

VIACOM

FQ1 2019 RESULTS

FEBRUARY 5, 2019



AWESOMENESS

BELLATOR

BET★

5



colors

COMEDY
CENTRAL



nickelodeon



TV LAND

VH1



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: technological developments, alternative content offerings and their effects in our markets and on consumer behavior; competition for content, audiences, advertising and distribution in a swiftly consolidating industry; the public acceptance of our brands, programs, films and other entertainment content on the various platforms on which they are distributed; the impact on our advertising revenues of declines in linear television viewing, deficiencies in audience measurement and advertising market conditions; the potential for loss of carriage or other reduction in the distribution of our content; evolving cybersecurity and similar risks; the failure, destruction or breach of our critical satellites or facilities; content theft; increased costs for programming, films and other rights; the loss of key talent; domestic and global political, economic and/or regulatory factors affecting our businesses generally; volatility in capital markets or a

decrease in our debt ratings; a potential inability to realize the anticipated goals underlying our ongoing investments in new businesses, products, services and technologies; fluctuations in our results due to the timing, mix, number and availability of our films and other programming; potential conflicts of interest arising from our ownership structure with a controlling stockholder; and other factors described in our news releases and filings with the Securities and Exchange Commission, including but not limited to our 2018 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, 2018.

FQ1 MARKED ANOTHER STRONG QUARTER

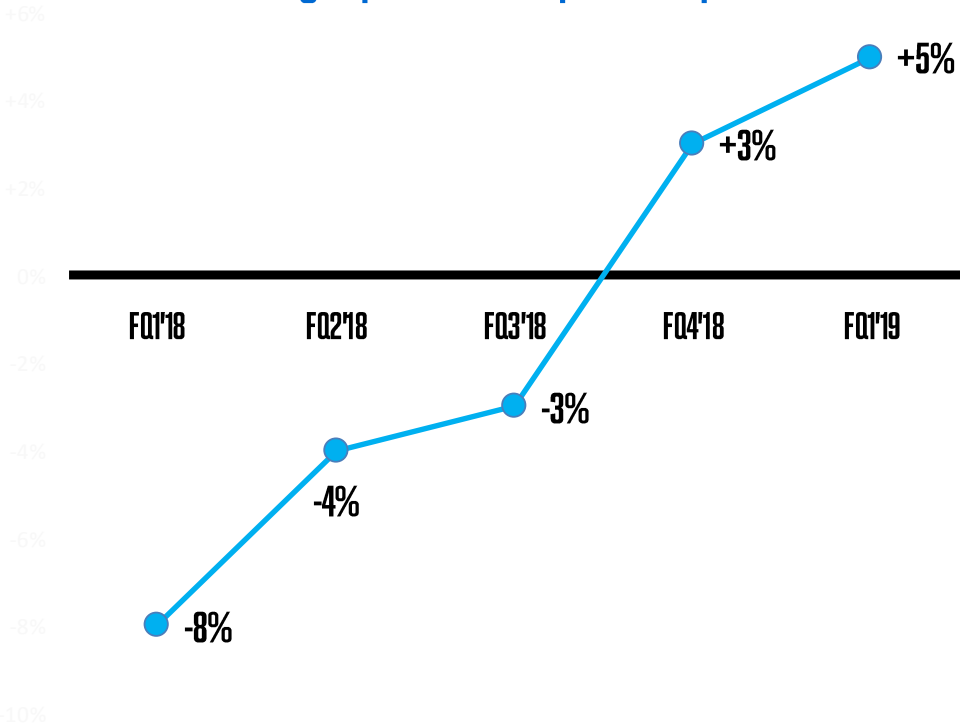
- **Viacom continued to execute on its strategy while evolving for the future**
 - Strong growth in consolidated metrics on a constant currency basis:
 - 4% growth in Revenue
 - 6% growth in Adjusted OI
 - 13% growth in Adjusted Diluted EPS ⁽¹⁾
 - Domestic affiliate revenue grew 5%, marking second straight quarter of YoY growth
 - Domestic ad sales growth rate improved sequentially, AMS growth accelerating
 - Paramount improved YoY adjusted operating results for eighth straight quarter
 - Media Networks maintained the #1 share of viewing among key demos
 - Studio Production business is on track to generate ~\$1B in 2020
 - Additional de-leveraging with tender for \$1.1B of outstanding debt
- **Pending acquisition of Pluto TV will accelerate Viacom's evolution**

