

VIA COM

RESULTS FOR THE QUARTER ENDED March 31, 2015

April 30, 2015



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 measured audience acceptance of our programs, motion pictures and other entertainment content on the various platforms on which they are distributed; technological developments and their effect in our markets and on consumer behavior; competition for content, audiences, advertising and distribution; the impact of piracy; economic fluctuations in advertising and retail markets, and economic conditions generally; fluctuations in our results due to the timing, mix and availability of our motion pictures and other programming; the potential for loss of carriage or other reduction in the distribution of our content; changes in the Federal communications laws and regulations; evolving cybersecurity and similar risks; other domestic and global economic, business, competitive and/or regulatory factors affecting our businesses generally; and other factors described in our news releases and filings with the Securities and Exchange Commission, including but not limited to our 2014 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 six months ended March 31, 2015.



Reported Results

(In Millions, except per share amounts)

	Quarter ended March 31,		Six months ended March 31,	
	2015	B/(W) 2014	2015	B/(W) 2014
Revenues	\$ 3,078	(3%)	\$ 6,422	1%
Expenses	(2,174)	2%	(4,502)	(3%)
Depreciation & Amortization	(57)	(10%)	(112)	(1%)
Equity-Based Compensation	(25)	19%	(51)	19%
Restructuring and Programming Charges	(784)	n/m	(784)	n/m
Operating Income	<u>\$ 38</u>	(96%)	<u>\$ 973</u>	(47%)
Net Earnings/(Loss) Attributable to Viacom	\$ (53)	(111%)	\$ 447	(57%)
Diluted Earnings/(Loss) Per Share	\$ (0.13)	(112%)	\$ 1.09	(53%)
Weighted Average Diluted Shares	402.5	9%	411.4	8%

n/m – not meaningful



2015 Restructuring and Programming Charges

(In Millions)

	By Segment			
	Media Networks	Filmed Entertainment	Corporate	Total
Restructuring	\$ 137	\$ 57	\$ 12	\$ 206
Programming ⁽¹⁾	534	44	-	578
Total	\$ 671	\$ 101	\$ 12	\$ 784

(1) Programming charges included within *Operating expenses* in the Consolidated Statement of Earnings.



Adjusted Results

(In Millions, except per share amounts)

	Quarter ended March 31,		Six months ended March 31,	
	2015	B/(W) 2014	2015	B/(W) 2014
Revenues	\$ 3,078	(3%)	\$ 6,422	1%
Expenses	(2,174)	2%	(4,478)	(3%)
Depreciation & Amortization	(57)	(10%)	(112)	(1%)
Equity-Based Compensation	(25)	19%	(51)	19%
Adjusted Operating Income	<u>\$ 822</u>	(6%)	<u>\$ 1,781</u>	(3%)
Adjusted Net Earnings Attributable to Viacom	\$ 467	(3%)	\$ 1,005	(2%)
Adjusted Diluted EPS	\$ 1.16	7%	\$ 2.44	7%
Weighted Average Diluted Shares	402.5	9%	411.4	8%

See page 17-21 for the reconciliation to GAAP results. Results for the quarter and six months ended March 31, 2015 were adjusted to exclude the effect of restructuring and programming charges. Results for the six months were also adjusted to exclude the effect of pension settlements and discrete tax items. Results for the quarter and six months ended March 31, 2014 were adjusted to exclude the effect of discrete tax items.



