

VIA COM

FISCAL FIRST QUARTER 2017 RESULTS



Cautionary Statement Concerning Forward-Looking Statements

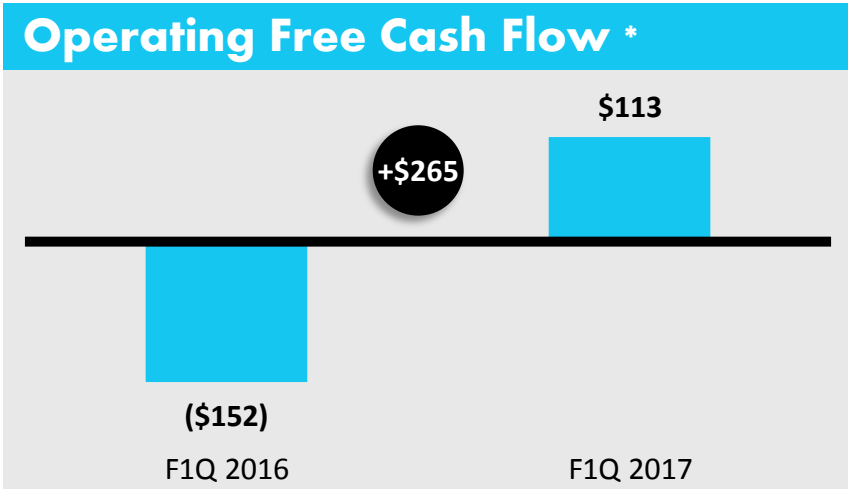
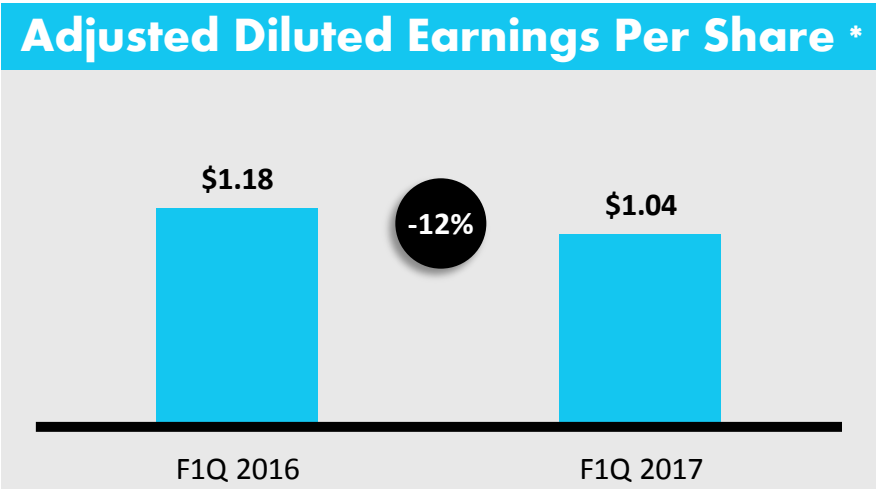
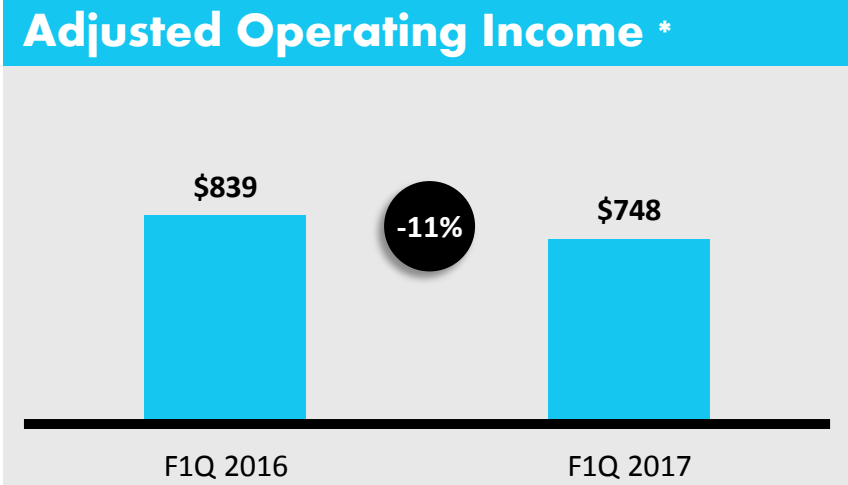
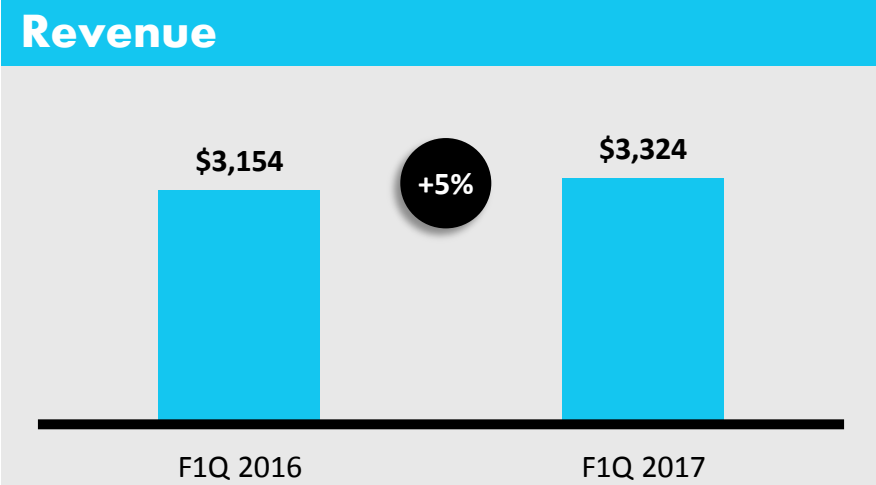
This presentation contains both historical and forward-looking statements. All statements that are not statements of historical fact are, or may be deemed to be, forward-looking statements. Forward-looking statements reflect our current expectations concerning future results, objectives, plans and goals, 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 effect of recent changes in management and our board of directors; the public acceptance of our brands, programs, motion pictures and other entertainment content on the various platforms on which they are distributed; the impact of inadequate audience measurement on our program ratings and advertising and affiliate revenues; 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, number 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 or other 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 2016 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, 2016.

