

VIA COM

RESULTS FOR THE QUARTER ENDED December 31, 2014

January 29, 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 ended December 31, 2014.



Reported Results

(In Millions, except per share amounts)

	Quarter ended December 31,		
	2014	2013	B/(W) 2013
Revenues	\$ 3,344	\$ 3,197	5%
Expenses	(2,328)	(2,146)	(8%)
Depreciation & Amortization	(55)	(59)	7%
Equity-Based Compensation	(26)	(32)	19%
Operating Income	<u>\$ 935</u>	<u>\$ 960</u>	(3%)
Net Earnings Attributable to Viacom	\$ 500	\$ 547	(9%)
Diluted EPS	\$ 1.20	\$ 1.20	-
Weighted Average Diluted Shares	416.1	454.0	8%



Adjusted Results

(In Millions, except per share amounts)

	Quarter ended December 31,		
	2014	2013	B/(W) 2013
Revenues	\$ 3,344	\$ 3,197	5%
Expenses	(2,304)	(2,146)	(7%)
Depreciation & Amortization	(55)	(59)	7%
Equity-Based Compensation	(26)	(32)	19%
Adjusted Operating Income	<u>\$ 959</u>	<u>\$ 960</u>	-
Adjusted Net Earnings Attributable to Viacom	\$ 538	\$ 547	(2%)
Adjusted Diluted EPS	\$ 1.29	\$ 1.20	8%
Weighted Average Diluted Shares	416.1	454.0	8%

See page 16-17 for the reconciliation to GAAP results. Results for the quarter ended December 31, 2014 were adjusted for the effect of pension settlements and discrete tax items. There were no adjustments for the quarter ended December 31, 2013.



Free Cash Flow

(In Millions)

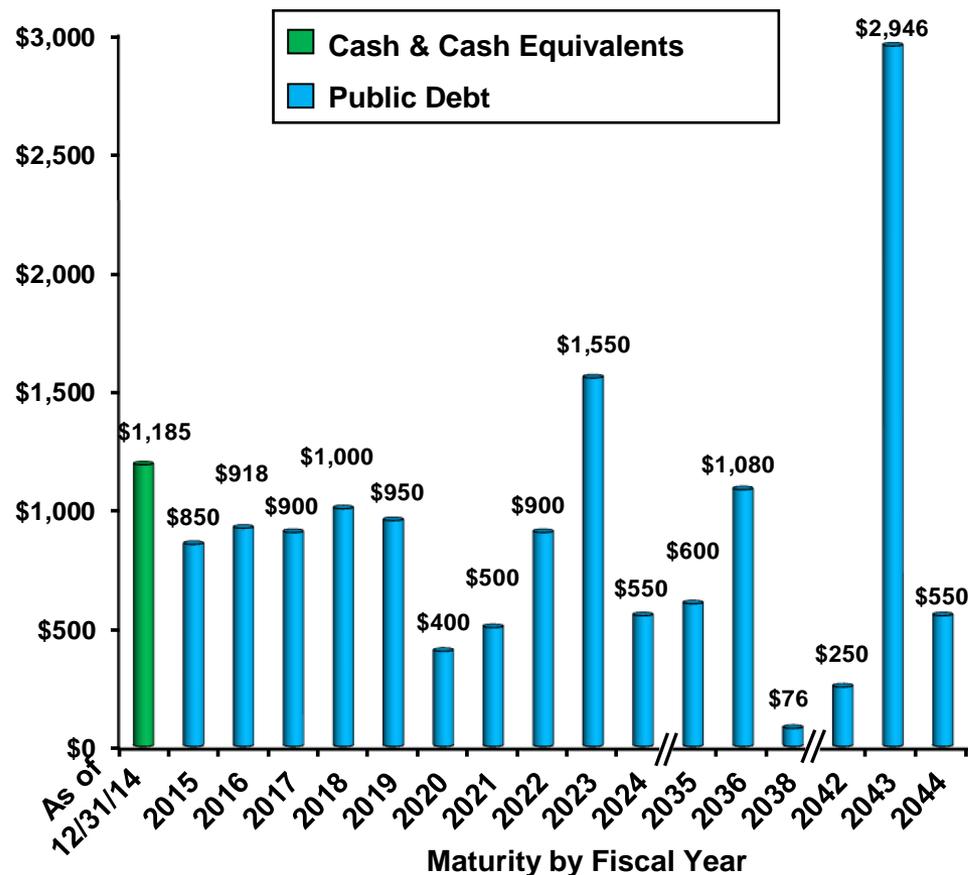
	Quarter ended		
	December 31,		
	2014	2013	B/(W) 2013
Operating Income	\$ 935	\$ 960	(3%)
Depreciation & Amortization	55	59	(7%)
Capital Expenditures	(34)	(20)	(70%)
Cash Interest	(156)	(122)	(28%)
Cash Taxes	(48)	(124)	61%
Working Capital & Other	(695)	(475)	(46%)
Free Cash Flow	<u>\$ 57</u>	<u>\$ 278</u>	(79%)