Free Cash Flow

(In Millions)

	Quarter ended March 31,		Six months ended March 31,	
	2015	B/(W) 2014	2015	B/(W) 2014
Operating Income	\$ 38	(96%)	\$ 973	(47%)
Depreciation & Amortization	57	10%	112	1%
Restructuring and Programming Charges	784	n/m	784	n/m
Capital Expenditures	(30)	(3%)	(64)	(31%)
Cash Interest	(149)	12%	(305)	(5%)
Cash Taxes	(163)	57%	(211)	58%
Working Capital & Other	61	(66%)	(634)	(115%)
Free Cash Flow	<u>\$ 598</u>	14%	<u>\$ 655</u>	(18%)

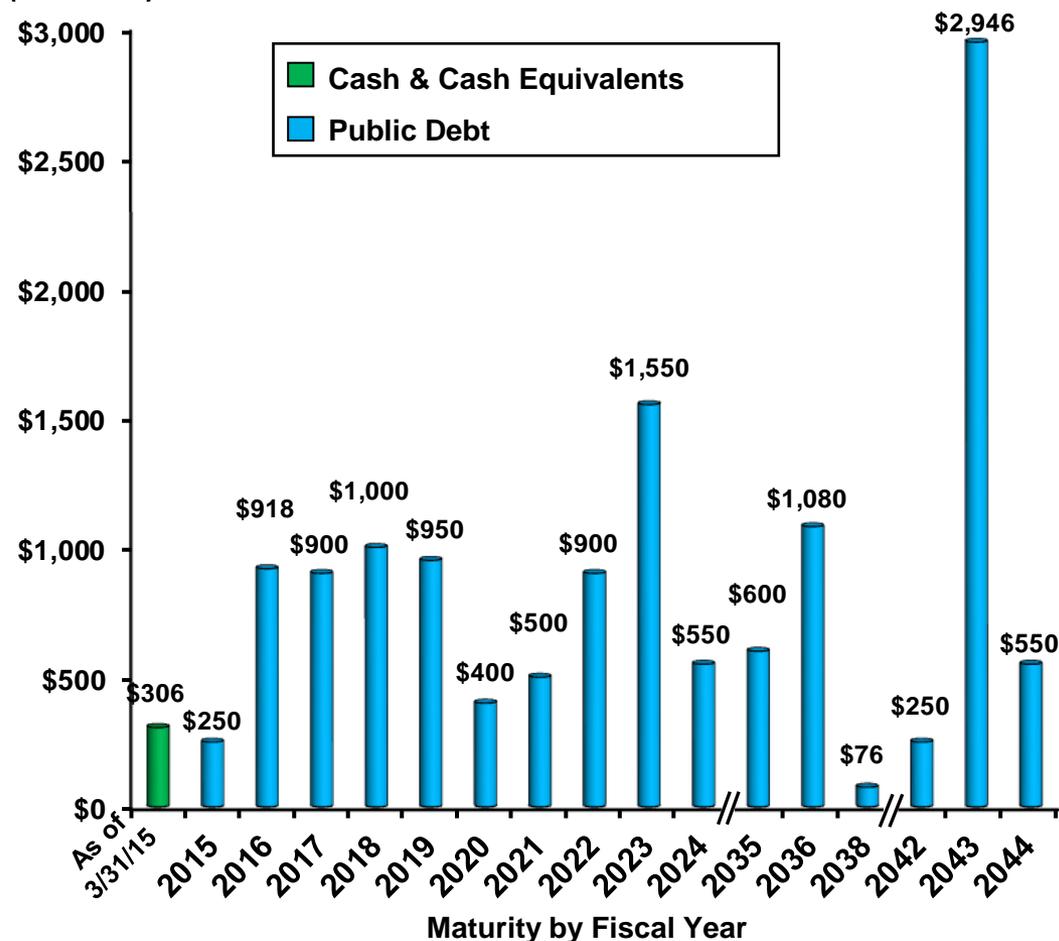
n/m – not meaningful

See page 17 and 22 for the reconciliation of cash provided by operations to Free Cash Flow.



Debt & Cash

(In Millions)



	March 31, 2015
Floating Rate Debt	\$ -
Fixed Rate Debt	13,005
Commercial Paper	75
Capital Lease and Other Obligations	150
Total Debt	\$ 13,230
Cash & Cash Equivalents	306
Net Debt	\$ 12,924
Weighted Average Rate ⁽¹⁾	4.7%
Weighted Average Maturity ⁽¹⁾	13.1

Chart excludes commercial paper, capital leases and other obligations.

