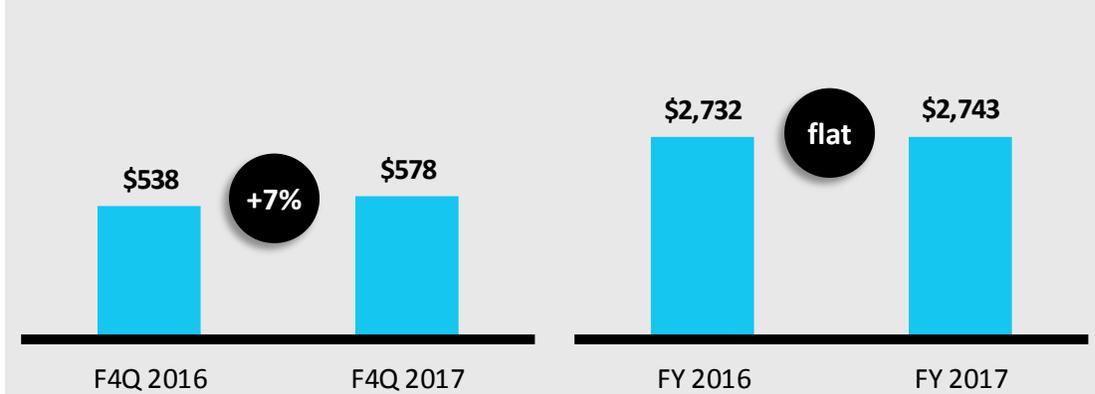
- Growth in full year metrics including revenue, adjusted EPS and operating FCF
- Continued growth in quarterly metrics including revenue, adjusted OI & adjusted EPS
- Fourth straight quarter of year-over-year revenue growth

(\$ in millions except per share data)