See page 16 and 18 for the reconciliation of cash provided by operations to Free Cash Flow.



Debt & Cash

(In Millions)



	December 31, 2014
Floating Rate Debt	\$ -
Fixed Rate Debt	13,602
Capital Lease and Other Obligations	161
Total Debt	\$ 13,763
Cash & Cash Equivalents	1,185
Net Debt	\$ 12,578

Weighted Average Rate ⁽¹⁾	4.5%
Weighted Average Maturity ⁽¹⁾	12.7

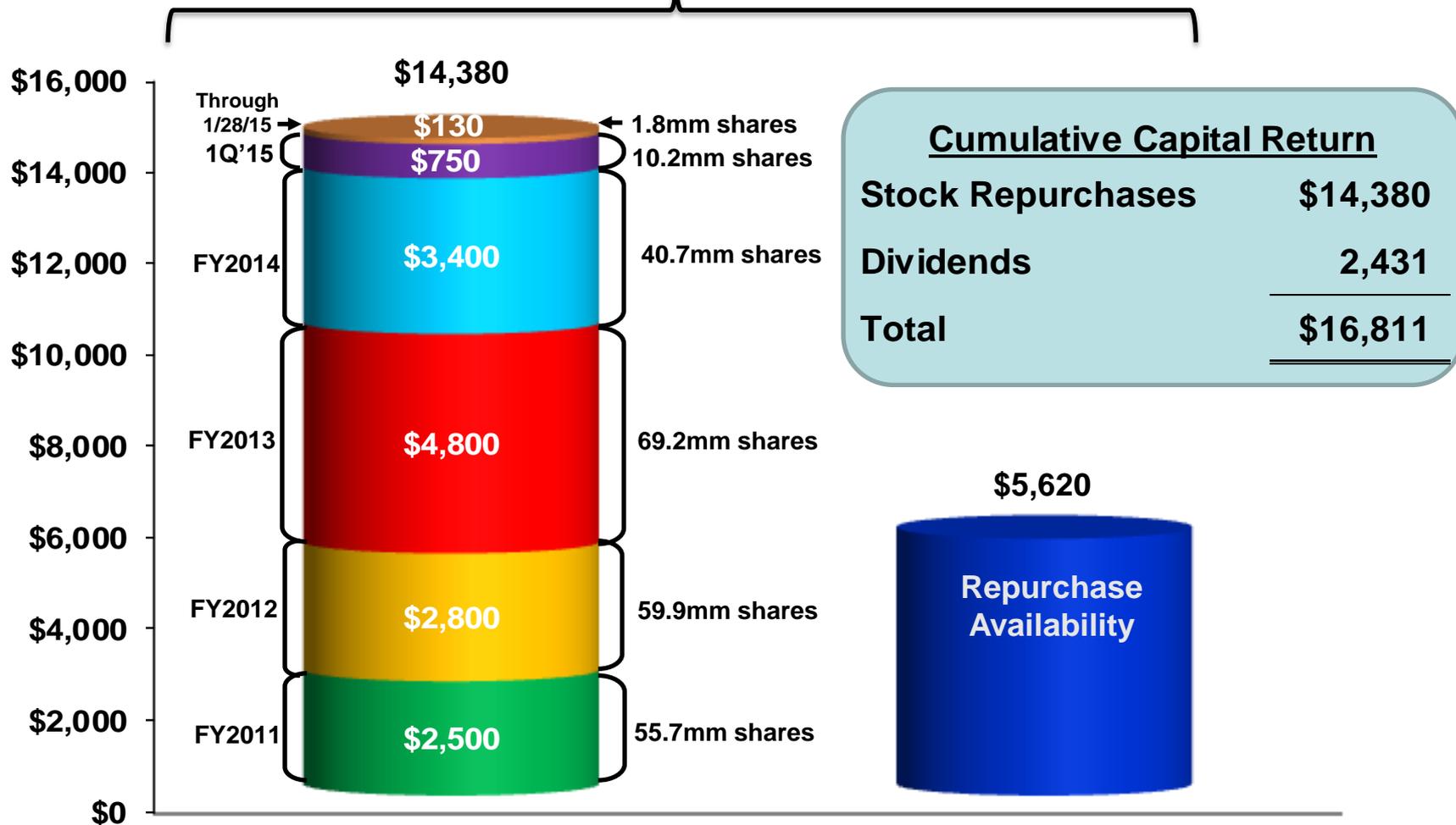
Maturity dates in the chart are on a fiscal year basis and exclude capital leases and other obligations.