(1) From continuing operations

DOMESTIC AFFILIATE REVENUES

DOMESTIC AFFILIATE REVENUE YOY GROWTH (%)

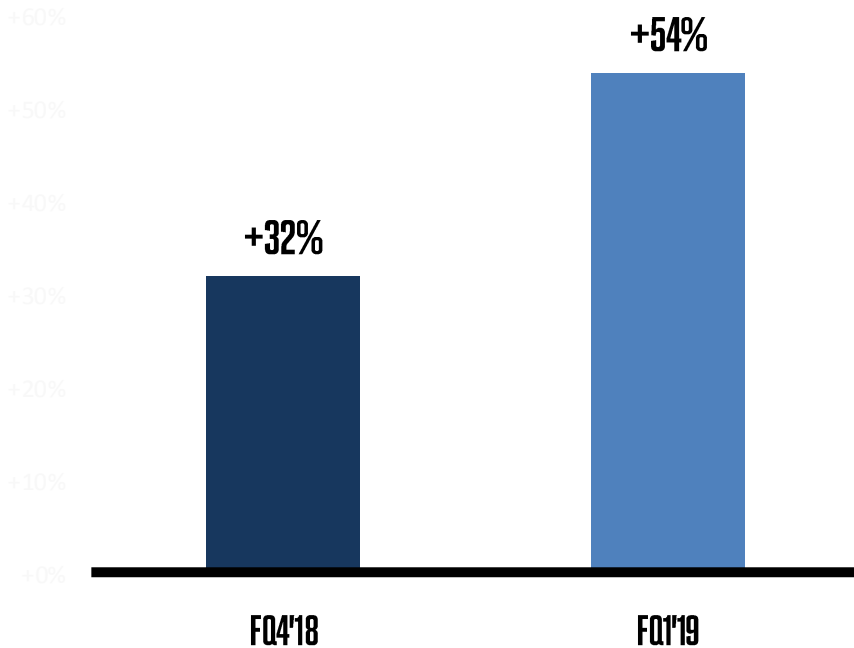
Four straight quarters of sequential improvement



- Domestic affiliate revenue continued strong trajectory
 - Second straight quarter of YoY growth
 - Fourth straight quarter of sequential improvement
 - Growth driven by contractual rate increases, OTT and studio production revenues
- Continue to expect low single digit growth in full year domestic affiliate revenues

DOMESTIC AD SALES

ADVANCED MARKETING SOLUTIONS REVENUE YOY GROWTH (%)

