



WWE INVESTOR NETWORK PRESENTATION – APRIL 9, 2018

# 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: entering, maintaining and renewing major distribution agreements, including our principal domestic television license which currently expires in September 2019; *WWE Network* (including the risk that we are unable to attract, retain and renew subscribers); 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 indebtedness; 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, Adjusted OIBDA, Net Debt and Free Cash Flow. 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. In addition, we define Free Cash Flow as net cash provided by operating activities less cash used for capital expenditures. We believe that operating income is the most directly comparable GAAP financial measure to OIBDA and Adjusted OIBDA, Total Debt is the most directly comparable GAAP financial measure to Net Debt, and net cash provided by operating activities is the most directly comparable GAAP financial measure to Free Cash Flow. Neither OIBDA, Adjusted OIBDA, Net Debt nor Free Cash Flow should be regarded as an alternative to the most directly comparably GAAP financial measure as an indicator of operating performance, or to the statement of cash flows as a measure of liquidity, nor should either metric be considered in isolation or as a substitute for financial measures prepared in accordance with GAAP. See the Appendix at the end of this presentation for a reconciliation of the non-GAAP measures presented herein. Reconciliations of non-GAAP measures presented herein can be found in the Appendix at the end of this presentation or in the Company's earnings release dated February 8, 2018.

# Key Topics



- **WWE Network Highlights**
- **2018 WWE Business Outlook**



# Highlights & Milestones



## WWE Network Subscriber Highlights<sup>1</sup>

- *WWE Network* achieved record levels of total<sup>2</sup> and total paid subscribers as of April 9, 2018. Total paid subscribers reached 1.81 million, representing a 9% increase from April 3, 2017 – the day after *WrestleMania* last year

## WrestleMania Milestones

- *WrestleMania* broke the record for the Mercedes-Benz Superdome's highest grossing entertainment event at \$14.1 million, as a sold-out crowd of 78,133 fans from all 50 states and 67 countries attended the event. As part of the week-long *WrestleMania* celebration, WWE hosts five consecutive nights of events at the Superdome and the Smoothie King Center
- *WWE Network* subscribers viewed 25.2 million hours during *WrestleMania* Week or 14 hours per subscriber during the week. This compares to 22.5 million hours last year, a 12% year-over-year increase

1. Definitions of subscriber metrics above are provided on page 11

2. Total subscribers following *WrestleMania* exclude pay-per-view buys with cable and satellite providers

# WWE 2018 Business Outlook



- **Q1 2018:** Based upon preliminary data, *WWE Network* attracted an average of approximately 1.56 million paid subscribers over the first quarter 2018, representing a 5% increase from the first quarter 2017 average. The first-quarter 2018 average was in-line with guidance of approximately 1.53 million