(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

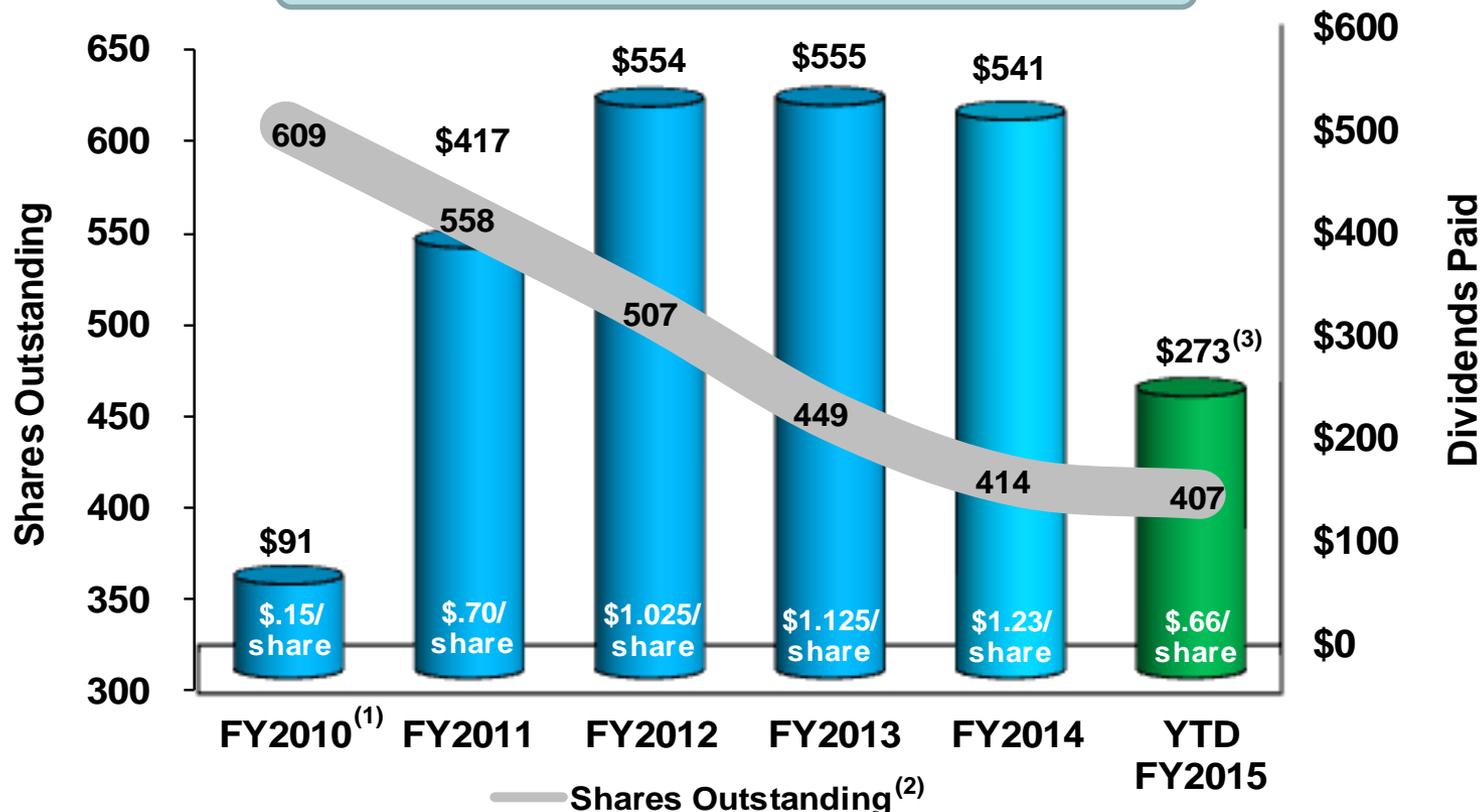


Capital Returned to Shareholders

(In Millions, except per share amounts)