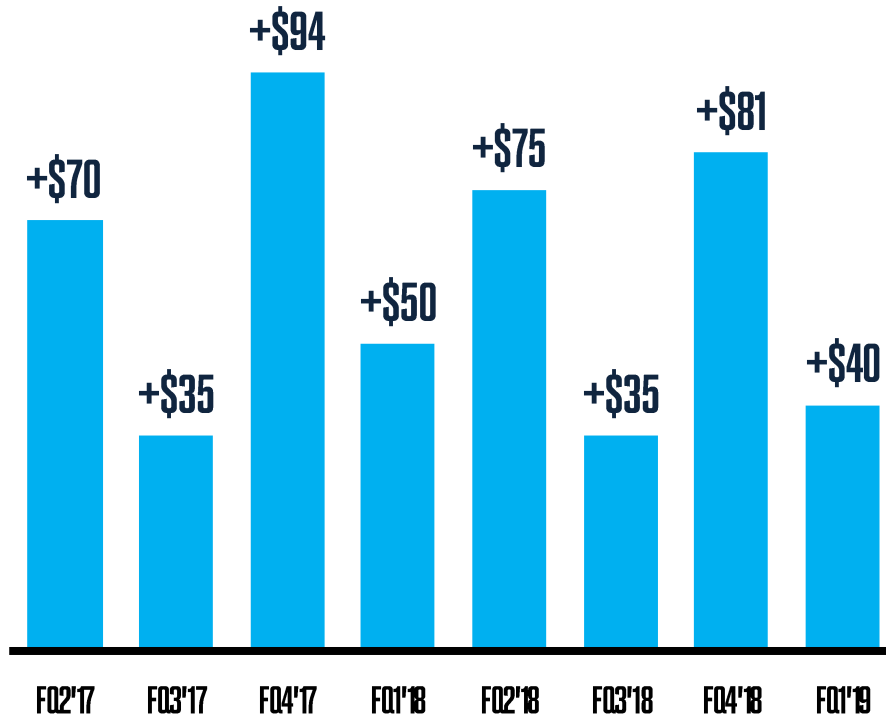


- Domestic ad revenue YoY growth rate improved 100 bps sequentially, to a decline of 3%
- AMS acceleration on track
 - YoY growth accelerated to 54% in FQ1'19 from 32% in FQ4'18
 - Represents over 10% of domestic ad sales in FQ1
 - Revenues projected to nearly double in FY'19, representing ~15-20% of domestic ad sales
- Continue to expect full year growth in domestic ad sales

FILMED ENTERTAINMENT

ADJUSTED OPERATING INCOME YOY IMPROVEMENT \$ IN MILLIONS

Eight straight quarters of YoY improvement in Adjusted OI











- Paramount delivered 14% revenue growth
- Paramount improved YoY adjusted OI by \$40M – its eighth straight quarter of improvement
- *Bumblebee* reinvigorated the *Transformers* franchise
 - Earned over \$450M at worldwide box office to date
 - Solidly profitable film
- Expanded FY'19 slate includes upcoming BET co-branded *What Men Want* on 2/8

MEDIA NETWORKS

LEADERSHIP IN KEY DEMOS

P2-49	P2-11	P12-17	P12-34	P18-34	P18-49
#1	#1	#1	#1	#1	#1

9 OF TOP 10 ORIGINAL CABLE SERIES IN P2-11

1		PAW PATROL
2		THE LOUD HOUSE
3		SPONGEBOB SQUAREPANTS
4		HENRY DANGER
5		THE RISE OF THE TEENAGE MUTANT NINJA TURTLES
6		LIP SYNC BATTLE SHORTIES
7		KEEP IT SPOTLESS
8	DISNEY JR	ELENA OF AVALOR
9		BUTTERBEAN'S CAFE
10		POWER RANGERS

6 OF TOP 10 ORIGINAL CABLE SERIES IN P18-34

1	AMC	THE WALKING DEAD
2	FX	AMERICAN HORROR STORY
3		LOVE & HIP HOP HOLLYWOOD
4		JERSEY SHORE FAMILY VACATION
5		LOVE & HIP HOP
6		TEEN MOM
7		SOUTH PARK
8	BRAVO	THE REAL HOUSEWIVES OF ATLANTA
9		THE CHALLENGE: FINAL RECKONING
10	TLC	90 DAY FIANCE

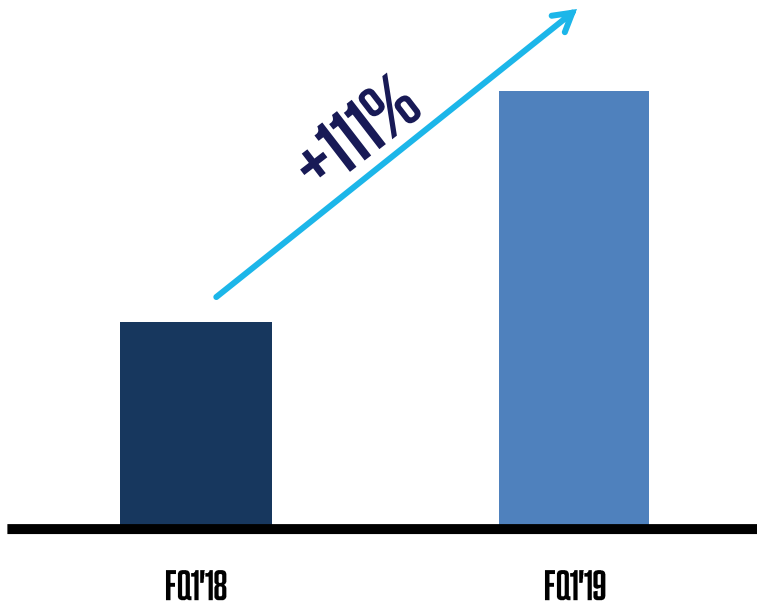
Source: Nielsen Media.
Note: Live+SD; FQ1'19; New episodes only, excludes news/sports/movies; 3 T/C minimum; 15 min minimum duration.