Revenue



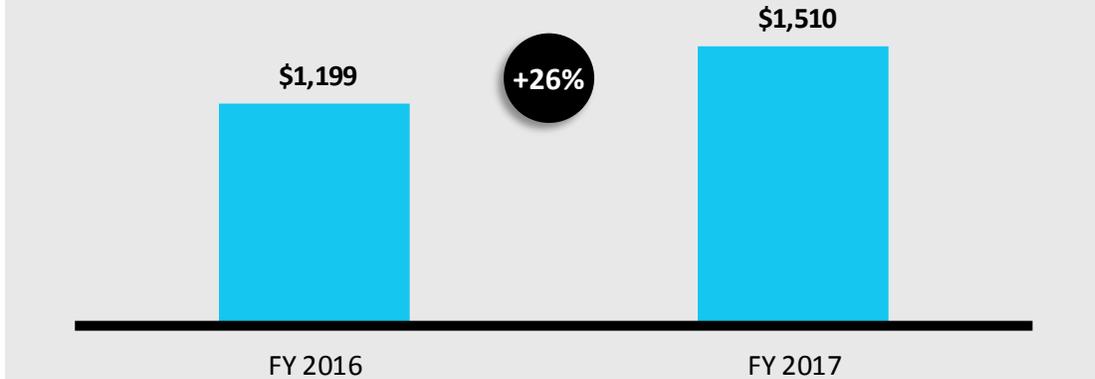
Adjusted Operating Income *



Adjusted Diluted Earnings Per Share ⁽¹⁾ *



Operating Free Cash Flow *



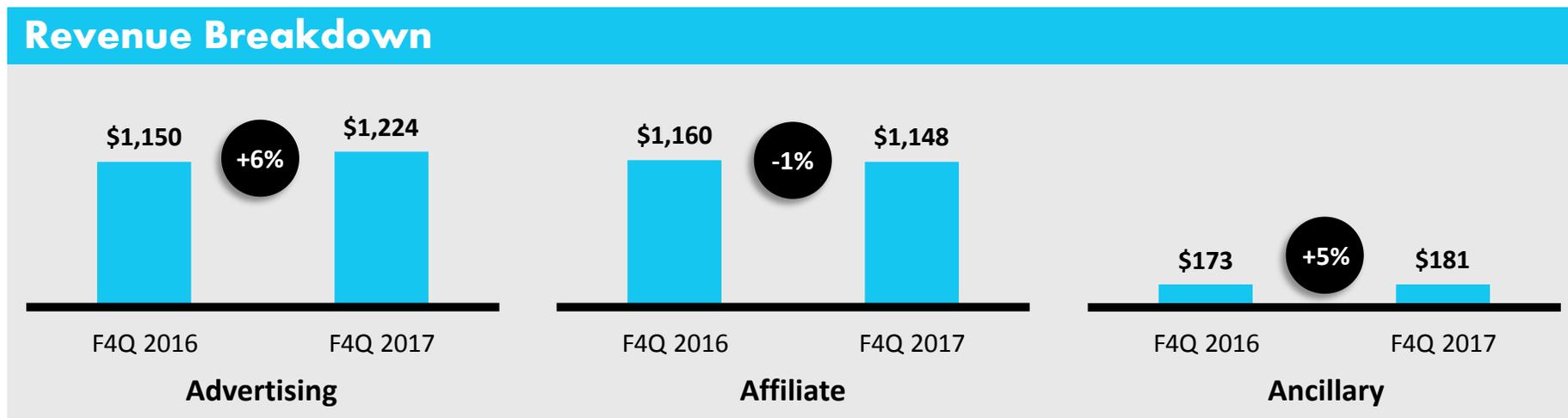
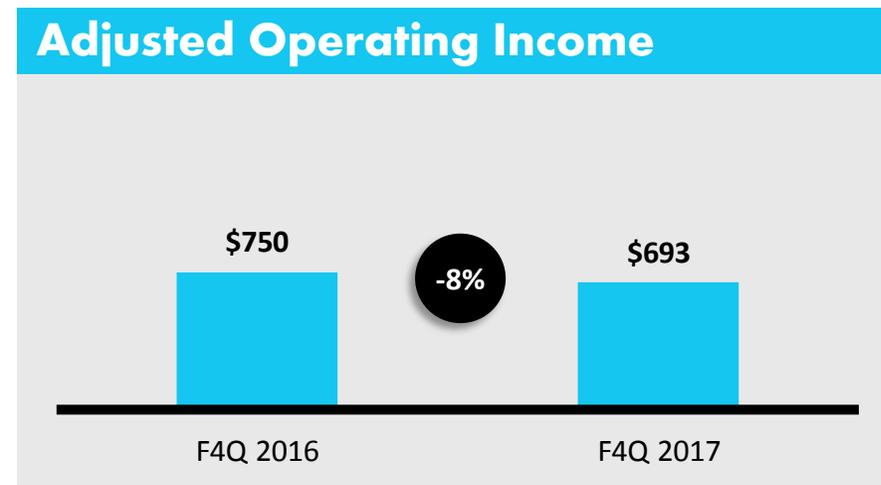
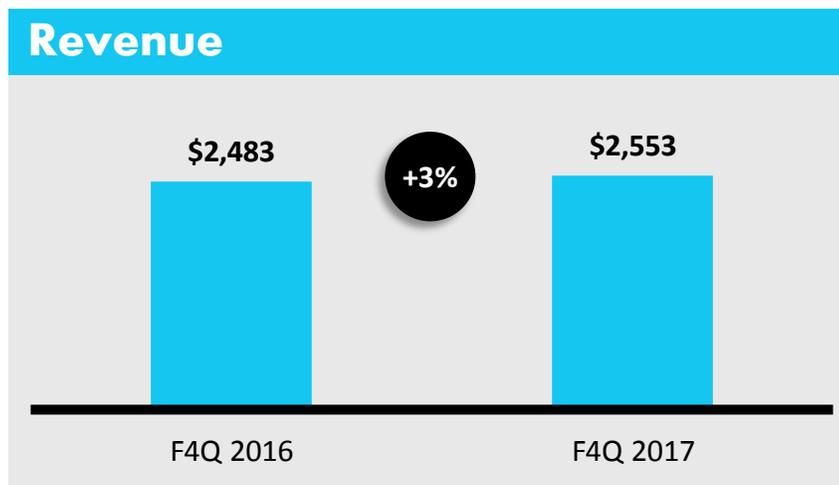
(1) From continuing operations.

