



WWE INVESTOR PRESENTATION – MARCH 2016


# Forward-Looking Statements



This presentation contains forward-looking statements pursuant to the safe harbor provisions of the Securities Litigation Reform Act of 1995, which are subject to various risks and uncertainties. These risks and uncertainties include, without limitation, risks relating to: WWE Network; major distribution agreements; our need to continue to develop creative and entertaining programs and events; the possibility of a decline in the popularity of our brand of sports entertainment; the continued importance of key performers and the services of Vincent K. McMahon; possible adverse changes in the regulatory atmosphere and related private sector initiatives; the highly competitive, rapidly changing and increasingly fragmented nature of the markets in which we operate and greater financial resources or marketplace presence of many of our competitors; uncertainties associated with international markets; our difficulty or inability to promote and conduct our live events and/or other businesses if we do not comply with applicable regulations; our dependence on our intellectual property rights, our need to protect those rights, and the risks of our infringement of others' intellectual property rights; the complexity of our rights agreements across distribution mechanisms and geographical areas; potential substantial liability in the event of accidents or injuries occurring during our physically demanding events including, without limitation, claims relating to CTE; large public events as well as travel to and from such events; our feature film business; our expansion into new or complementary businesses and/or strategic investments; our computer systems and online operations; privacy norms and regulations; a possible decline in general economic conditions and disruption in financial markets; our accounts receivable; our revolving credit facility; litigation; our potential failure to meet market expectations for our financial performance, which could adversely affect our stock; Vincent K. McMahon exercises control over our affairs, and his interests may conflict with the holders of our Class A common stock; a substantial number of shares are eligible for sale by the McMahons and the sale, or the perception of possible sales, of those shares could lower our stock price; and the relatively small public "float" of our Class A common stock. In addition, our dividend is dependent on a number of factors, including, among other things, our liquidity and historical and projected cash flow, strategic plan (including alternative uses of capital), our financial results and condition, contractual and legal restrictions on the payment of dividends (including under our revolving credit facility), general economic and competitive conditions and such other factors as our Board of Directors may consider relevant. Forward-looking statements made by the Company speak only as of the date made and are subject to change without any obligation on the part of the Company to update or revise them. Undue reliance should not be placed on these statements. For more information about risks and uncertainties associated with the Company's business, please refer to the "Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Risk Factors" sections of the Company's SEC filings, including, but not limited to, our annual report on Form 10-K and quarterly reports on Form 10-Q.

This presentation contains non-GAAP financial information, including OIBDA. We define OIBDA as operating income before depreciation and amortization, excluding feature film and television production amortization and related impairments. OIBDA is a non-GAAP financial measure and may be different than similarly-titled non-GAAP financial measures used by other companies. A limitation of OIBDA is that it excludes depreciation and amortization, which represents the periodic charge for certain fixed assets and intangible assets used in generating revenues for the Company's business. OIBDA should not be regarded as an alternative to operating income or net income as an indicator of operating performance, or to the statement of cash flows as a measure of liquidity, nor should it be considered in isolation or as a substitute for financial measures prepared in accordance with GAAP. We believe that operating income is the most directly comparable GAAP financial measure to OIBDA. Reconciliations of OIBDA to operating income can be found in the Company's earnings release dated February 11, 2016.