Consolidated Financial Summary

➤ **Return to Growth in Revenue and Operating FCF**

(\$ in millions except per share data)

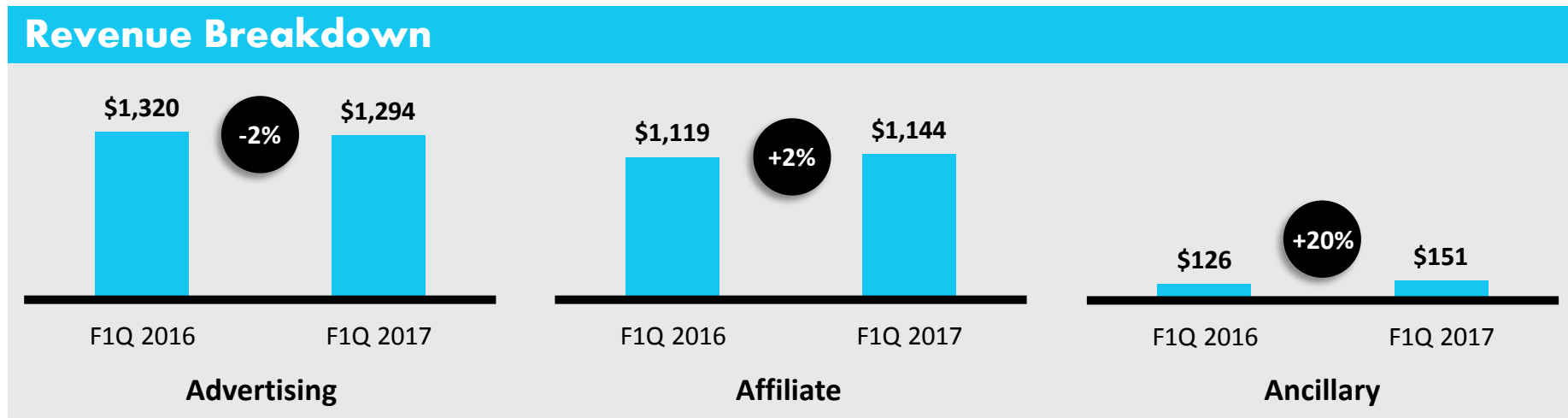
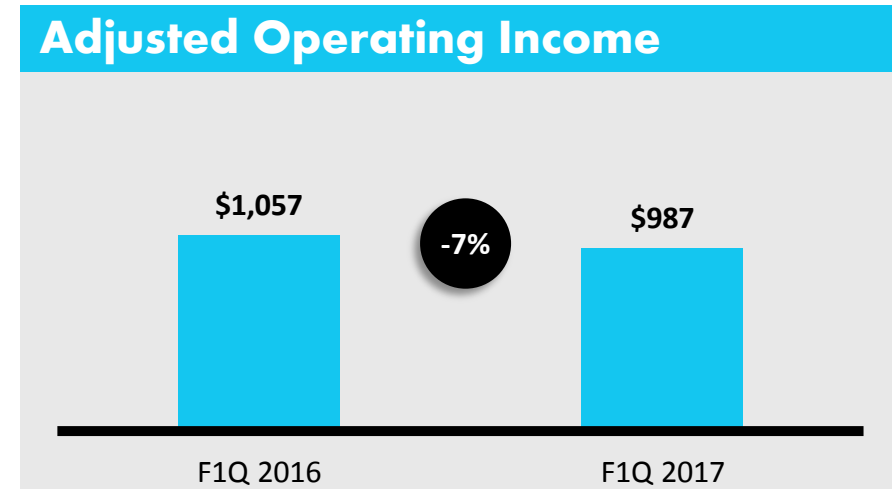
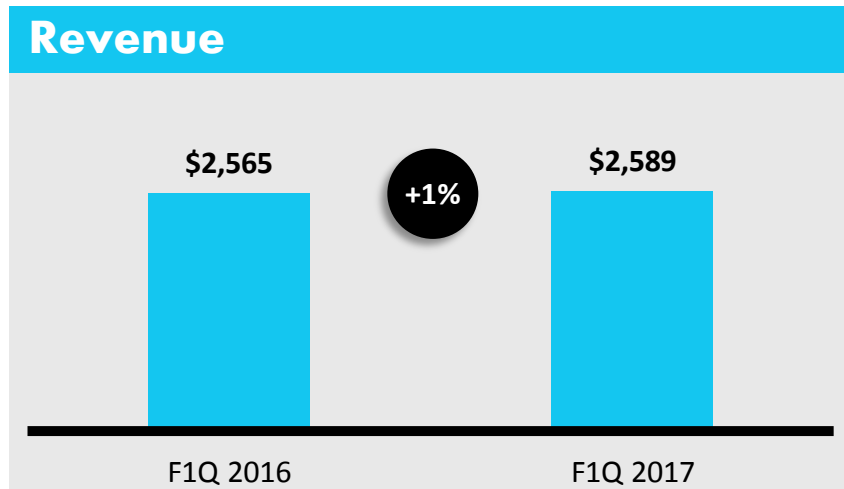


* See page 11 for information regarding non-GAAP financial measures.

Media Networks: Financial Summary

- Revenue Growth Driven by Affiliate and Ancillary
- Adjusted OI Impacted by Investment in Programming and Employee Costs