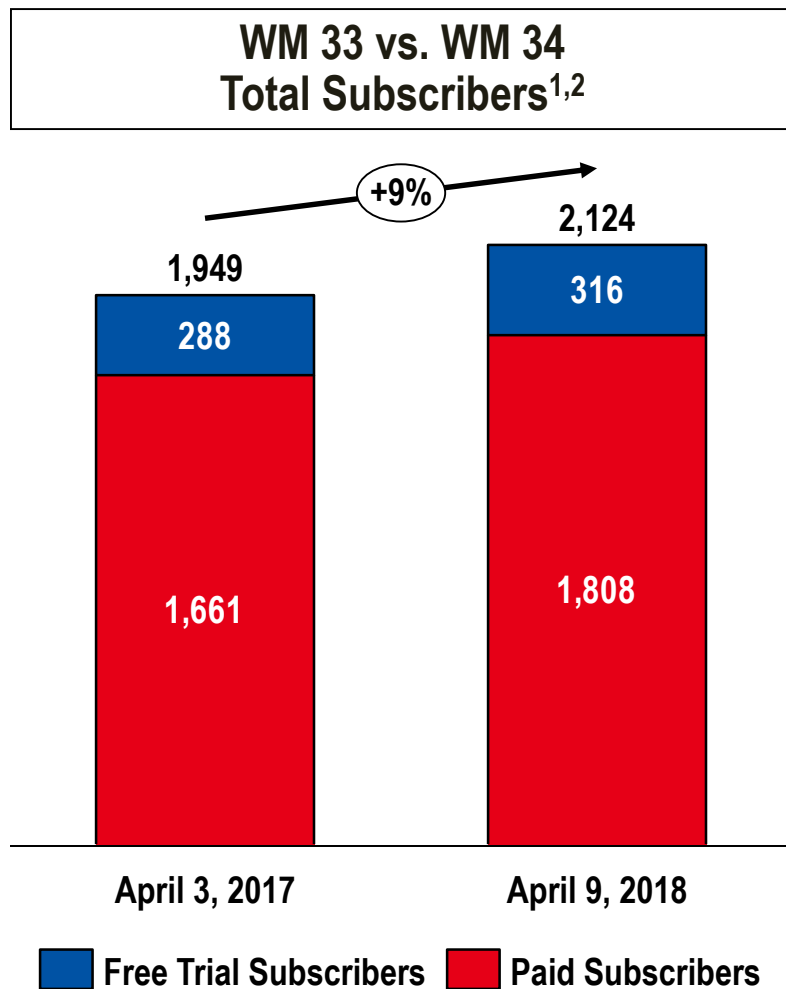
During the first quarter 2018, the Company realized stronger than anticipated performance. As a result, the Company expects Q1 Adjusted OIBDA of at least \$30M (subject to the completion of its quarterly close process), exceeding its previous guidance of \$23 million to \$27 million\*

- **Q2 2018:** If the acquisition and retention of subscribers driven by *WrestleMania* is comparable to the subscriber activity associated with the prior year event, average paid subscribers for the second quarter 2018 would be approximately 1.77 million, representing an increase of approximately 8% from the second quarter 2017. As future subscriber performance may differ from prior activity, this estimate is provided for perspective rather than as guidance
- **2018:** WWE management continues to expect the Company to achieve another year of record revenue and has raised its target for 2018 Adjusted OIBDA to at least \$145 million (excluding stock-based compensation expense), which would be an all-time record, exceeding its previous guidance of at least \$140 million\*

\* Q1 2018 and 2018 Adjusted OIBDA represents the Company's business outlook for the quarter ending 03/31/18 and full year ending 12/31/18, respectively. The definition of Adjusted OIBDA can be found on page 14 of this presentation. WWE is unable to provide a reconciliation of forward looking guidance to GAAP measures as, at this time, WWE cannot accurately determine the adjustments that would be required. Further information regarding the reconciliation of Adjusted OIBDA to Operating income can be found on page 13 of this presentation

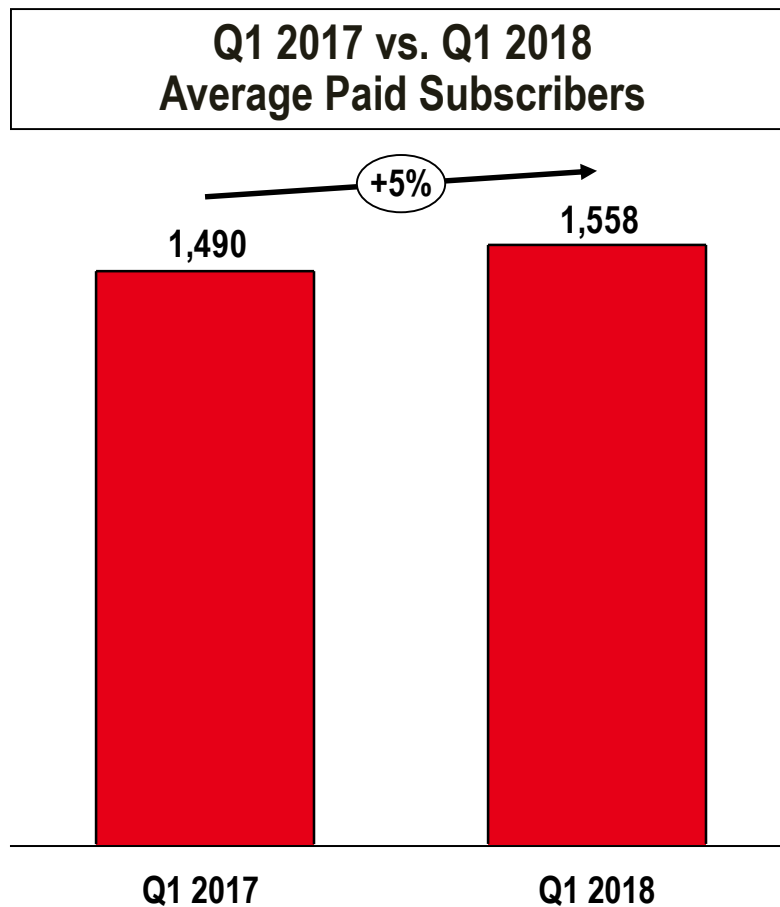
- Definitions of subscriber metrics above are provided on page 11