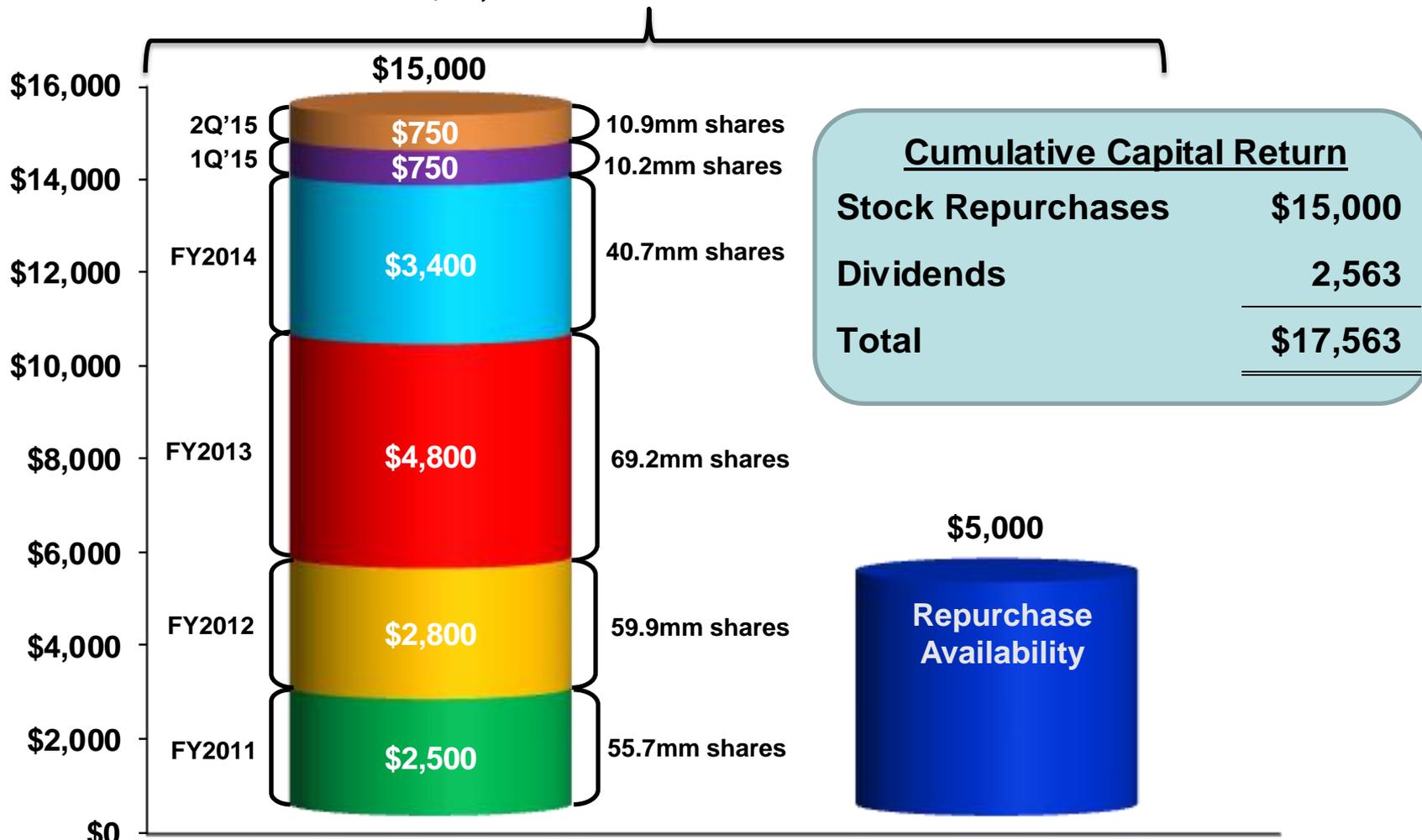
(1) Calculations are based on the book value of fixed rate debt.