- Viacom brands maintained the #1 share of key domestic audiences ⁽¹⁾:
 - Strong share growth at MTV (+15%), Comedy Central (+2%) and Paramount Network (+5%)
 - 9 of the top 10 original cable series in P2-11 and 6 of the top 10 in P18-34 ⁽²⁾
- Strong viewership internationally
 - Telefe maintained #1 position with highest annual share in 10 years
 - Channel 5's fifth straight month of YoY share gains
 - MTV +11% YoY
 - Paramount Network +7% YoY

Source: Nielsen Media
 (1) Live+7 Total Day Program Ratings; English speaking basic cable
 (2) Live+SD Total Day; rank based on L+SD 000s. Includes new episodes/specials only, excludes news/sports/movies; includes shows with a minimum of 3 T/C and 15 mins duration

STUDIO PRODUCTION

WORLDWIDE STUDIO PRODUCTION REVENUE

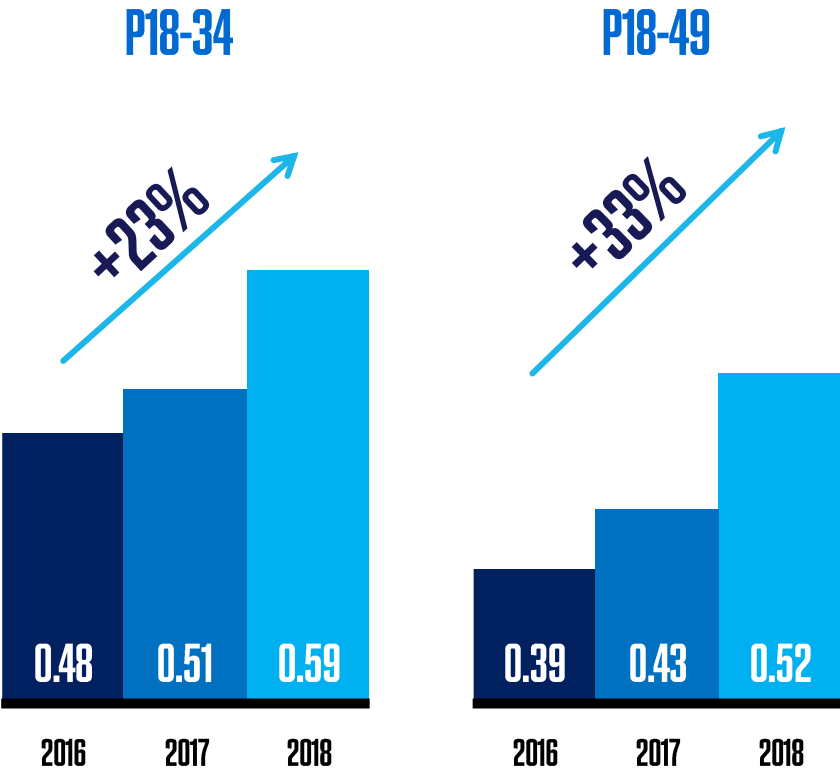


- Worldwide studio production revenue more than doubled in the quarter on a YoY basis
 - Paramount TV revenues grew 84%
 - Premiered *The Haunting of Hill House*
 - S3 of *Berlin Station* premiered for Epix
 - Awesomeness announced sequel to *To All the Boys I've Loved Before* on Netflix
 - New Nickelodeon Studios deal with Netflix to produce two original, animated feature films based on *The Loud House* and *Rise of the TMNT*
 - Viacom International Studios recently announced deals to produce content for Amazon, Claro, Imagen, Mediapro and Mega
- On track to generate ~\$1bn in 2020



TURNED AROUND P18-34 RATINGS AND BROADENED TO P18-49; CLEAR LEADERSHIP IN UNSCRIPTED

MTV PRIMETIME RATINGS



Source: Nielsen Media.
Note: Live+3; calendar Years; primetime represents M-Su 8p-11p.

TOP 10 NEW UNSCRIPTED SERIES ON CABLE (P18-34)

MTV launched 5 of Top 10 New Unscripted Cable Series

1		Jersey Shore Family Vacation
2		Love & Hip Hop: Miami
3		Floribama Shore
4		Ex on the Beach
5		Teyana & Iman
6		Teen Mom: Young & Pregnant
7		TI & Tiny: Family Hustle
8		Remy & Papoose
9	TLC	Dr. Pimple Popper
10		How Far is Tattoo Far?