# WWE Network's total subscribers increased 9% to a record 2.12M

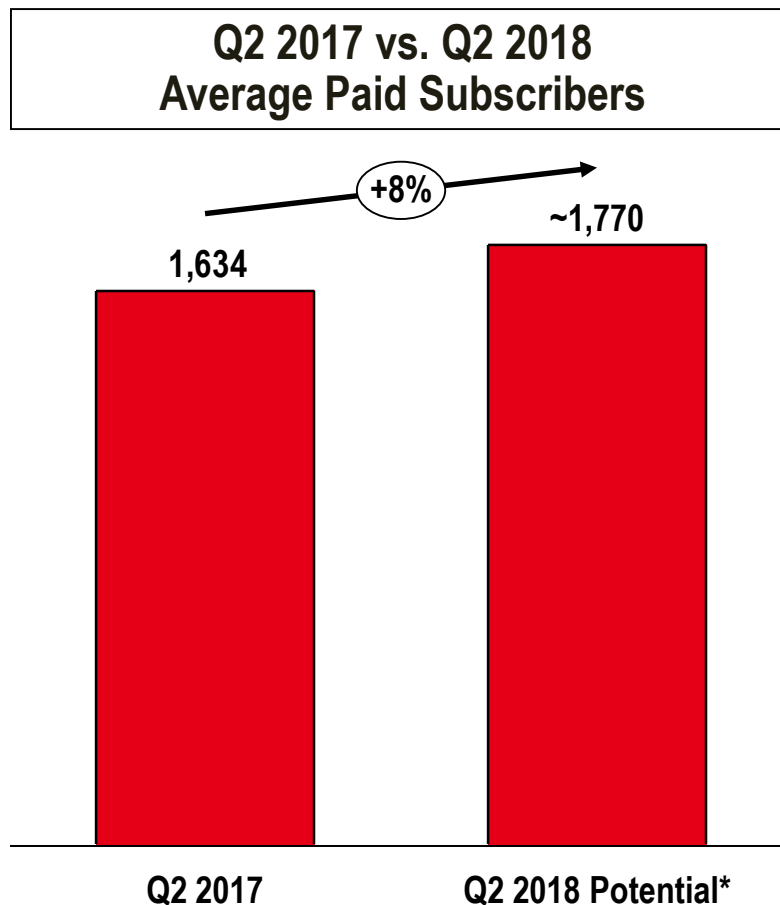


1. WM33 refers to *WrestleMania* 33, which was held on April 2, 2017  
2. WM34 refers to *WrestleMania* 34, which was held on April 8, 2018  
- Definitions of subscriber metrics above are provided on page 11