# One-of-a-Kind Media Company. Transitioning to New Media Growth Model.



1 Executing successful transformation

2 One-of-a-kind media company

3 Building powerful media ecosystem

4 Attractive financial profile

5 Going forward, multiple growth drivers

The New  
WWE

– Delivering sustainable growth

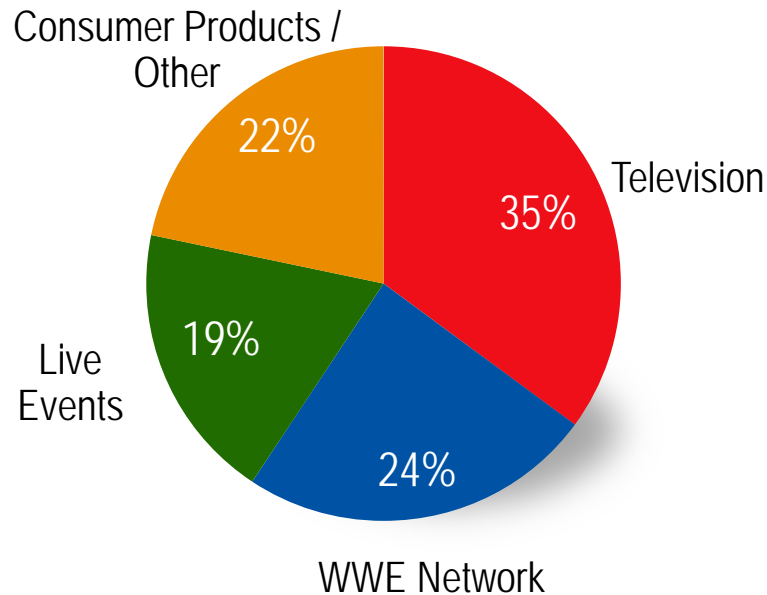




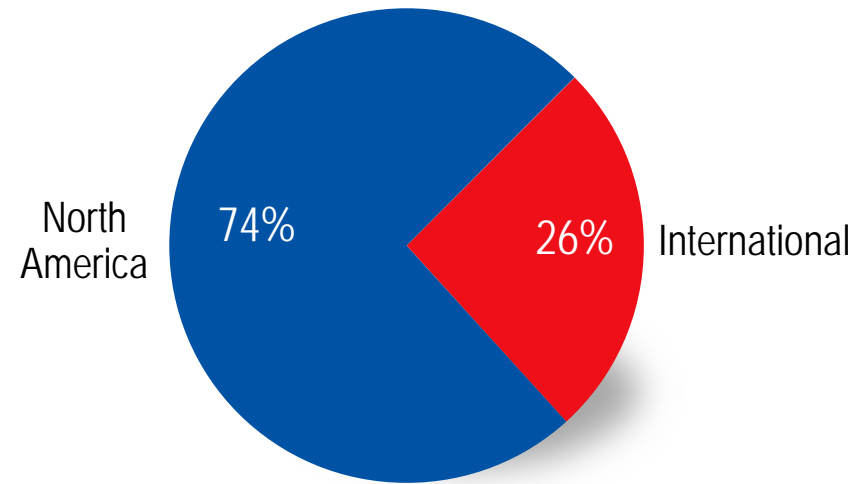


## Breakdown of 2015 Revenues of \$659M

### By Business



### By Geography



### 2015 High Growth Areas

- WWE Network
- TV
- International

# Executing Transformation to New Growth Model



**1999-2010**

## Traditional Media Model

- TV, live events, pay-per-view
- Powerful brand
- Grew globally

**2011-2014**

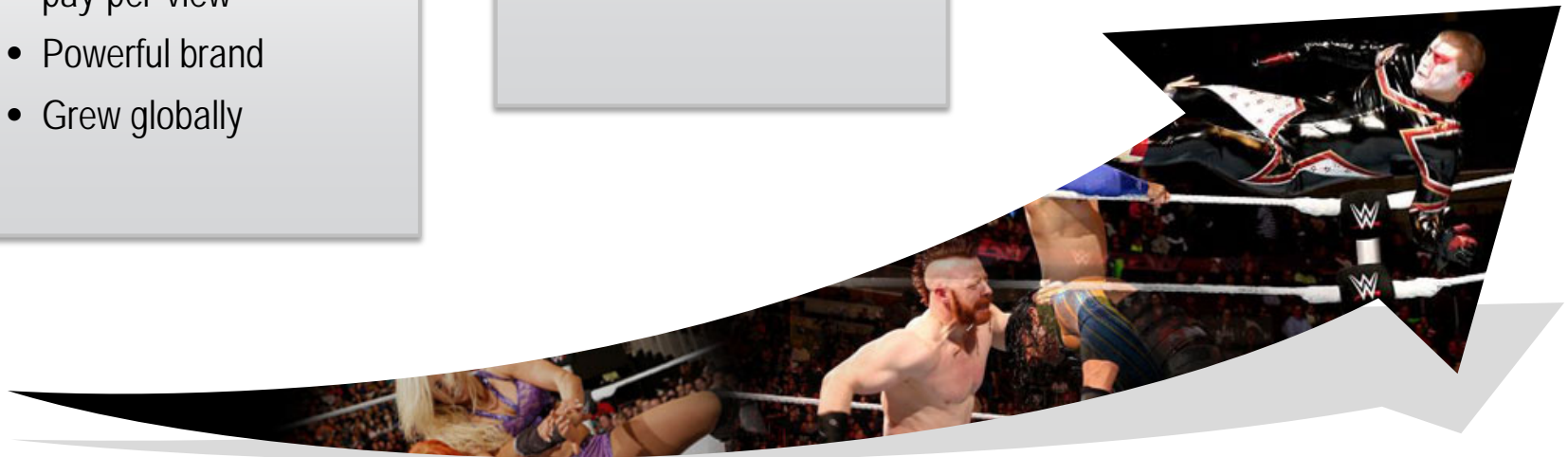
## Retooling for Transformation

- Launched direct-to-consumer WWE Network
- Invested in new model

**2015+**

## New Media Model

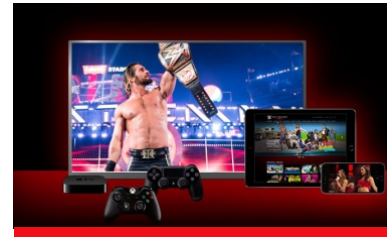
- WWE Network
- Sustainable growth
- Global expansion
- New media ecosystem



# Building on a Long Track Record as THE Industry Innovator



- **Leader** in developing PPV business for WrestleMania 32 years ago
- **Leader** in creating storylines & characters that engage passionate fans for generations
- **Leader** in creating direct-to-consumer subscription model with 100% owned content
- **Leader** in using social/digital media (YouTube/Facebook) to build brand awareness
- **Leader** and only company to distribute live TV programs 52 weeks per year
- **Leader** with one of the most innovative cross-platform content strategies

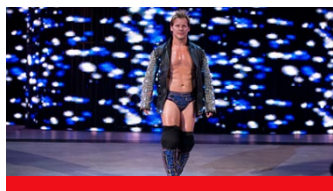


# Clear Evidence Our Strategy is Working



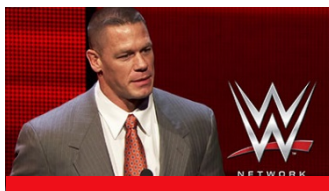
Record  
Revenue

**\$659M**  
up 21%



Strong  
Adjusted OIBDA<sup>1</sup>

**\$69M**  
up from -\$12M



Positive  
FCF

**\$30M**  
up \$37M  
comparable basis<sup>2</sup>



Total  
Return Up

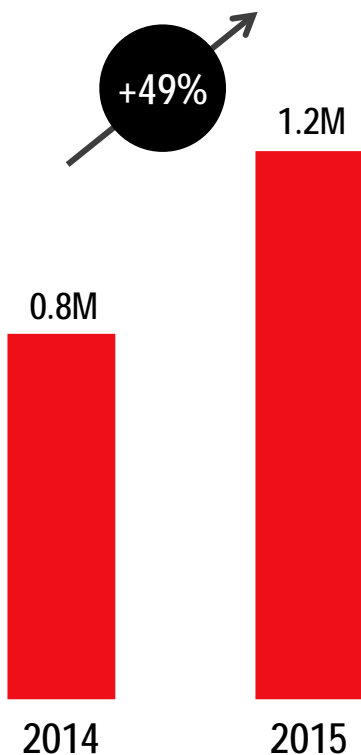
**Up 48%**  
vs. S&P up 1%

1. Reconciliation of Adjusted OIBDA to Operating Income can be found in the Company's Q4 2015 earnings release dated February 11, 2016.
2. Free cash flow in 2014 was \$43M and included a \$50M advance payment related to renewal of the Company's domestic television agreement. Excluding the advance, free cash flow in 2014 was -\$7M.

# A Record Breaking Year of Achievements

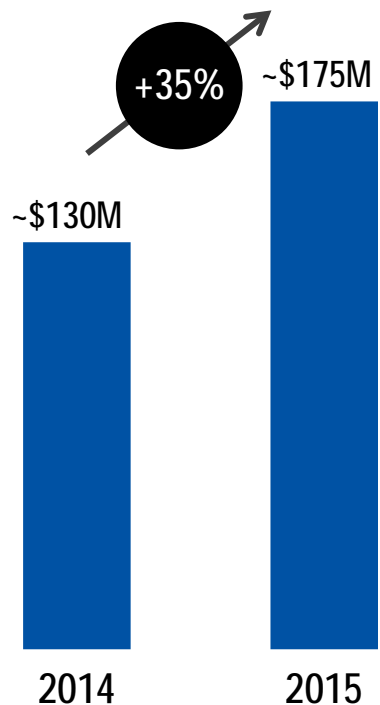


## WWE Network 1.2M Ending Paying Subscribers



- 2015 Revenues 2X historic pay-per-view revenues

## Top 7 TV Agreements Contractual Escalation



- Predictable revenue stream; +\$60M from 2015 to 2018

## Continued Growth in International Revenue



- Record high in 2015



# The WWE Brand Continued to Grow



#1

WWE has more viewers in primetime than every cable network

WWE reaches **650M+** homes worldwide



#1

WWE is #1 sports channel on



#1



More **families** watch Raw together than:



#1

More **women** watch Raw than primetime average of top female networks

#1



**longest running** episodic programs in U.S. history

# Our Enduring Appeal Continues: Bringing Heroes to Life



#1



John Cena

Most liked U.S. athlete on

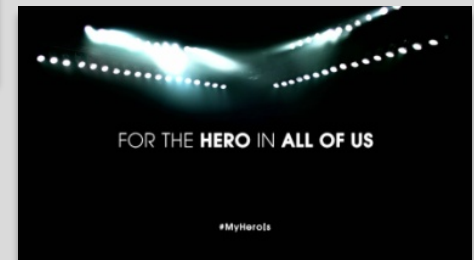
facebook

40M followers

Heroes we can look up to

## *"For the Hero in All of Us"*

Ad campaign in partnership with NBCU



Heroes we can see in ourselves



# One-of-a-Kind Media Company. Transitioning to New Media Growth Model



1 Executing successful transformation

2 One-of-a-kind media company

3 Building powerful media ecosystem

4 Attractive financial profile

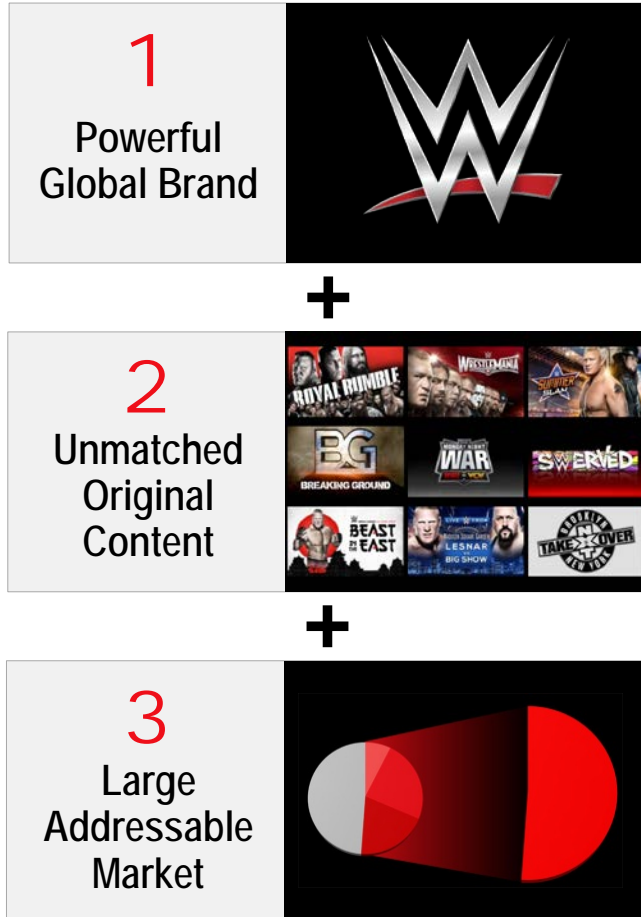
5 Going forward, multiple growth drivers