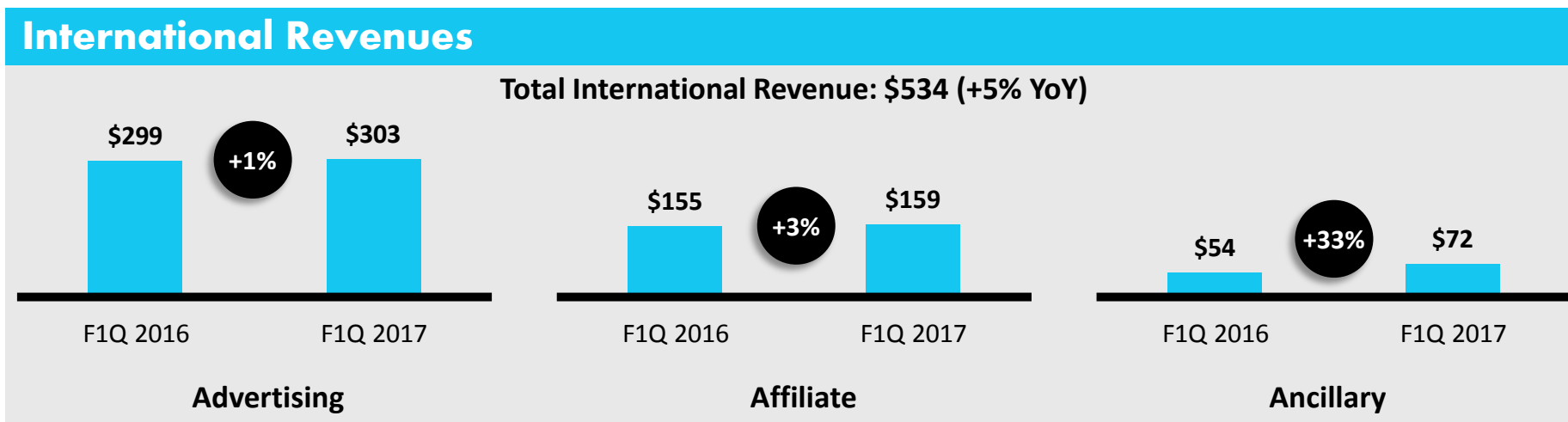
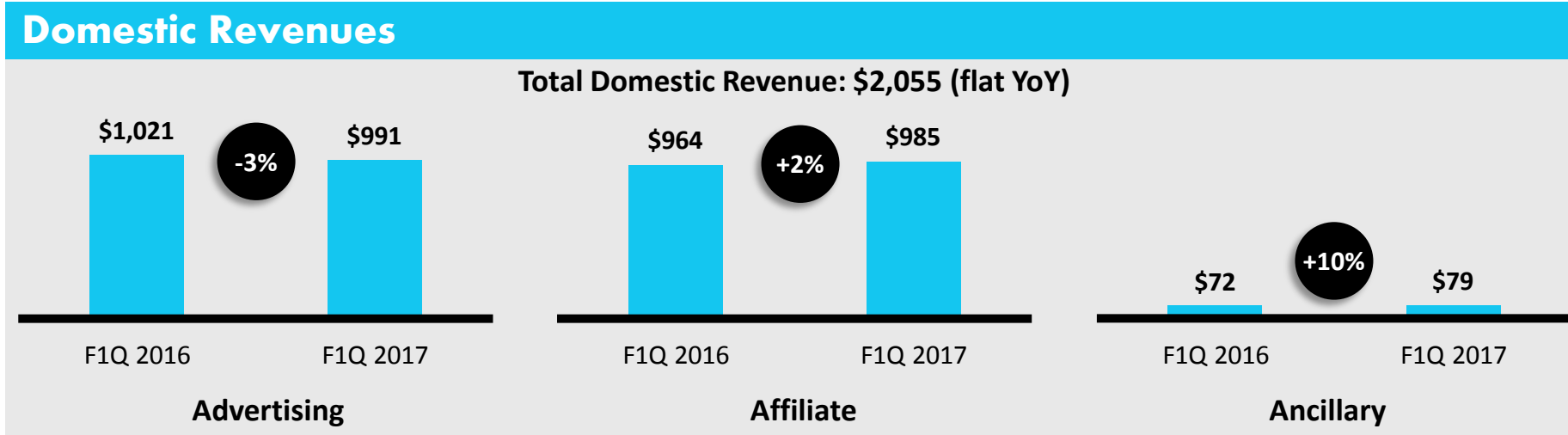
(\$ in millions)