# WWE Network's average paid subscribers increased 5% to a record 1.56M in Q1 2018



# If *WrestleMania* related subscriber activity is comparable to 2017, average paid subs in Q2'18 would rise 8%



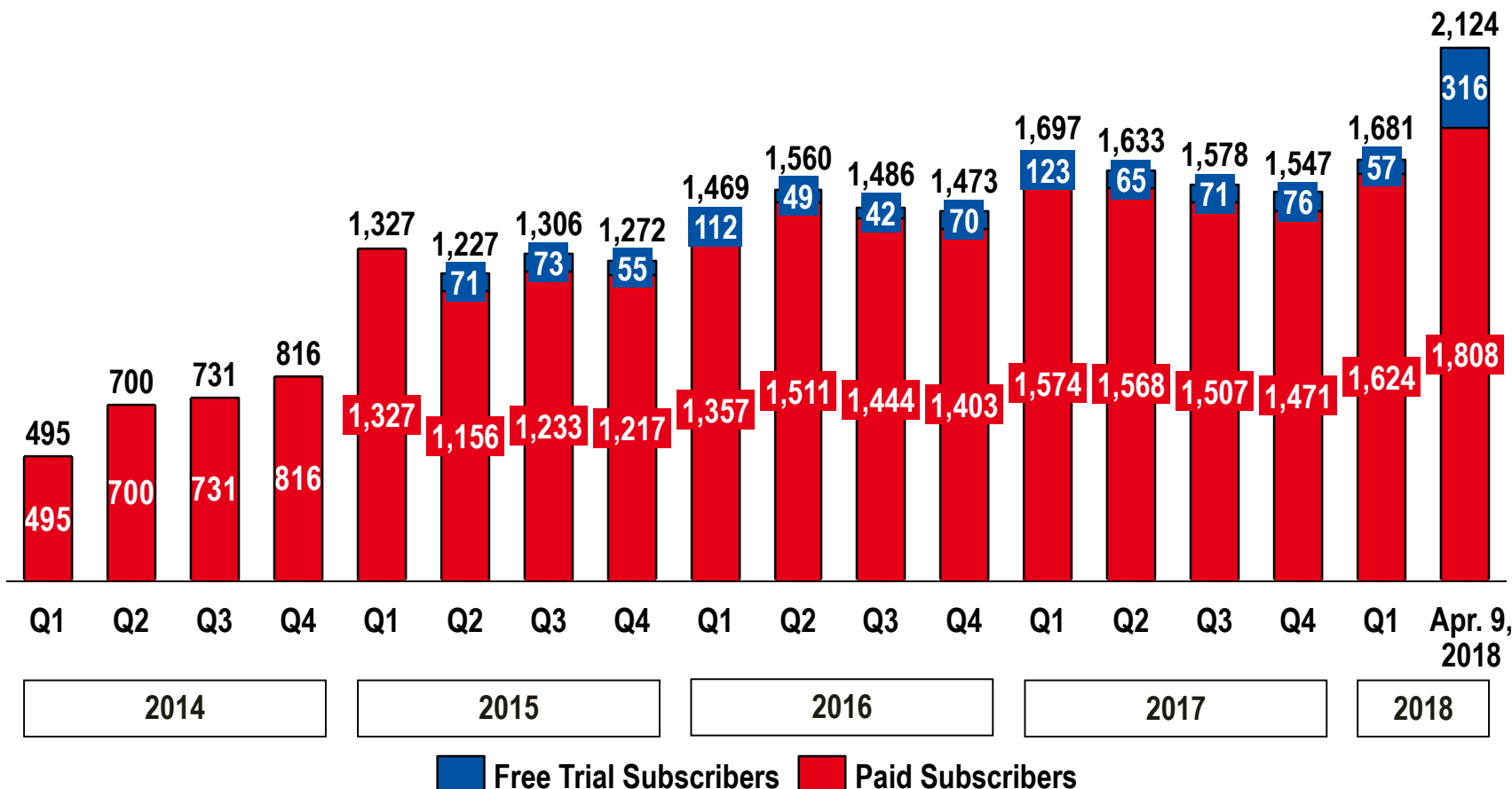
\* Q2 2018 average paid subscribers would approximate the figures shown above if the acquisition and retention of subscribers associated with *WrestleMania* in 2018 are comparable to the subscriber activity associated with the prior year event. As future subscriber performance may differ from prior activity, this approximation is provided as a benchmark rather than as guidance  
- Definitions of subscriber metrics above are provided on page 11