Source: Nielsen Media.
Note: Live+3; calendar year 2018; rank based on average delivery. Includes new episodes only, excludes news/sports/movies/specials; includes shows with a minimum of 2 T/C and 15 mins duration.

MTV

GLOBAL BRAND



REINVIGORATING LINEAR

◀ Floribama Shore

- New content strategy bringing more development in-house to program more primetime hours at lower cost
- Reinventing franchise IP to diversify and grow audience
- Creating new hits (Siesta Key, How Far is Tatoo Far?, Ex on the Beach)
- Broadening demo to 18-49



GROWING DIGITAL

◀ Wild N Out / YouTube

- Extending IP beyond cable to attract new audiences, increasing consumption and monetization
 - Wild 'N Out is the #1 YouTube Hip Hop channel in views per video, with an average of 2M
- More than doubled watch time on social YoY in FQ1



EXPANDING STUDIO PRODUCTION

◀ MTV's The Real World

- Launched MTV Studios to feed third-party demand for content, driving reach and incremental growth
 - MTV's The Real World for Facebook Watch reimagines the franchise on a new platform, in 3 territories globally
- Unlocking broad library of music and youth-focused IP, with 200+ titles



ELEVATING EVENTS & EXPERIENTIAL

◀ SnowGlobe Music Festival 2018

- Building off-screen presence to broaden brand expression and deepen engagement with fans
 - MTV's first-ever SnowGlobe Music Festival
 - Return of Spring Break in 2019

POWER OF
BRAND & IP

PLUTO TV

A TRUE GAMECHANGER FOR VIACOM

100+

LIVE LINEAR
CHANNELS

5,000+

HOURS VIDEO
ON-DEMAND

#2

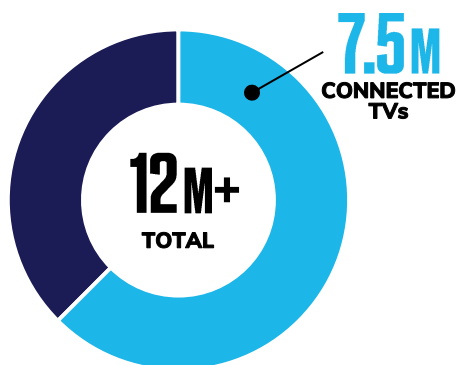
ROKU
FREE APP

130+

CONTENT
PARTNERSHIPS

PLUTO TV MONTHLY ACTIVE USERS

in millions as of December 2018



- Pluto TV is the largest free streaming TV platform in the U.S.
 - 12M+ monthly active users (7.5M on connected TVs), double its nearest competitor
 - 100+ live linear channels along with 5,000+ hours of VOD library
 - 130+ content partnerships in place with media networks, major film and TV studios (including Paramount and Awesomeness) and a wide range of digital content producers
- Universally available across mobile devices, desktops, streaming players and game consoles
 - #2 free app on Roku
- Deeply integrated with growing number of smart TVs, including Samsung and Vizio, which represent ~60% of the smart TV market
 - Pluto TV is currently the largest channel provider to Samsung's TV Plus service and powers all aspects of Vizio's WatchFree offering on a co-branded basis

Note: Closing is subject to regulatory approvals.



STRONG AND MULTIFACETED STRATEGIC FIT

Provides a scaled direct-to-consumer offering

- Gives direct access to 12M+ MAUs, expected to be enabled on 30M+ additional devices over the coming months
- Serves as a marketing engine for targeted subscription products, like Noggin, Comedy Central Now, etc.

Meaningfully enhances Advanced Marketing Solutions

- Immediately adds billions of addressable ad impressions per month over the course of FY'19
- Brings in an additional audience that is young, gender-balanced and hard to reach

Adds an important offering for distribution partners

- Creates value for distributors' broadband-only subscribers, and serves as a customer acquisition and retention tool
- Presents a significant opportunity for all types of distributors, including mobile operators

Unlocks the value of library content

- Creates an opportunity to monetize Viacom library
- Benefits from strategic decision to curtail the licensing of large library packages to SVOD over the last two years

Creates a global opportunity

- Viacom's global reach, infrastructure and capabilities help Pluto expand globally
- Offers a near-term Spanish language opportunity, both in the U.S. and Latin America

Accelerates leadership in free streaming TV

- Viacom will strengthen Pluto TV's content offering across kids, African-American, reality and comedy
- Will have access to Viacom's brands and marketing capabilities