The New  
WWE

– Delivering sustainable growth

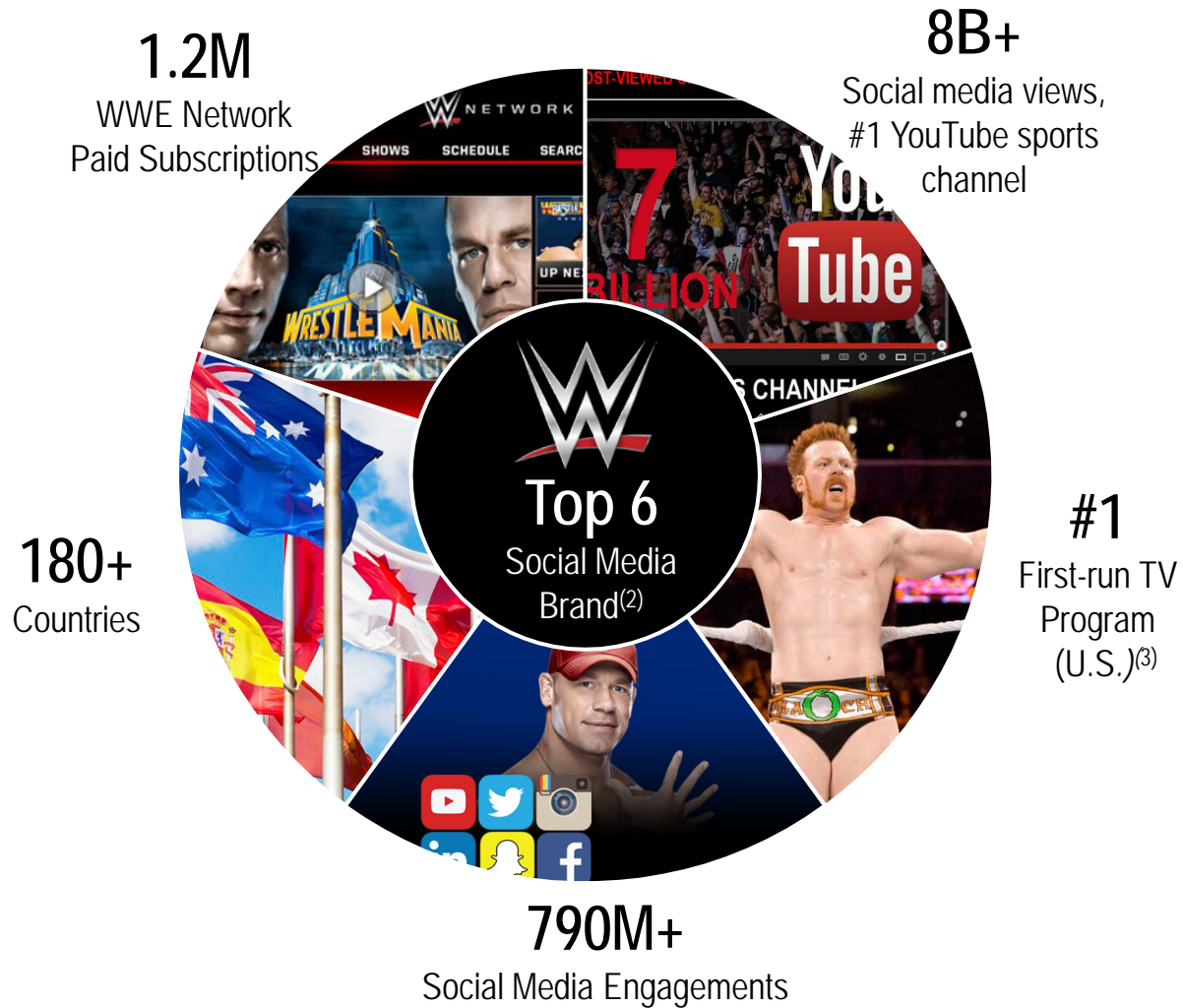


# One-of-a-Kind Media Company





# 1. Powerful Global Brand<sup>(1)</sup>



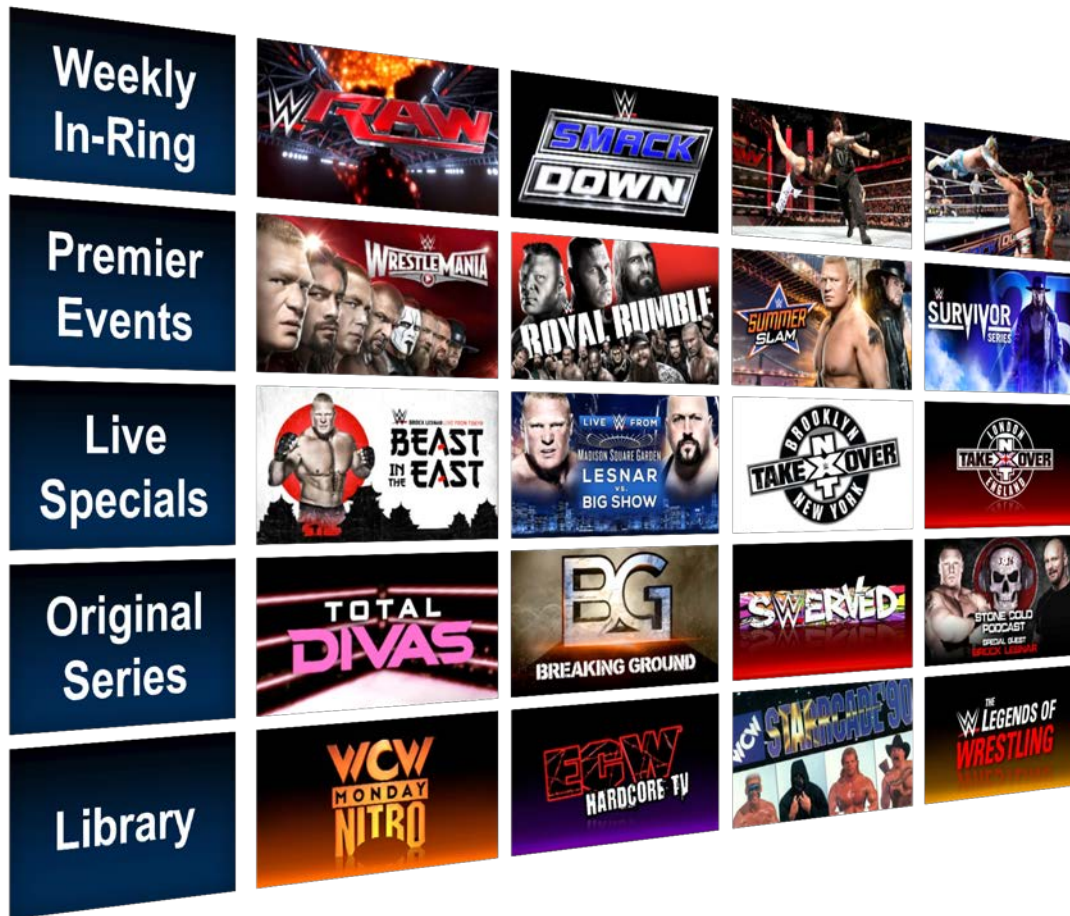
1 Paid WWE Network subscriber data, YouTube video views and social media followers as of Dec. 31 2015. For TV ratings (see note 3 below).

2. WWE ranks #6 worldwide according to the sprinklr as of February 2016.

3. Rank based on WWE Raw's cumulative Gross Rating Points (GRPs) as compared to the cumulative GRPs of other first-run program titles aired in the U.S. on broadcast and/or cable television over 2014. Based on this methodology, Raw's cumulative GRPs exceed that of the Walking Dead, Duck Dynasty, Game of Thrones among others. Source: Nielsen, Live +7 day ratings for first run program titles (excludes repeats).



## 2. Unmatched Original Content – 100% Owned



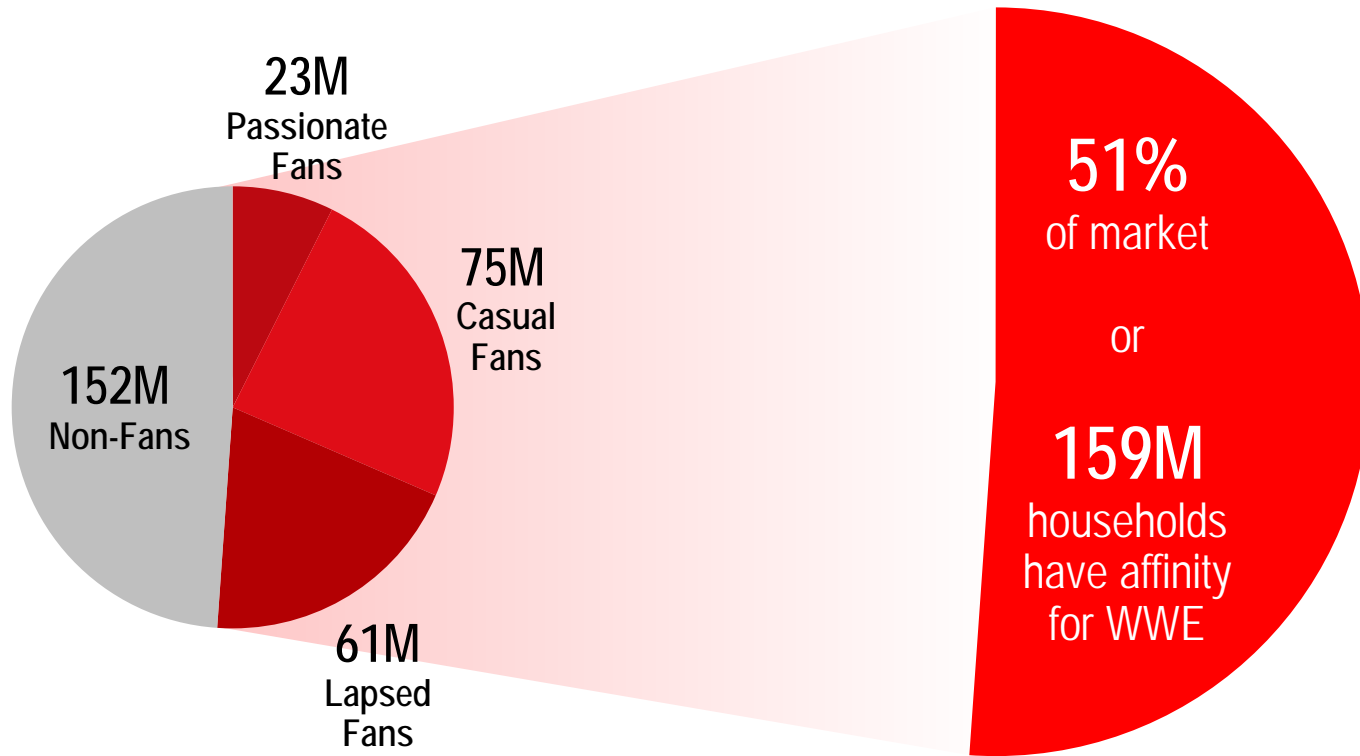
- 600+ hours of original content added per year
- 4,300+ VOD hours on WWE Network
- ~140 superstars and divas
- ~320 live events per year
- 20,000 short form clips