# WWE Network's total subscribers achieved a record of 2.12M post *WrestleMania*



Total Subscribers (000s)

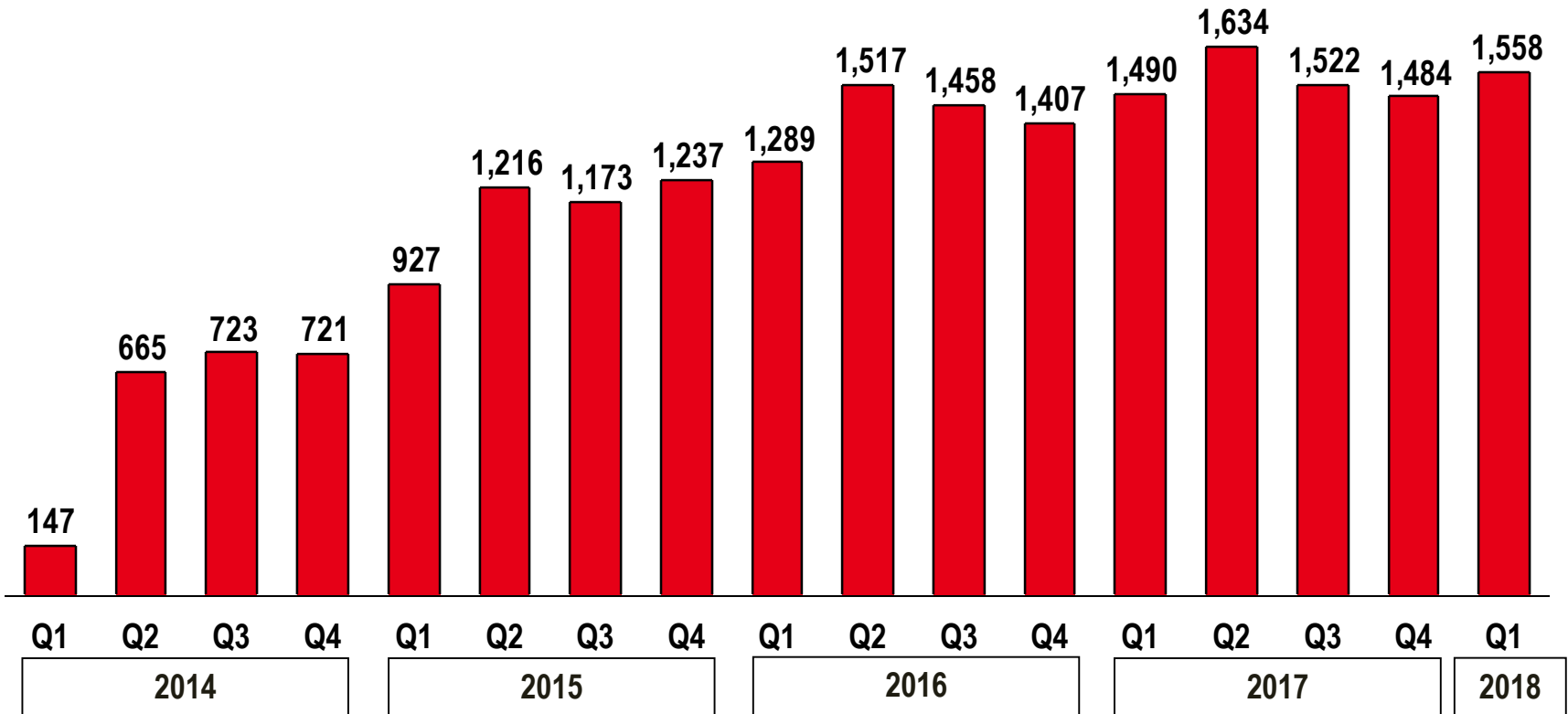


- Definitions of subscriber metrics above are provided on page 11

# WWE Network's average paid subscribers reached 1.56M



Average Paid Subscribers (000s)