FINANCIAL RESULTS

CONSOLIDATED FINANCIAL RESULTS

CONTINUED MOMENTUM AND PROGRESS ON STRATEGIC INITIATIVES DROVE STRONG TOTAL COMPANY RESULTS

FQ1'19 KEY CONSOLIDATED FINANCIALS*

\$ IN MILLIONS, EXCEPT PER SHARE DATA

		<i>Year-over-Year</i>	
		<i>Reported</i>	<i>Constant Currency</i>
Revenue	\$3,090	+1%	+4%
Adjusted OI	\$750	+4%	+6%
Adjusted Diluted EPS ⁽¹⁾	\$1.12	+9%	+13%

(1) From continuing operations

* See page 18 for information regarding non-GAAP financial measures

HIGHLIGHTS*

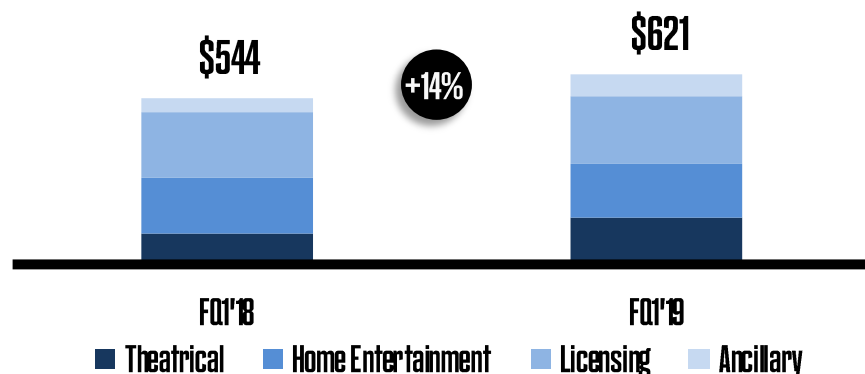
- Revenue growth driven by Filmed Entertainment and worldwide affiliate revenues
- Adjusted OI on a constant currency basis grew 6%
 - Growth in both Paramount and Media Networks
 - Marked the second consecutive quarter of growth
- Adjusted Diluted EPS on a constant currency basis increased 13%, making this the fourth consecutive quarter of growth

FILMED ENTERTAINMENT

MOMENTUM CONTINUES WITH SUCCESS AT THE BOX OFFICE AND CONTINUED TOP AND BOTTOM LINE IMPROVEMENT

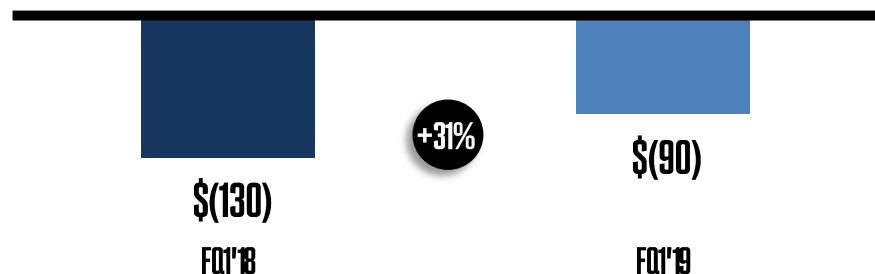
REVENUE BREAKDOWN*

\$ IN MILLIONS



ADJUSTED OPERATING RESULTS*

\$ IN MILLIONS



* All figures are presented on a reported basis as impact from foreign exchange is not material.

HIGHLIGHTS*

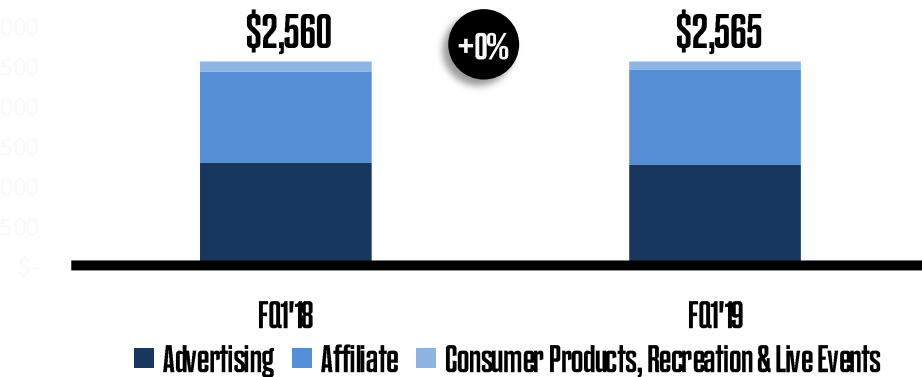
- Revenue growth of 14% driven by strength in theatrical, TV production and ancillary revenues
 - Theatrical revenue grew 49% driven by the box office performances of *Bumblebee* and *Instant Family*
 - Licensing revenue increased due to 84% growth in revenue at Paramount TV
 - Ancillary revenue grew 54% principally driven by license fees related to the development of two Paramount-branded theme parks in Asia
- Delivered its eighth consecutive quarter of YoY adjusted OI improvement, up \$40M in FQ1'19