Capital Returned to Shareholders

(In Millions)

Stock Repurchase Program \$20,000 Current Authorization

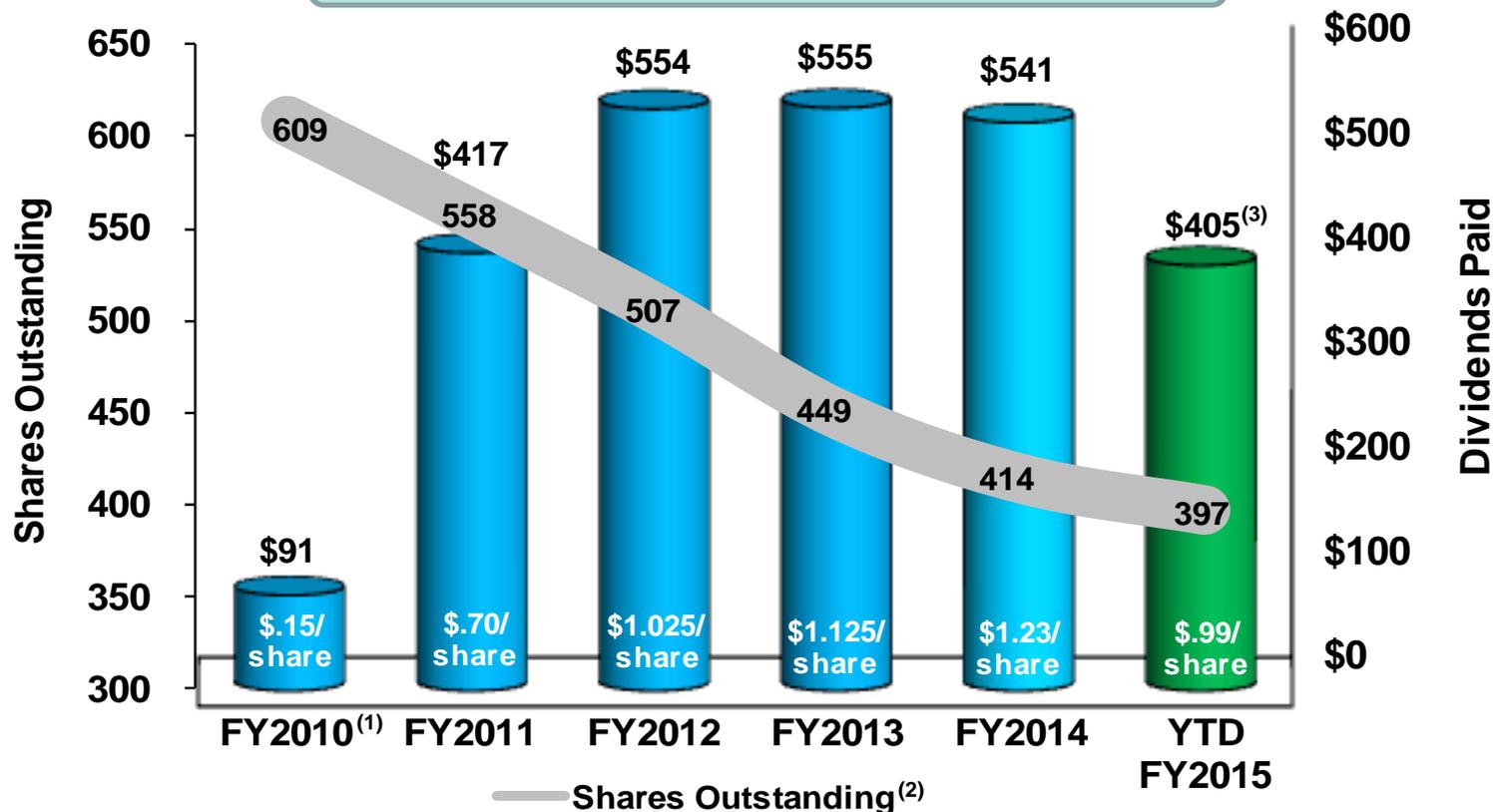


Capital Returned to Shareholders

(In Millions, except per share amounts)

Shares Outstanding and Dividends Paid

Cumulative Dividends Paid: \$2.6 billion



(1) We paid our initial quarterly cash dividend on July 1, 2010.