* See page 12 for information regarding non-GAAP financial measures.

Media Networks: Financial Summary

➤ Revenue growth driven by worldwide advertising

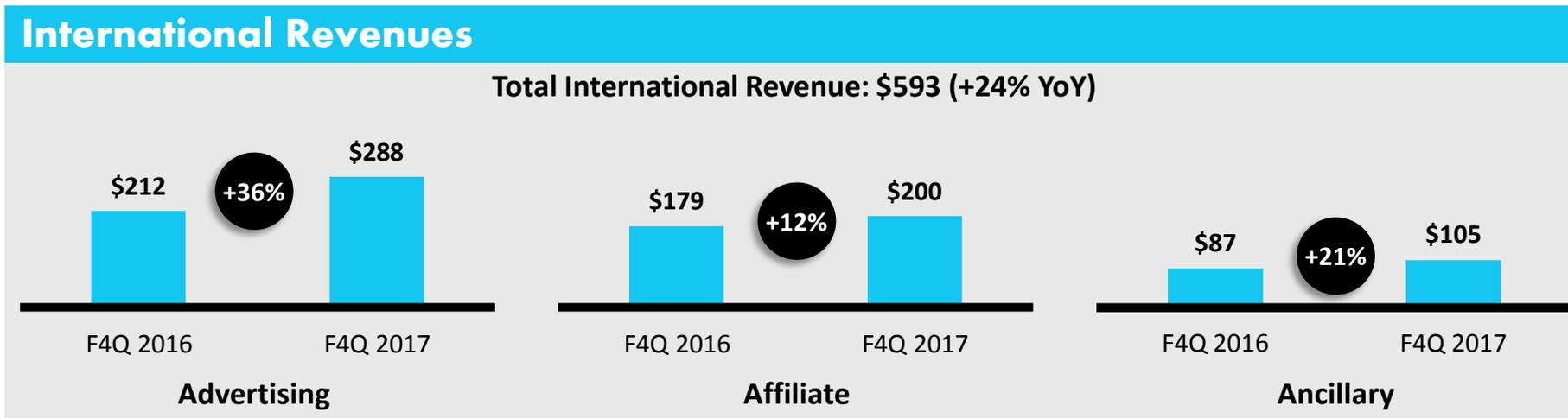
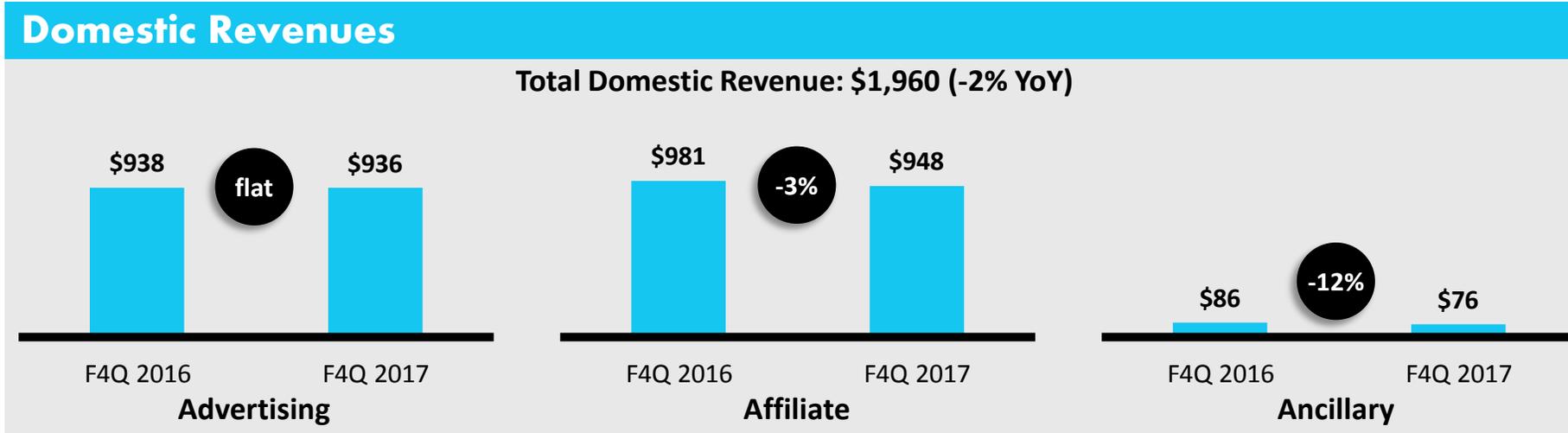
(\$ in millions)