Monetized globally in 24 languages through traditional TV and WWE Network

# 3. Large Addressable Market



Market: 311M Broadband Homes in Global Markets



## Attractive Characteristics

- 39% of market under age 34
- 37% women

1. Estimates are for WWE's top 16 markets and based on U.S. WWE Consumer Survey.  
2. 2015 Broadband household forecast per SNL Kagan (August 2014)  
3. Nielsen, 2015YTD: 12/29/14 - 12/20/15, WWE = Raw on USA & SmackDown on Syfy, C3 data, Based on P2+ (000)



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# Media Ecosystem – Three Distinct Pillars



Ad Supported/Free  
Video on Demand



Traditional TV



Direct-to-Consumer



Different media in each pillar

# Media Ecosystem – Ad Supported/Free VOD



## Using Social / Digital Media to Drive Engagement

**You Tube**

Unique content >20,000 short clips

#1 sports channel

8B+ views



#6 most social brand globally

790M social media engagements

- Drives engagement
- 24/7
- Attracts next generation

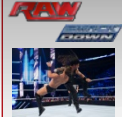
WWE Network



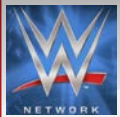
Ad Supported/Free  
Video on Demand



Traditional TV



Direct-to-Consumer



Different media in each pillar



# Media Ecosystem – Traditional TV Ecosystem



**RAW**

Core Original Programming  
– 5 Hours/Week

**SMACK  
DOWN**

- Largest business, most profitable, predictable growth
- License content globally
  - 650M homes worldwide in 24 languages
- Longest running weekly episodic program in U.S. with more viewers in primetime than ANY cable network
- Provides significant value to our TV network carriers
  - NCBU added 37 advertisers for WWE

Storyline drives viewers to

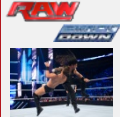
WWE Network



Ad Supported/Free  
Video on Demand



Traditional TV



Direct-to-Consumer

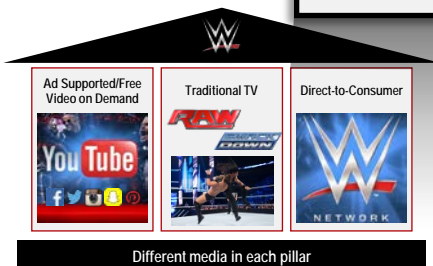


Different media in each pillar



## Premium Live Content, Originals, and Archive

- Second largest, second most profitable, fastest growing business
- Highly leverageable as subscribers grow
- 5<sup>th</sup> largest subscription network in U.S. (Parks Associates)
- Flexibility to deliver content on emerging digital platforms



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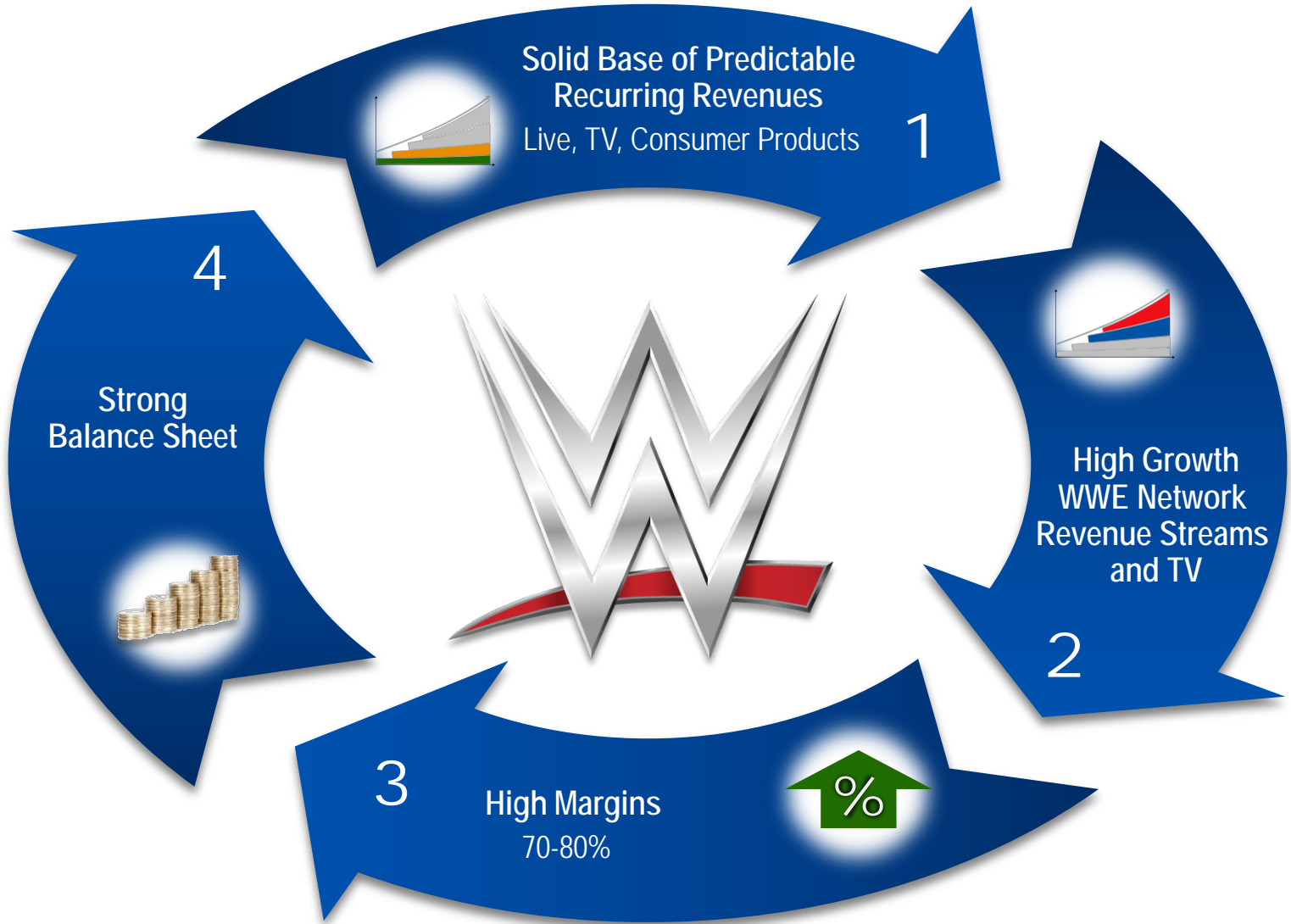
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# Attractive Financial Profile



# Investment Priorities in 2016



### WWE Network Content

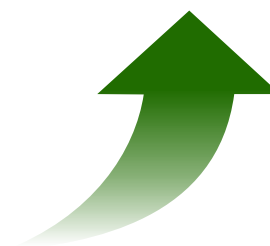
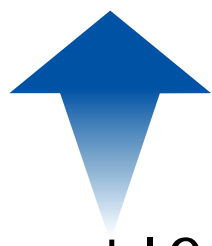
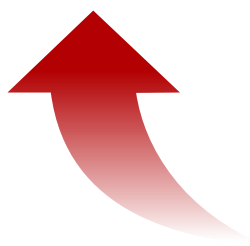