Media Networks: Revenue Breakdown

➤ Domestic Affiliate Returning to Growth and Continued Strength in International

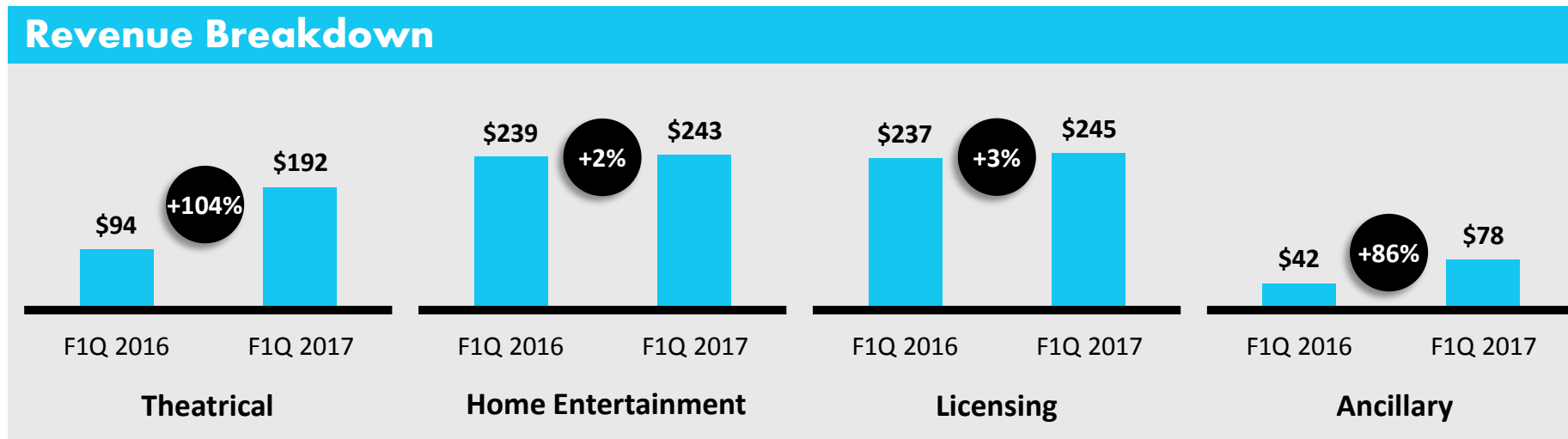
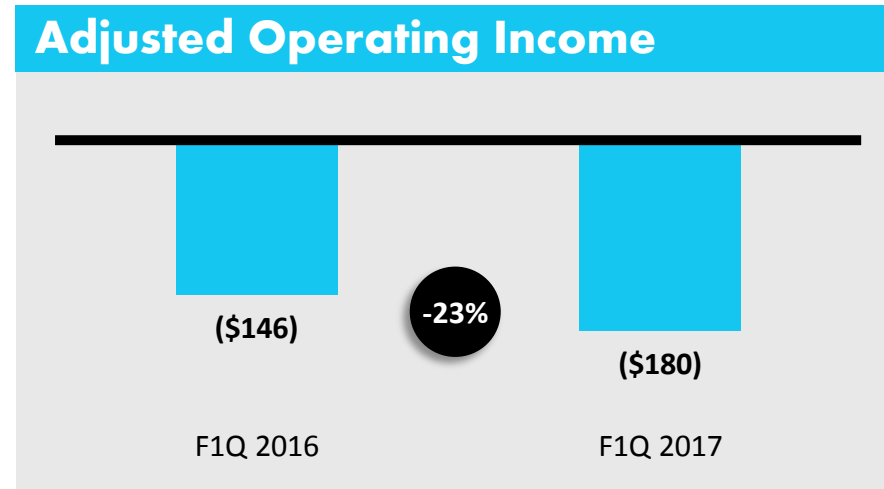
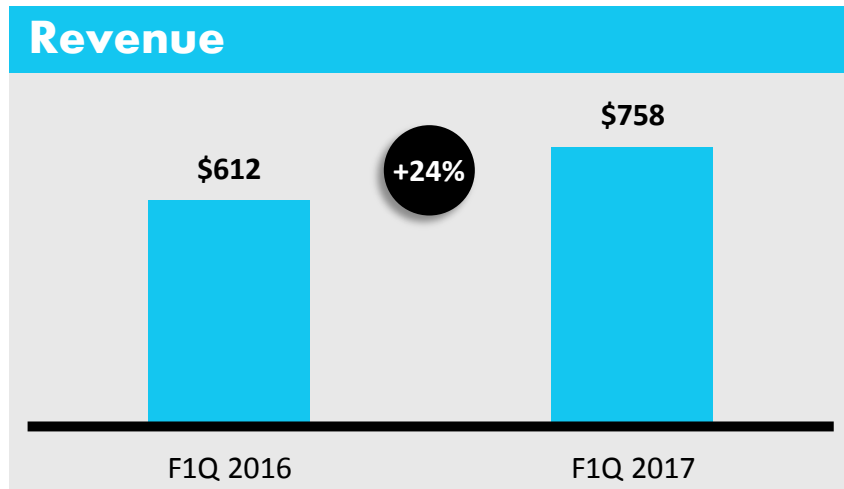
(\$ in millions)