Media Networks: Revenue Breakdown

- Double digit growth in international driven by Telefe and Europe
- Second quarter of sequential improvement in domestic advertising
- Domestic affiliate revenues principally reflect difficult SVOD comparisons

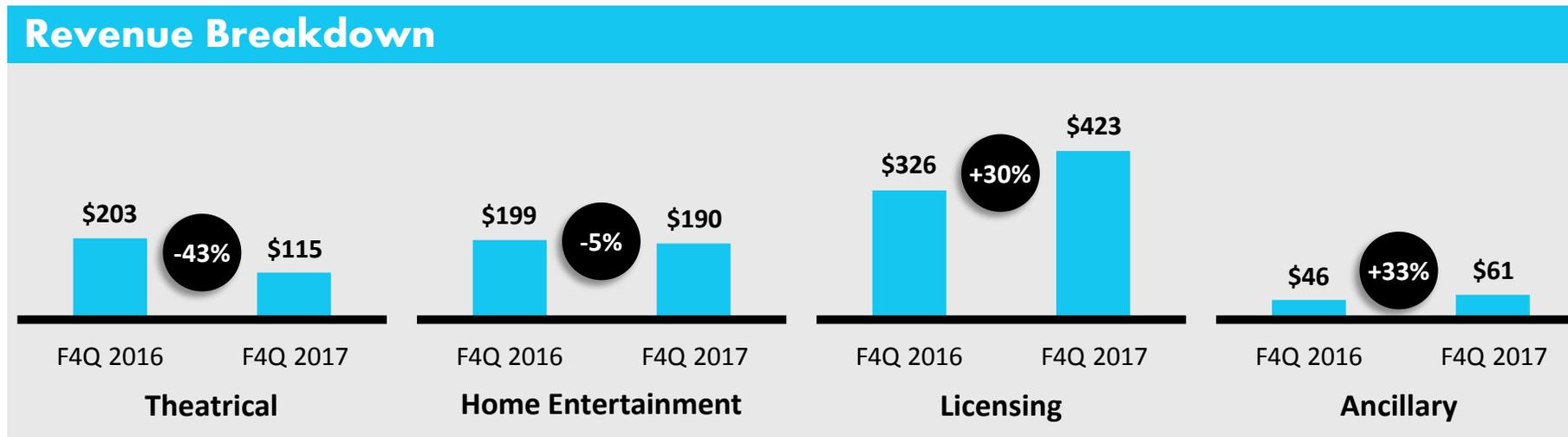
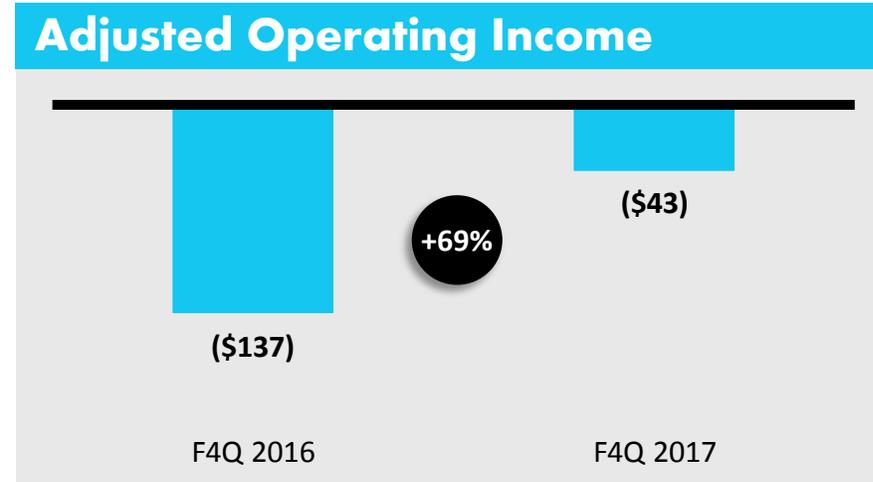
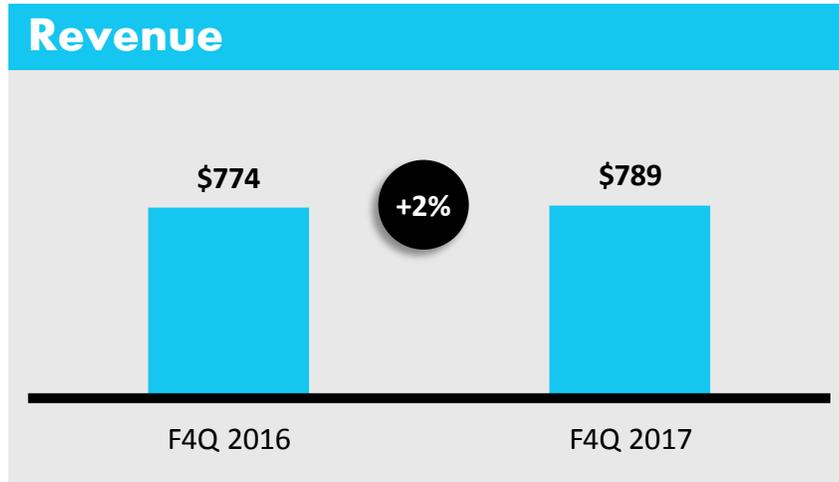
(\$ in millions)