(2) Shares outstanding are as of the end of the fiscal period.

(3) We paid a quarterly dividend of \$0.33 per share in each of the first three fiscal quarters of 2015.



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SEGMENT HIGHLIGHTS



Media Networks – Revenues by Type

(In Millions)

	Quarter ended March 31,		Six months ended March 31,	
	2015	B/(W) 2014	2015	B/(W) 2014
Advertising	\$ 1,172	4%	\$ 2,539	4%
Affiliate Fees	1,146	3%	2,278	4%
Ancillary	134	(2%)	289	1%
Total	\$ 2,452	3%	\$ 5,106	4%



Media Networks – Financial Results

(In Millions)

	Quarter ended March 31,		Six months ended March 31,	
	2015	B/(W) 2014	2015	B/(W) 2014
Revenues	\$ 2,452	3%	\$ 5,106	4%
Expenses	(1,508)	(8%)	(3,017)	(8%)
Depreciation & Amortization	(41)	(14%)	(82)	(14%)
Adjusted Operating Income	\$ 903	(5%)	\$ 2,007	(3%)
Equity-Based Compensation	(11)	(10%)	(21)	(5%)
Restructuring and Programming Charges	(671)	n/m	(671)	n/m
Operating Income	\$ 221	(76%)	\$ 1,315	(36%)

n/m – not meaningful



Filmed Entertainment – Revenues by Type

(In Millions)

	Quarter ended March 31,		Six months ended March 31,	
	2015	B/(W) 2014	2015	B/(W) 2014
Theatrical	\$ 205	(10%)	\$ 374	(4%)
Home Entertainment	194	(25%)	510	(4%)
License Fees	206	(32%)	395	(23%)
Ancillary	54	29%	100	19%
Total	\$ 659	(21%)	\$ 1,379	(9%)



Filmed Entertainment – Significant Releases

Theatrical

Qtr ended March 31, 2015

Selma ⁽¹⁾
 The SpongeBob Movie: Sponge Out of Water

Qtr ended March 31, 2014

Paranormal Activity: The Marked Ones
 Jack Ryan: Shadow Recruit
 Noah

Home Entertainment

Qtr ended March 31, 2015

Top Five
 Interstellar

Qtr ended March 31, 2014

Jackass Presents: Bad Grandpa
 The Wolf of Wall Street

(1) Wide release in the March quarter 2015.



Filmed Entertainment – Financial Results

(In Millions)

	Quarter ended March 31,		Six months ended March 31,	
	2015	B/(W) 2014	2015	B/(W) 2014
Revenues	\$ 659	(21%)	\$ 1,379	(9%)
Expenses	(645)	20%	(1,412)	8%
Depreciation & Amortization	(13)	19%	(26)	30%
Adjusted Operating Income/(Loss)	\$ 1	(91%)	\$ (59)	6%
Equity-Based Compensation	(3)	25%	(7)	12%
Restructuring and Programming Charges	(101)	n/m	(101)	n/m
Operating Loss	\$ (103)	n/m	\$ (167)	(135%)

n/m – not meaningful



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APPENDIX RECONCILIATIONS



Supplemental Disclosures: Non-GAAP Financial Information

Non-GAAP measures, including consolidated free cash flow and adjusted results that exclude restructuring and programming charges, loss on pension settlement and discrete tax items, 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.

These are not measures of performance calculated in accordance with GAAP. They should not be considered in isolation of, or as a substitute for, cash flow provided by operations, operating income, net earnings attributable to Viacom and diluted EPS as indicators of operating performance, and they may not be comparable to similarly titled measures employed by other companies. The tax impacts included in these tables have been calculated using the rates applicable to the adjustments presented.