Filmed Entertainment: Financial Summary

- Growth Across All Revenue Streams Led by Theatrical Performance
- Adjusted OI Impacted by Advertising Expense Associated With a Greater Number of Releases

(\$ in millions)



Media Networks Performance Highlights



- Affiliate revenues returned to positive growth in both the domestic and international markets
- Domestic advertising revenue performance improved 500 basis points versus Q4 2016
- International revenues increased 5%, with gains across the board in advertising, affiliate and ancillary revenues



- Extended its winning streak in all major kids' demos (#1 with kids 2-11 and kids 2-5 for six quarters), taking the #1 spot with ages 6-11, its best performance in this demo in five years
- Performance this quarter was buoyed by the launch of more than 140 new episodes of new and returning series and specials



- Closed the quarter with a strong December, showing its first ratings growth since 2014



- “The Daily Show” wrapped the year on a ratings high for Trevor Noah, driven by debate and election coverage. The show is #1 with millennial men for the 5th consecutive quarter and #2 with all millennials for the first quarter

Filmed Entertainment Performance Highlights



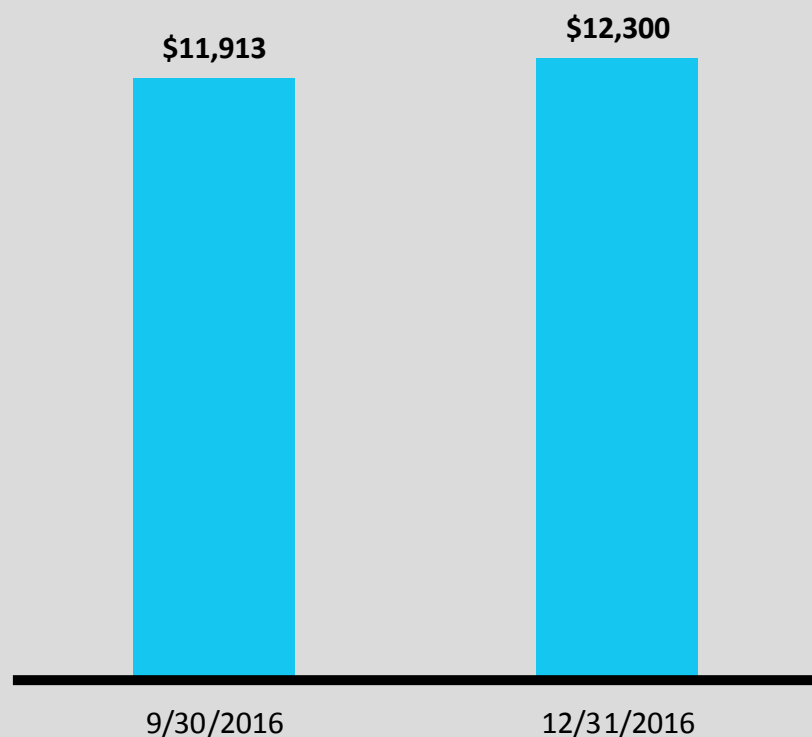
- Revenue growth extended across all business units: theatrical, home entertainment, licensing and ancillary
- Unprecedented three-year strategic agreement with Shanghai Film Group and Huahua Media to co-finance approximately 25% of the value of Paramount's slate of films for a three-year period, with an option for an additional year
- Paramount Television continues its strong growth with 14 shows ordered to production and over 50 projects in development
- Strong recognition for Paramount's films included 18 Academy Awards nominations, three Screen Actors Guild Awards and a Golden Globe