### Emerging Markets



### Technology

- Strength & Sustainability
- Fan Experience
- Supporting Growth



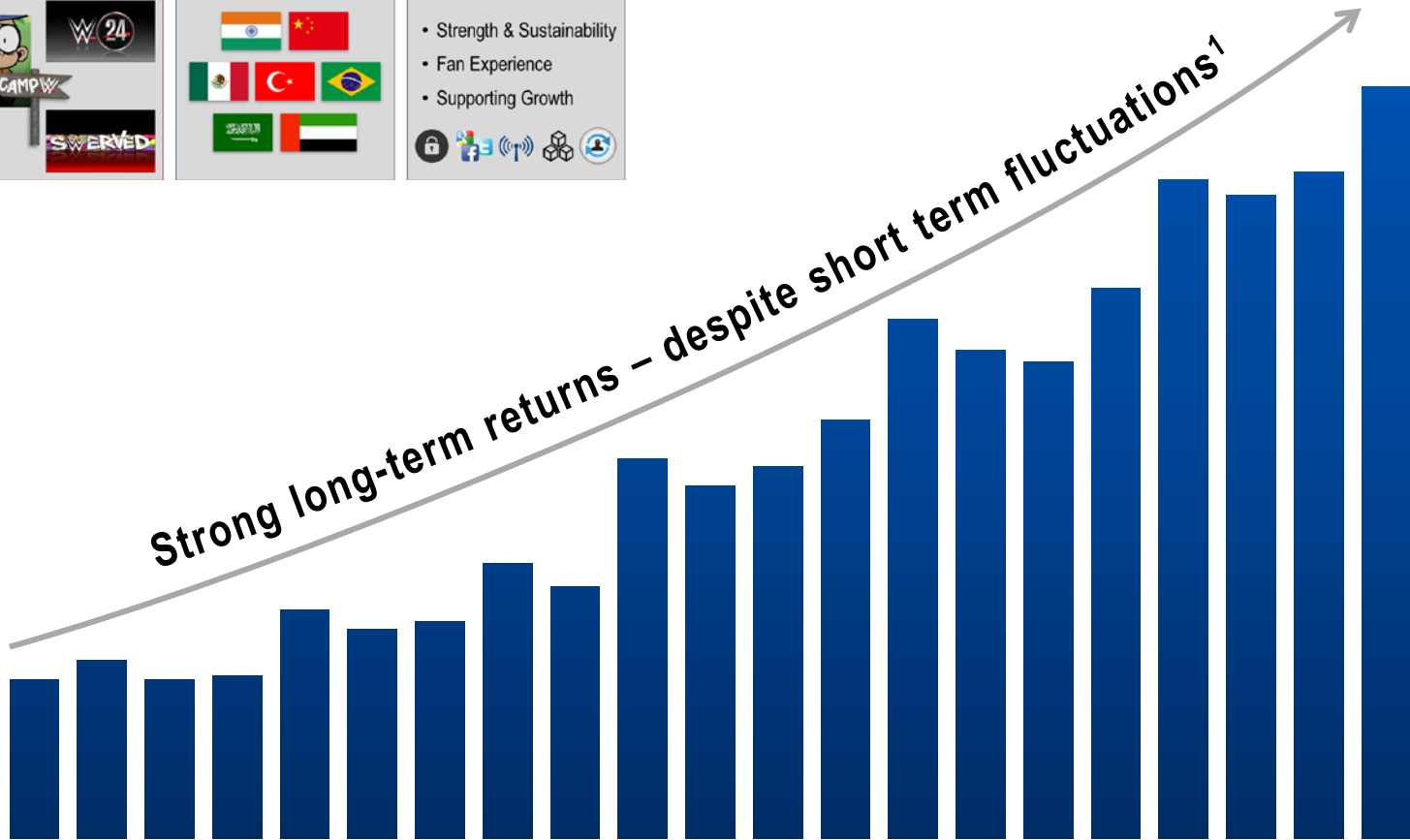
Incremental Growth  
Investments \$15M-\$20M



# We Are Investing for the Long-Term



WWE Network Content	Emerging Markets	Technology
		<ul style="list-style-type: none"><li>• Strength &amp; Sustainability</li><li>• Fan Experience</li><li>• Supporting Growth</li></ul>



1. Graph is not to scale and for illustrative purposes only

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# Well-Positioned to Capitalize on Changing Media Landscape



## Key Trends

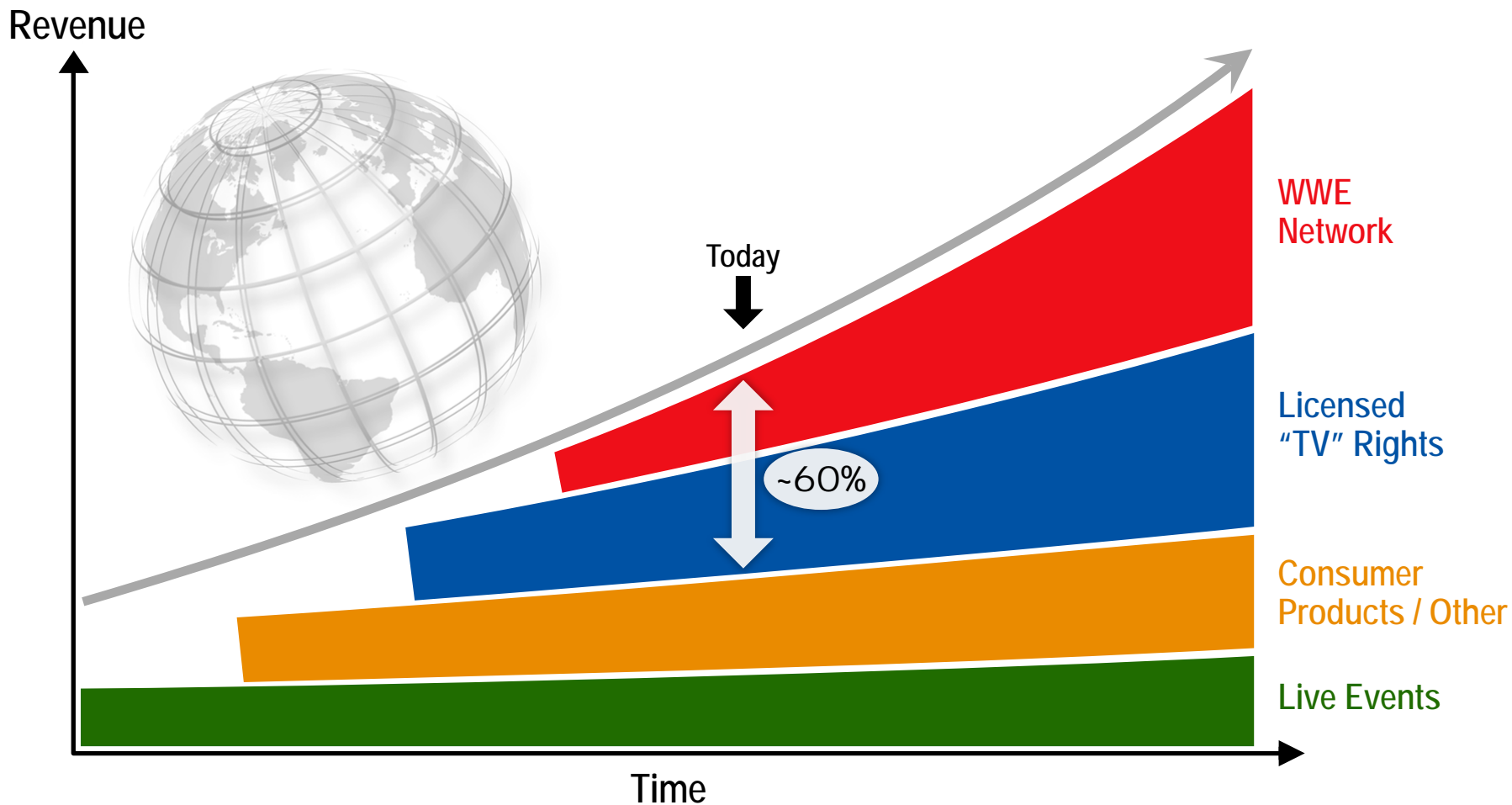
- Value of live viewership
- Acceleration of direct-to-consumer
- Next generation consuming content on digital and social platforms
- Growth in broadband globally
- Social platforms becoming video destinations
- Growth of middle-class in emerging markets