Supplemental Disclosures: Non-GAAP Financial Information

(In Millions, except per share amounts)

	Quarter ended March 31, 2015			
	Operating Income	Pre-tax Earnings/(Loss)	Net Earnings/(Loss) Attributable to Viacom	Diluted EPS
Reported Results	\$ 38	\$ (98)	\$ (53)	\$ (0.13)
Factors Affecting Comparability:				
Restructuring and Programming Charges ⁽¹⁾	784	784	520	1.29
Adjusted Results	\$ 822	\$ 686	\$ 467	\$ 1.16

(1) The pre-tax charges of \$784 million reflect \$578 million of programming charges and a \$206 million restructuring charge associated with workforce reductions.



Supplemental Disclosures:

Non-GAAP Financial Information

(In Millions, except per share amounts)

	Six months ended March 31, 2015			
	Operating Income	Pre-tax Earnings	Net Earnings Attributable to Viacom	Diluted EPS
Reported Results	\$ 973	\$ 692	\$ 447	\$ 1.09
Factors Affecting Comparability:				
Restructuring and Programming Charges ⁽¹⁾	784	784	520	1.26
Loss on Pension Settlement ⁽²⁾	24	24	15	0.04
Discrete Tax Expense ⁽³⁾	-	-	23	0.05
Adjusted Results	\$ 1,781	\$ 1,500	\$ 1,005	\$ 2.44

- (1) The pre-tax charges of \$784 million reflect \$578 million of programming charges and a \$206 million restructuring charge associated with workforce reductions.
- (2) The pre-tax non-cash charge of \$24 million was driven by the settlement of pension benefits of certain participants of our funded pension plan.
- (3) The discrete tax expense is principally related to a reduction in qualified production activity tax benefits as a result of retroactively reenacted legislation.



Supplemental Disclosures:

Non-GAAP Financial Information

(In Millions, except per share amounts)

	Quarter ended March 31, 2014			
	Operating Income	Pre-tax Earnings	Net Earnings Attributable to Viacom	Diluted EPS
Reported Results	\$ 872	\$ 727	\$ 502	\$ 1.13
Factors Affecting Comparability:				
Discrete Tax Benefits ⁽¹⁾	-	-	(20)	(0.05)
Adjusted Results	\$ 872	\$ 727	\$ 482	\$ 1.08

(1) The discrete tax benefits principally relate to the recognition of capital loss carryforward benefits.



Supplemental Disclosures: Non-GAAP Financial Information

(In Millions, except per share amounts)

	Six months ended March 31, 2014			
	Operating Income	Pre-tax Earnings	Net Earnings Attributable to Viacom	Diluted EPS
Reported Results	\$ 1,832	\$ 1,564	\$ 1,049	\$ 2.33
Factors Affecting Comparability:				
Discrete Tax Benefits ⁽¹⁾	-	-	(20)	(0.04)
Adjusted Results	\$ 1,832	\$ 1,564	\$ 1,029	\$ 2.29

(1) The discrete tax benefits principally relate to the recognition of capital loss carryforward benefits.



Supplemental Disclosures:

Non-GAAP Financial Information

(In Millions)

	Quarter ended		Six months ended	
	March 31,		March 31,	
	2015	2014	2015	2014
Cash Provided By Operations	\$ 624	\$ 520	\$ 680	\$ 813
Capital Expenditures	(30)	(29)	(64)	(49)
Excess Tax Benefits	4	33	39	38
Free Cash Flow ⁽¹⁾	<u>\$ 598</u>	<u>\$ 524</u>	<u>\$ 655</u>	<u>\$ 802</u>

(1) We define free cash flow as cash provided by operations minus capital expenditures, plus excess tax benefits from equity-based compensation awards (actual tax deductions in excess of amounts previously recognized, which is included within financing activities in the statement of cash flows), as applicable. Free cash flow is a non-GAAP measure. Management believes the use of this measure provides investors with an important perspective on our liquidity, including our ability to service debt and make investments in our businesses.



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