Filmed Entertainment: Financial Summary

- Revenue growth driven by higher film licensing arrangements as well as Paramount Television productions
- Continued year-over-year improvement in adjusted OI

(\$ in millions)



Performance Highlights

Share of Viewing

- Viacom had the #1 share of viewing on cable, with the #1 share for several diverse and coveted audiences including Kids 2-11, Millennials, African Americans, the Adults 18-49 advertising demo, as well as Adults 2-49 across all of TV.
-

Ratings

- In the quarter, domestic Media Networks grew ratings 3% year-over-year across its entire portfolio, with flagship networks up 6% year-over-year and double-digit increases at MTV and BET. This ratings improvement drove domestic advertising revenues, which stabilized in the quarter after three years of declines.
-

Distribution

- In 2017, Viacom successfully completed multi-year contract renewals with several major distributors, including Altice USA and Charter Communications, among others. We have now renewed or extended agreements for nearly half of our subscriber base in the last year, ensuring continued carriage of our networks while unlocking opportunities to deliver greater value through partnerships that leverage our advanced advertising and data capabilities.
-

Performance Highlights



- MTV achieved its first double-digit ratings increase in more than six years, driven by primetime viewership of new shows including *Siesta Key* - the #1 original cable series in its timeslot. Moving into fiscal 2018, the multiplatform reboot of *TRL* drove a 21% increase in total views of MTV's digital and social content, while consistently ranking as a Top 10 Most Social Show across broadcast and cable.



COMEDY CENTRAL

- Anchored by signature scripted series including the #1 primetime cable comedy of 2017 - *South Park* - and a rebuilt late-night slate that now boasts TV's #1 late night talk show with millennials - *The Daily Show with Trevor Noah* - Comedy Central continued its turnaround, growing ratings in its key demo for the first time since fiscal 2014.