Shares Outstanding and Dividends Paid

Cumulative Dividends Paid: \$2.4 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 the 1st and 2nd fiscal quarters of 2015.



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SEGMENT HIGHLIGHTS



Media Networks – Revenues by Type

(In Millions)

	Quarter ended December 31,		
	2014	2013	B/(W) 2013
Advertising	\$ 1,367	\$ 1,325	3%
Affiliate Fees	1,132	1,066	6%
Ancillary	155	150	3%
Total	\$ 2,654	\$ 2,541	4%



Media Networks – Financial Results

(In Millions)

	Quarter ended		
	December 31,		
	2014	2013	B/(W) 2013
Revenues	\$ 2,654	\$ 2,541	4%
Expenses	(1,509)	(1,391)	(8%)
Depreciation & Amortization	(41)	(36)	(14%)
Adjusted Operating Income	\$ 1,104	\$ 1,114	(1%)
Equity-Based Compensation	(10)	(10)	-
Operating Income	\$ 1,094	\$ 1,104	(1%)



Filmed Entertainment – Revenues by Type

(In Millions)

	Quarter ended December 31,		
	2014	2013	B/(W) 2013
Theatrical	\$ 169	\$ 159	6%
Home Entertainment	316	272	16%
License Fees	189	208	(9%)
Ancillary	46	42	10%
Total	\$ 720	\$ 681	6%



Filmed Entertainment – Significant Releases

Theatrical	
Qtr ended December 31, 2014	Qtr ended December 31, 2013
Interstellar	Jackass Presents: Bad Grandpa
Top Five	Nebraska
The Gambler	Anchorman 2: The Legend Continues
Selma ⁽¹⁾	The Wolf of Wall Street

Home Entertainment	
Qtr ended December 31, 2014	Qtr ended December 31, 2013
Hercules	No releases
Teenage Mutant Ninja Turtles	

(1) Limited release in the December quarter 2014. Wide release in the March quarter 2015.



Filmed Entertainment – Financial Results

(In Millions)

	Quarter ended		
	2014	2013	B/(W) 2013
Revenues	\$ 720	\$ 681	6%
Expenses	(767)	(734)	(4%)
Depreciation & Amortization	(13)	(21)	38%
Adjusted Operating Income	\$ (60)	\$ (74)	19%
Equity-Based Compensation	(4)	(4)	-
Operating Income	\$ (64)	\$ (78)	18%



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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 loss on pension settlement and discrete tax expense, 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 impact included in the table has been calculated using the rate applicable to the adjustment presented.



Supplemental Disclosures:

Non-GAAP Financial Information

(In Millions, except per share amounts)

Quarter ended December 31, 2014

	Operating Income	Pre-tax Earnings	Net Earnings Attributable to Viacom	Diluted EPS
Reported Results	\$ 935	\$ 790	\$ 500	\$ 1.20
Factors Affecting Comparability:				
Loss on Pension Settlement ⁽¹⁾	24	24	15	0.04
Discrete Tax Expense ⁽²⁾	-	-	23	0.05
Adjusted Results	\$ 959	\$ 814	\$ 538	\$ 1.29

(1) 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.

(2) The discrete tax expense is principally related to a reduction in qualified production activity tax benefits as a result of retroactively reenacted legislation.

There were no adjustments to our results for the quarter ended December 31, 2013.



Supplemental Disclosures: Non-GAAP Financial Information

(In Millions)

	Quarter ended December 31,	
	2014	2013
Cash Provided By Operations	\$ 56	\$ 293
Capital Expenditures	(34)	(20)
Excess Tax Benefits	35	5
Free Cash Flow ⁽¹⁾	<u>\$ 57</u>	<u>\$ 278</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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