



WWE® Secures Multi-Year Media Rights Deals with USA Network and Fox Sports

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STAMFORD, Conn.--(BUSINESS WIRE)-- WWE (NYSE:WWE) today announced that it has completed landmark agreements with USA Network and Fox Sports, effective October 1, 2019, for the U.S. distribution of WWE's flagship programs *Raw* and *SmackDown*. As part of these five-year agreements, *Monday Night Raw* will continue to air on USA Network; and Fox Sports will distribute *SmackDown Live* each Friday on Fox broadcast network. These agreements increase the average annual value (AAV) of WWE's U.S. distribution to 3.6 times that of the prior deal with NBCU.

This press release features multimedia. View the full release here: <https://www.businesswire.com/news/home/20180626006541/en/>

Exhibit 1 (Graphic: Business Wire)

"Key Content Agreements" - Top 7 Countries/ Regions (Exhibit 1)

Since the completion of its previous U.S. distribution agreement for *Raw* and *SmackDown* in 2014, the Company has discussed the deal's financial impact by describing the growth of WWE's seven largest television distribution agreements, of which that deal is a significant part. These "key content agreements"¹, provided \$105 million of contractual revenue growth from 2014 to 2018, increasing from \$130 million in 2014 to approximately \$235 million in 2018.

The monetization of content is a fundamental element of the Company's business model, and the new agreements with USA Network and Fox Sports will provide a sizeable increase in the average annual value of WWE's U.S. distribution. WWE management anticipates that revenue from "key content agreements" including the new U.S. deals, described as "Existing and New Agreements" revenue in Exhibit 1, will grow to approximately \$311 million in 2019 and \$462 million in 2021.² The Company has other agreements that are subject to renewal in the 2019 - 2021 period, which are described as "To Be Negotiated," and their revenue subsequent to renewal is not ascertainable. For illustrative purposes, the related amounts in Exhibit 1 reflect no future change in annual revenue (i.e. all future years are held equal to the value of the last year in the current agreements). This approach, which indicates revenue of \$3 million in 2019 and \$80 million in 2021, does not quantify management expectations and is used solely to reflect future risk or opportunity. As shown in Exhibit 1, revenue from the Company's "key content agreements" would increase to \$314 million in 2019 and \$542 million in 2021.

Core Content Revenue - All Global Markets (Exhibit 2)

Core content revenue, as shown in the Company's reported financial statements, consists primarily of licensing revenues earned from the *global* distribution of its flagship programs, *Raw* and *SmackDown*. By definition, the Company's core content revenue includes the subset of license fees associated with its top 7 countries/ regions ("key content agreements") as described above. WWE management anticipates that revenue from its core content agreements that extend through 2019 and subsequent years, described as "Existing and New Agreements" revenue in Exhibit 2, will grow to approximately \$331 million in 2019 and \$462 million in 2021.² The Company has other agreements that are subject to renewal in the 2019 - 2021 period, which are described as "To Be Negotiated," and their revenue subsequent to renewal is not ascertainable. For illustrative purposes, the related amounts in Exhibit 2 reflect no future change in annual revenue (i.e. all future years are held equal to the value of the last year in the current agreements). This approach, which indicates revenue of \$17 million in 2019 and \$114 million in 2021, does not quantify management expectations and is used solely to reflect future risk or opportunity. As shown in Exhibit 2, total revenue from the Company's core content agreements would increase to \$348 million in 2019 and \$576 million in 2021.

Financial Outlook 2019

The Company is in the early stages of developing its operating and financial plans for 2019 and subsequent years. Given the substantial revenue growth provided by its new U.S. deals, the Company is currently targeting Adjusted OIBDA of at least \$200 million for 2019, during which the new deals' rates are effective for only three months.³

Management recognizes the transformative nature of these agreements and expects to provide additional long-term perspective on the Company's strategic and financial goals after its content distribution plans in the U.S., U.K. and India have been determined and its plans have further evolved. Management currently expects to reach agreement in the U.K. by year-end 2018; and in India during the first half of 2019. Although these agreements could be secured either before or after these dates, management believes that these ranges represent the most likely periods for such communication.

Additional Information

WWE will host a conference call at 8:00 a.m. ET on June 27 to discuss the contents of this release. All interested parties are welcome to listen to a live web cast that will be hosted through the Company's web site at corporate.wwe.com/investors. Participants can access the conference call by dialing 1-855-200-4993 (toll free) or 1-323-794-2092 from outside the U.S. (conference ID for both lines: 1980819). Please reserve a line approximately 10 minutes prior to the start time of the conference call.

The presentation referenced during the call will be made available on June 27, 2018 at corporate.wwe.com/investors. A replay of the call will be available approximately two hours after the conference call concludes, and can be accessed on the Company's web site.

About WWE

WWE, a publicly traded company (NYSE: WWE), is an integrated media organization and recognized leader in global entertainment. The Company consists of a portfolio of businesses that create and deliver original content 52 weeks a year to a global audience. WWE is committed to family friendly entertainment on its television programming, pay-per-view, digital media and publishing platforms. WWE's TV-PG, family-friendly programming can be seen in more than 800 million homes worldwide in 24 languages. WWE Network, the first-ever 24/7 over-the-top premium network that includes all live pay-per-views, scheduled programming and a massive video-on-demand library, is currently available in more than 180 countries. The Company is headquartered in Stamford, Conn., with offices in New York, Los Angeles, London, Mexico City, Mumbai, Shanghai, Singapore, Dubai, Munich and Tokyo.

Additional information on WWE (NYSE: WWE) can be found at wwe.com and corporate.wwe.com. For information on our global activities, go to <http://www.wwe.com/worldwide/>.

Notes

¹ WWE's "key content agreements" reflect the licensing of WWE's flagship programs, Raw and SmackDown in certain markets and, as such are a subset of the Company's core content deals. These markets include the U.S., U.K., India, Canada, LATAM, Middle East and South Africa.

² Revenue derived from "Existing and New Agreements" is subject to normal risks related to maintaining agreements and counterparty risks.

³ WWE is unable to provide a reconciliation of 2018 and 2019 guidance to GAAP measures as, at this time, WWE cannot accurately determine all of the adjustments that would be required.

Trademarks: All WWE programming, talent names, images, likenesses, slogans, wrestling moves, trademarks, logos and copyrights are the exclusive property of WWE and its subsidiaries. All other trademarks, logos and copyrights are the property of their respective owners.

Forward-Looking Statements: This press release 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; *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.

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