- Viacom International Media Networks continued to deliver strong top-line growth, with year-over-year revenues up 24% and 12% in the quarter and full year, respectively. Ratings across the VIMN portfolio grew 4% in the quarter, driven by the strong performances of Paramount Channel, Comedy Central, Nickelodeon and Channel 5.

Performance Highlights

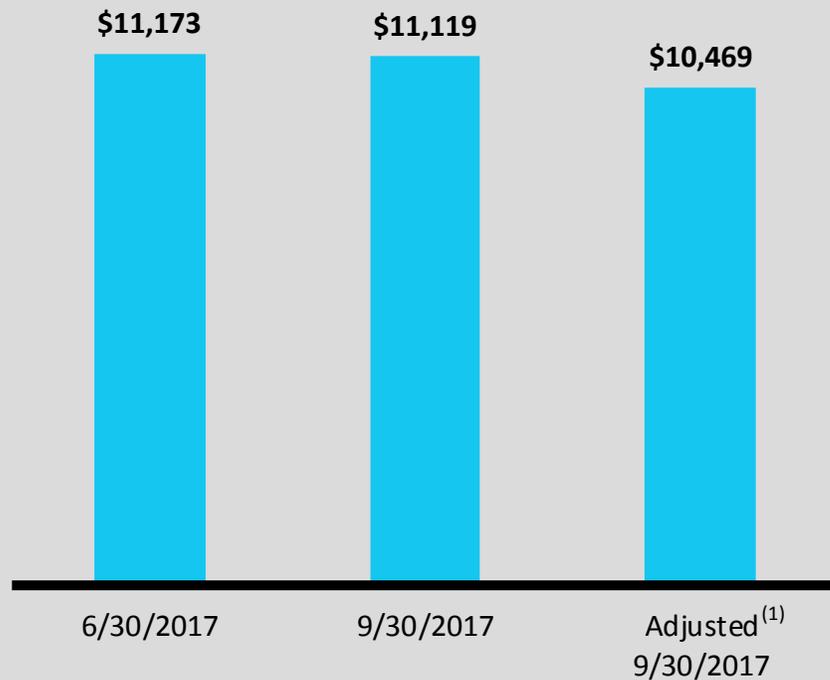


- Paramount TV continued its significant growth, more than tripling its revenues in the fiscal year through breakout releases including *Shooter*, *13 Reasons Why* and *Berlin Station* - all of which were renewed for second seasons.
 - Paramount continued to execute on its strategic plan by rebuilding the slate, refining its management team and stabilizing costs.
 - Notable feature film releases in the first quarter of fiscal 2018 include *Daddy's Home 2*, a follow-up to the successful 2015 release; and Alexander Payne's *Downsizing*.
-

- Reduced debt by ~\$2 billion, or 15%, since announcing plans to de-lever on Feb 9th
- Significantly grew our cash balance to \$1.4 billion, an increase of \$964 million from Jun 30th

(\$ in millions)

Gross Debt



Debt Overview

Gross Debt	\$11,119
Adjusted Gross Debt ⁽¹⁾	\$10,469
Cash and Cash Equivalents	\$1,389
Net Debt	\$9,730
Weighted Average Rate	4.88%
Weighted Average Maturity	16.8 yrs

2017 Fiscal Year De-levering Actions

- ✓ In the quarter, we continued to implement our plan to strengthen our balance sheet, including executing on the sale of a non-core asset
- ✓ For the year, we redeemed a total of \$3.3 billion of senior notes and debentures