MEDIA NETWORKS

GROWTH IN WORLDWIDE AFFILIATE REVENUE AND SEQUENTIAL IMPROVEMENT IN DOMESTIC AD REVENUE

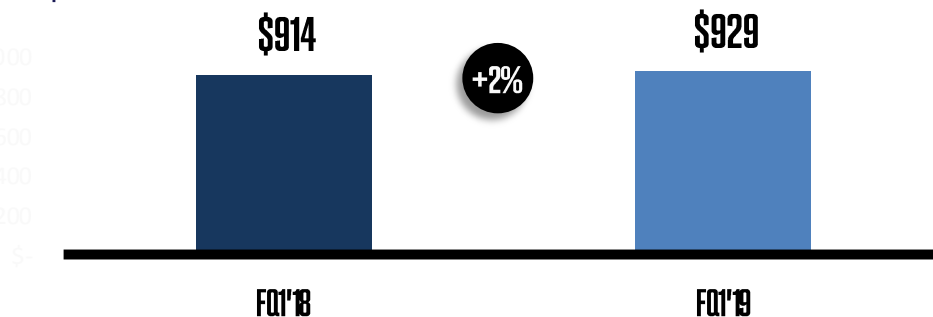
REVENUE BREAKDOWN (CONSTANT CURRENCY)*

\$ IN MILLIONS



ADJUSTED OPERATING INCOME (CONSTANT CURRENCY)*

\$ IN MILLIONS



* See page 18 for information regarding non-GAAP financial measures

HIGHLIGHTS*

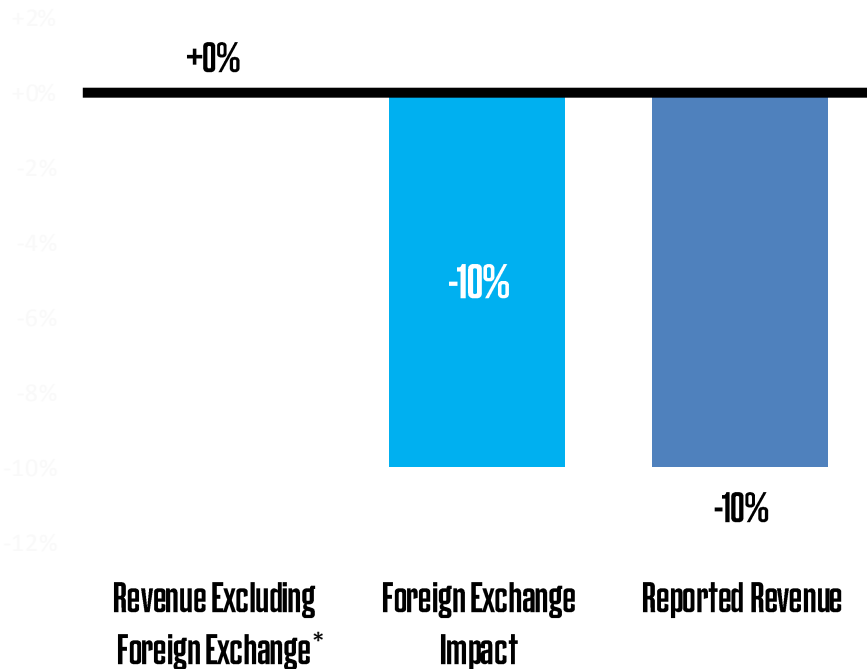
- Revenue was flat excluding a -2% impact from foreign currency, as growth in domestic affiliate revenue was largely offset by declines in domestic ad sales
- On a constant currency basis, Adjusted OI was up 2% due to benefits from cost transformation savings, partially offset by investments in growth initiatives
- Domestic affiliate revenue grew 5%
 - Second consecutive quarter of YoY growth, driven by contractual rate increases, OTT and studio production revenues
- Domestic ad revenue YoY growth rate improved 100 bps sequentially, to a decline of 3%
 - Advanced Marketing Solutions revenue grew 54% YoY