Balance Sheet

➤ Continued Focus on Capital Structure with De-levering a Priority

(\$ in millions)

Gross Debt



Debt Overview

Gross Debt	\$12,300 million
Cash	\$443 million
Net Debt	\$11,857 million
Weighted Average Rate	4.5%
Weighted Average Maturity	13.0 yrs

Quarter Highlights

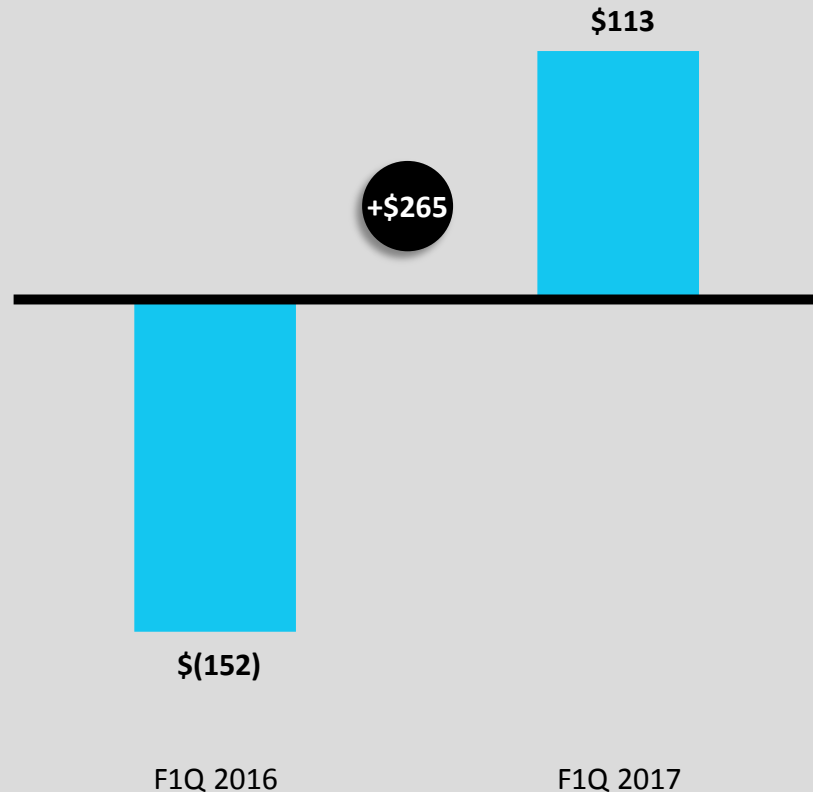
- Issued a total of \$1.3 billion of senior notes as follows:
 - \$400 million of 2.25% senior notes due 2022
 - \$900 million of 3.45% senior notes due 2026
- Redeemed a total of \$900 million of senior notes as follows:
 - \$400 million of 2.50% senior notes due 2016
 - \$500 million of 3.50% senior notes due 2017

Free Cash Flow

➤ **Significant Improvement in Operating FCF Driven by the Timing of Film and Programming Spend**

(\$ in millions)

Operating Free Cash Flow *



	F1Q 2017	F1Q 2016	B/(W) %
Operating Income	\$ 706	\$ 839	(16%)
Depreciation and Amortization	56	55	2%
Restructuring	42	-	n/m
Capital Expenditures	(52)	(26)	(100%)
Cash Interest	(150)	(157)	4%
Cash Taxes	(38)	(65)	42%
Working Capital and Other	(451)	(798)	43%
Operating Free Cash Flow	\$ 113	\$ (152)	n/m
Debt Retirement Premium	(6)	-	n/m
Free Cash Flow	\$ 107	\$ (152)	n/m

n/m – not meaningful

* See page 11 for information regarding non-GAAP financial measures.

Supplemental Disclosures: Non-GAAP Financial Information

Non-GAAP measures, including consolidated operating free cash flow, free cash flow and adjusted results that exclude the impact of certain items identified as affecting comparability, 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, net cash provided by/(used in) operating activities, operating income, earnings before provision for income taxes, provision for income taxes, 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.

We provide reconciliations of our reported results and net cash provided by/(used in) 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.