- Definitions of subscriber metrics above are provided on page 11

# Footnotes – Definition of Subscriber Metrics



1. Subscriber metrics reflect direct-to-consumer subscribers of *WWE Network* and subscribers reported under licensed partner agreements, which have different economic terms for the network. The impact of these subscribers on *WWE Network* financial results is reflected in the network's average revenue per subscriber (ARPU)
2. Total subscribers reflect all active subscribers over the relevant time period. These include *WWE Network* customers who have activated a free trial of the network and those who have made payments
3. Free trial subscribers refer to *WWE Network* customers who received a free trial upon activating network service, and were still within their promotion period as of the date reported. Subscribers are eligible to receive a free trial upon their initial service activation, or upon reactivation (i.e. following a period of discontinued service) if they did not previously receive a free trial
4. Average paid subscribers reflect the sum of the arithmetic daily mean over the relevant period for our direct-to-consumer subscribers, and the average of the monthly reported subscribers from our license partners (such reporting is received and recognized on an approximate 30 day lag). Average paid subscribers may differ substantially from paid subscribers at the end of any period due to the timing of paid subscriber additions
5. Q2 2018 average paid subscribers approximates the figures shown if the acquisition and retention of subscribers associated with *WrestleMania* in 2018 are comparable to the subscriber activity associated with the prior year event. As future subscriber performance may differ from prior activity, this range is provided as a benchmark rather than as guidance



APPENDIX

# Reconciliation of Non-GAAP Measures



## Reconciliation of Adjusted OIBDA to Operating Income

	2017	Outlook as of Feb. 8, 2018		Outlook as of Apr. 9, 2018	
		Q1 2018E	2018E	Q1 2018E	2018E
<b>Adjusted OIBDA<sup>(1)</sup></b>	<b>\$136.1</b>	<b>\$23 - \$27</b>	<b>At least \$140</b>	<b>At least \$30</b>	<b>At least \$145</b>
Stock-based compensation expense <sup>(2)</sup>	(24.2)	-	-	-	-
Depreciation & Amortization <sup>(2)</sup>	(26.0)	-	-	-	-
Film impairments <sup>(2)</sup>	(4.7)	-	-	-	-
Asset impairments <sup>(2)</sup>	-	-	-	-	-
Gain (losses) on operating assets <sup>(2)</sup>	-	-	-	-	-
Restructuring charges <sup>(2)</sup>	-	-	-	-	-
Other operating income items <sup>(2)</sup>	(5.6)	-	-	-	-
<b>Operating Income (U.S. GAAP Basis)</b>	<b>\$75.6</b>	<b>Not estimable</b>	<b>Not estimable</b>	<b>Not estimable</b>	<b>Not estimable</b>

- Adjusted OIBDA is defined on page 14 of this presentation. Q1 2018 and 2018 Adjusted OIBDA represent the Company's Business Outlook for the quarter ending 03/31/18 and full year ending 12/31/18, respectively. Source: Q4 & FY earnings release dated February 8, 2018 (<http://corporate.wwe.com/investors>)
- Because of the nature of the footnoted items, WWE is unable to estimate the amounts of any adjustments for these items for periods after December 31, 2017 due to its inability to forecast if or when such items will occur. These items, which could be significant, are inherently unpredictable and may not be reliably quantified

# Notes: Non-GAAP Measures



- The Company defines **Adjusted OIBDA** as operating income excluding depreciation and amortization, stock-based compensation expense, certain impairment charges and other non-recurring material items that otherwise would impact the comparability of results between periods. Adjusted OIBDA includes amortization expenses directly related to the Company's revenue generating activities, including the amortization of feature film, television production and *WWE Network* programming assets
- The Company believes the presentation of **Adjusted OIBDA** is relevant to investors because it provides a meaningful representation of operating cash flows generated by the Company's business segments and is a primary measure used by media investors, analysts and peers for comparative purposes