INTERNATIONAL MEDIA NETWORKS

GROWTH IN INTERNATIONAL MEDIA NETWORKS IMPACTED BY FOREIGN EXCHANGE HEADWINDS

REVENUE

YOY GROWTH (%)



HIGHLIGHTS*

- Revenue was flat in the quarter, excluding a -10% impact from foreign exchange
 - Reported revenue in the quarter was negatively impacted by foreign exchange, particularly in Argentina
- Ad revenue was flat on a constant currency basis, a 300 bps improvement from FQ4'18, driven by strength in Latin America
- Affiliate revenue was flat excluding a -7% impact from foreign exchange, as rate increases, channel launches and increased subscribers were offset by the timing of SVOD and OTT deliveries

* See page 18 for information regarding non-GAAP financial measures

DEBT & FREE CASH FLOW

CONTINUED PROGRESS DE-LEVERAGING WITH \$1.1 BILLION TENDER FOR DEBT OUTSTANDING

HIGHLIGHTS

- Successfully executed an upsized tender offer for \$1.1B of senior notes and debentures in the quarter
- Reduced debt by ~\$4.2B, or 32%, since announcing plans to de-lever in February 2017
- Generated FCF of \$191M, an improvement of \$207M, driven by improvements in working capital, higher adjusted OI and lower interest expense

FREE CASH FLOW *

\$ IN MILLIONS

	FQ1'19	FQ1'18	B/(W) %
Adjusted Operating Income	\$ 750	\$ 718	4%
Depreciation and Amortization	50	53	(6%)
Capital Expenditures	(37)	(28)	(32%)
Cash Interest	(104)	(123)	15%
Cash Taxes	(36)	(24)	(50%)
Working Capital and Other	(432)	(612)	29%
Free Cash Flow *	\$ 191	\$ (16)	n/m

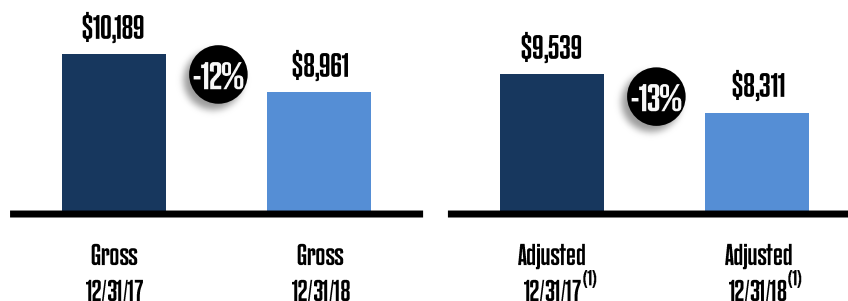
n/m – not meaningful

* See page 18 for information regarding non-GAAP financial measures

(1) Adjusted Gross Debt reflects 50% equity credit applied by S&P and Fitch to \$1.3B of hybrid securities, reducing gross debt by \$650M

DEBT

\$ IN MILLIONS



DEBT OVERVIEW

\$ IN MILLIONS

Gross Debt	\$8,961
Adjusted Gross Debt ⁽¹⁾	\$8,311
Cash and Cash Equivalents	\$534
Net Debt	\$8,427
Weighted Average Rate	5.05%
Weighted Average Maturity	17.0 yrs

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, revenue, 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 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, facilitate period-to-period comparisons of our business performance and allow investors to review performance in the same way as Viacom management.

Because foreign currency headwinds can be significant and unpredictable and are outside of our control, we are providing certain financial information in a way that excludes the impact of currency fluctuations in order to provide a clearer view of our operating performance. This information compares results between periods as if exchange rates had remained constant period-over-period. We calculate this information by converting current-period local currency results using prior-year period average foreign currency exchange rates.

We provide reconciliations of our reported results and net cash provided by operating activities (GAAP) to our adjusted results and free cash flow (non-GAAP) in the body of this earnings presentation or in our Form 8-K (Quarterly Earnings Release) announcing our quarterly earnings, which can be found on our website at ir.viacom.com.

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