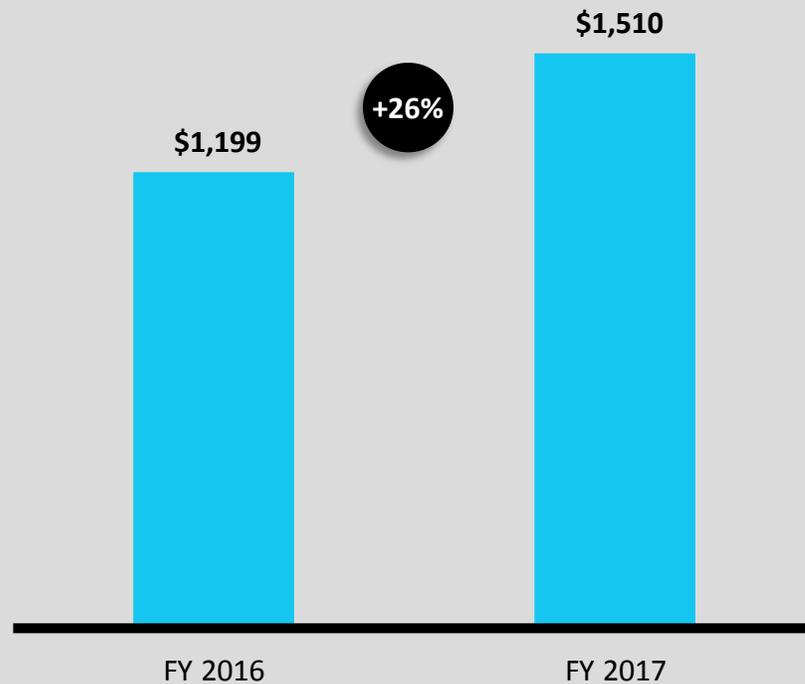
(1) Adjusted Gross Debt reflects 50% equity credit applied to the \$1.3bn of hybrid securities, reducing gross debt by \$650mm.

Free Cash Flow

➤ Full year operating FCF was up 26% driven by improvements in working capital at Filmed Entertainment including lower film spend, partially offset by higher taxes

(\$ in millions)

Operating Free Cash Flow *



	FY 2017	FY 2016	B/(W) %
Operating Income	\$ 2,489	\$ 2,526	(1%)
Depreciation and Amortization	223	221	1%
Restructuring and Programming Charges	381	206	n/m
Capital Expenditures	(195)	(172)	(13%)
Cash Interest	(635)	(611)	(4%)
Cash Taxes	(476)	(275)	(73%)
Working Capital and Other	(277)	(696)	60%
Operating Free Cash Flow ⁽¹⁾	\$ 1,510	\$ 1,199	26%
Debt Retirement Premium	(33)	-	n/m
Free Cash Flow	\$ 1,477	\$ 1,199	23%

n/m – not meaningful

(1) In FY 2017, we generated operating free cash flow per share of \$3.77 which translates to an operating free cash flow yield of 15%.

* See page 12 for information regarding non-GAAP financial measures.

Supplemental Disclosures: Non-GAAP Financial Information

Non-GAAP measures are measures of performance that are not calculated in accordance with GAAP. They should not be considered in isolation of, or as a substitute for, net cash provided by operating activities, operating income, earnings from continuing operations before provision for income taxes, provision for income taxes, net earnings from continuing operations attributable to Viacom and diluted EPS from continuing operations as indicators of operating performance, and they may not be comparable to similarly titled measures employed by other companies.

Consolidated operating free cash flow, free cash flow and adjusted results that exclude the impact of certain items identified as affecting comparability are non-GAAP measures. These measures are relevant and useful information for investors because they clarify our actual operating performance, make it easier to compare our results with those of other companies and allow investors to review performance in the same way as Viacom management. We provide reconciliations of our reported results and net cash provided by operating activities (GAAP) to our consolidated adjusted results and operating free cash flow and free cash flow (non-GAAP) in our Form 8-K (Quarterly Earnings Release) announcing our quarterly earnings, which can be found on our website at ir.viacom.com.

Consolidated operating free cash flow per share and operating free cash flow yield are also non-GAAP measures. Operating free cash flow per share is calculated as operating free cash flow divided by the diluted weighted average number of common shares outstanding for the year ended September 30, 2017 (400.6 million shares). Operating free cash flow yield is calculated as operating free cash flow per share divided by the Viacom Class B share closing stock price as of November 15, 2017 (\$24.61).