Play to  
WWE strengths



# Multiple Growth Drivers Going Forward<sup>1</sup>



Two global growth segments layered on stable recurring base business

1. Graph is not to scale and for illustrative purposes only

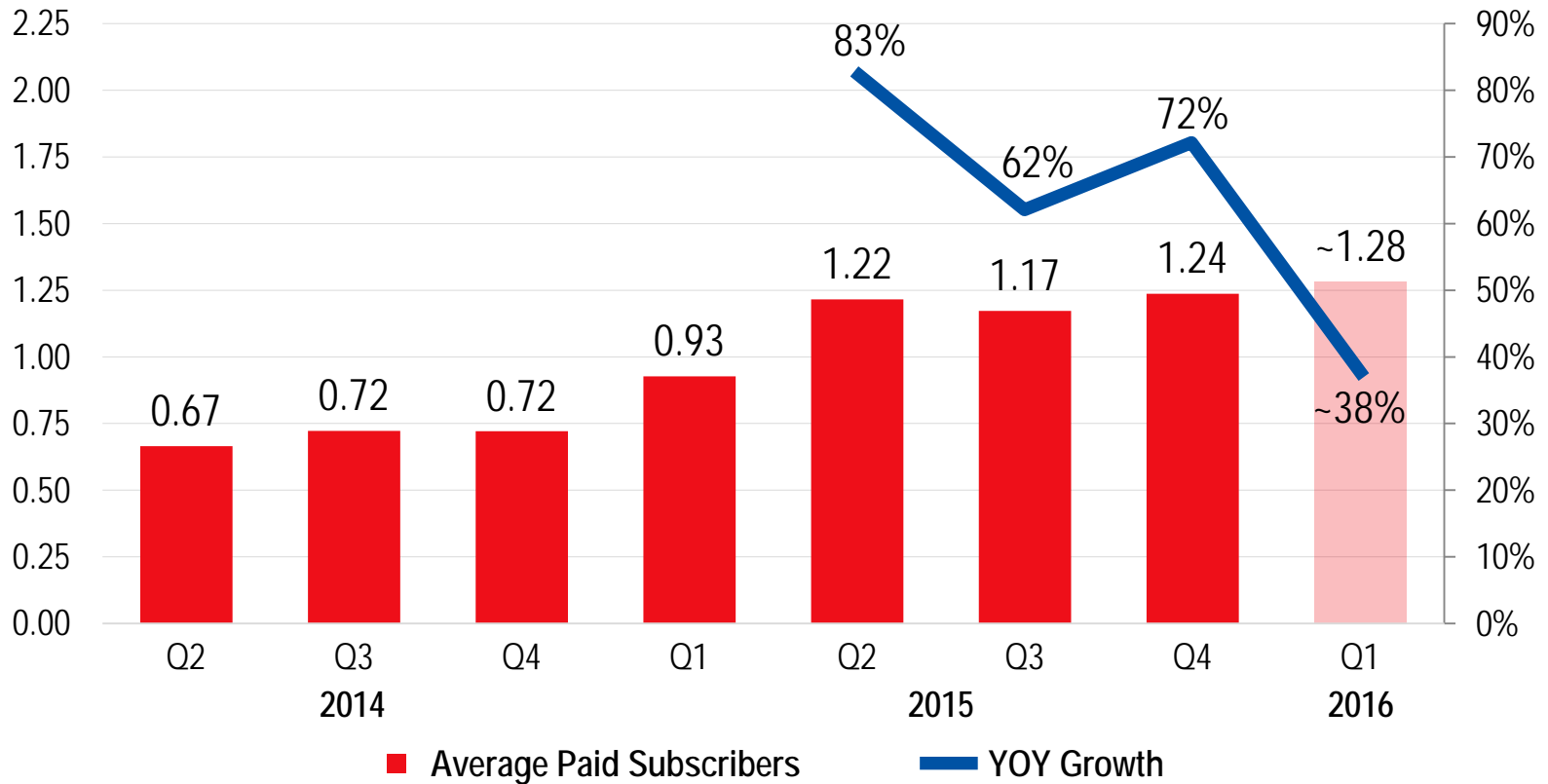


# Strong Year Over Year Growth in WWE Network



Average Paid  
Subscribers  
(Millions)

Y-O-Y  
Growth %



Q1'16 Subscriber Guidance ~1.28M = ~38% Y-O-Y growth



# Building An Effective Subscriber Acquisition Model



Engage new viewers from multiple initiatives



Goal: 3-4M subscribers



## Engage

- Social media
- Trials, free products

## Convert

- Storyline & talent from TV shows drive WWE Network subs
- Compelling value proposition vs. pay-per-view, no contract

## Retain / Grow

- 300+ hours original content added yearly
- Growing VOD library
- Feature enhancements

# Content Will Be a Key Growth Driver



## Original Premiering Content 300+ Hours (Hours Produced)



2016

New shows and Original Series

Specials

Monthly PPV events

NXT

Other Live and in-ring



2016: 300+ hours + 1,000+ hours of VOD

Notes:

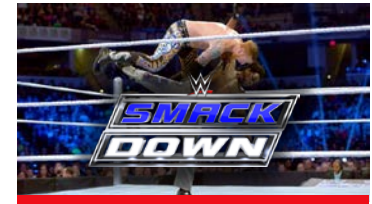
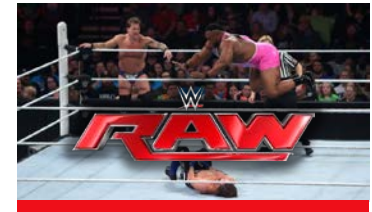
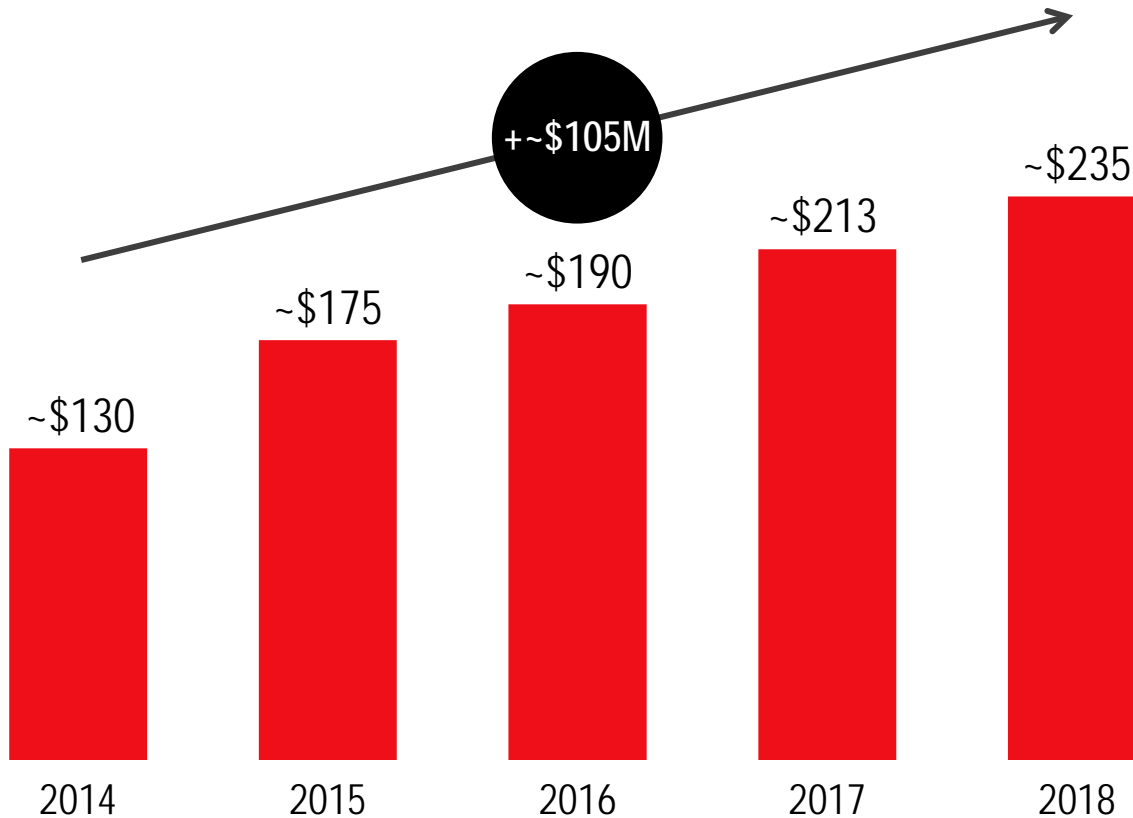
<sup>1</sup> New shows/series include Reality, Lifestyle, Documentary, Comedy/ Variety and short form content

<sup>2</sup> Specials include podcasts, Legends with JBL, First Look, theme weeks and Hall of Fame

# Key TV Rights Agreements Revenue +~\$105M



TV Revenue: Key TV Contracts<sup>1</sup>



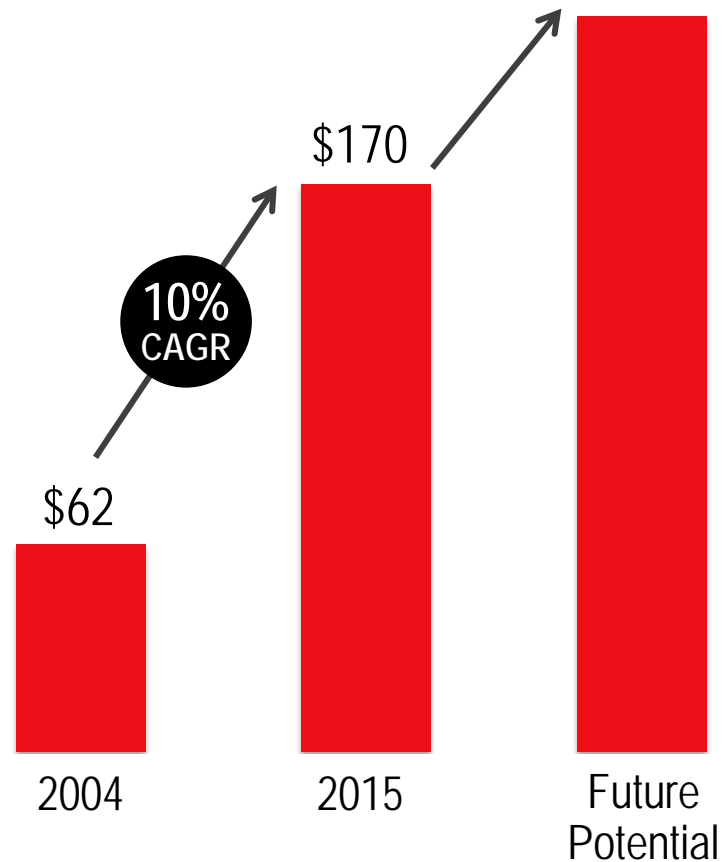
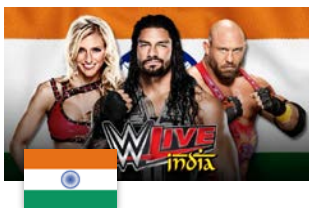
\$105M revenue growth is ~1.5x the Company's total 2010-2014 revenue growth

1. The Company's seven largest distribution agreements account for revenue that is expected to increase from \$130 million in 2014 to approximately \$235 million in 2018, thereby providing approximately \$105 million of revenue growth over this period (subject to counterparty risk). Total TV revenues in 2015 were \$231M including all TV agreements.

# International Revenue Poised for Growth<sup>1</sup>



- Growth will be driven by expansion of *WWE Network* and TV distribution
- Growth in specific markets impacted by economic strength, media infrastructure, fan base
- Long-term: China and India represent significant opportunity



1. Graph is not to scale and for illustrative purposes only



# 2016 Perspective<sup>(1)</sup>



- Key 2016 revenue drivers:
  - contractual escalation of television rights fees
  - subscriber growth of WWE Network critical to growth
- If average paid subscribers grow at 20%-25%, WWE total revenue expected to grow 5%-10%
- Investments in content, technology and emerging markets: \$15M-\$20M
- Net result would be 2016 Adjusted OIBDA: \$70-85M

1. Reconciliation of Adjusted OIBDA to Operating Income can be found in the Company's Q4 2015 earnings release dated February 11, 2016.



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