October 15, 2014




HBO
136 Million Global Subscribers


HBO
Most Revenue-$4.9 Billion


HBO
Highest Profit-$1.7 Billion

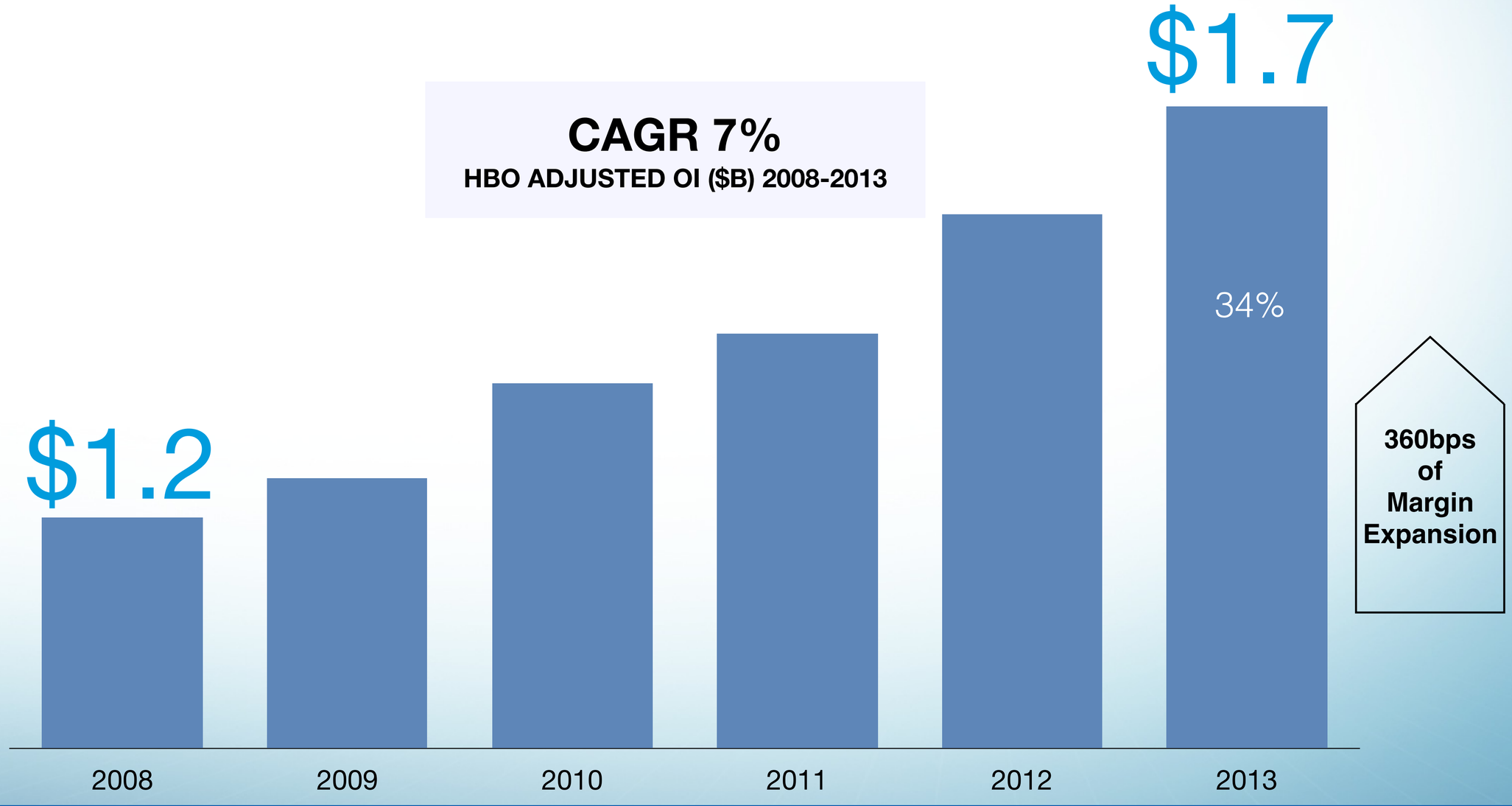

HBO
Top Hollywood Hits


HBO
Best Original Programming

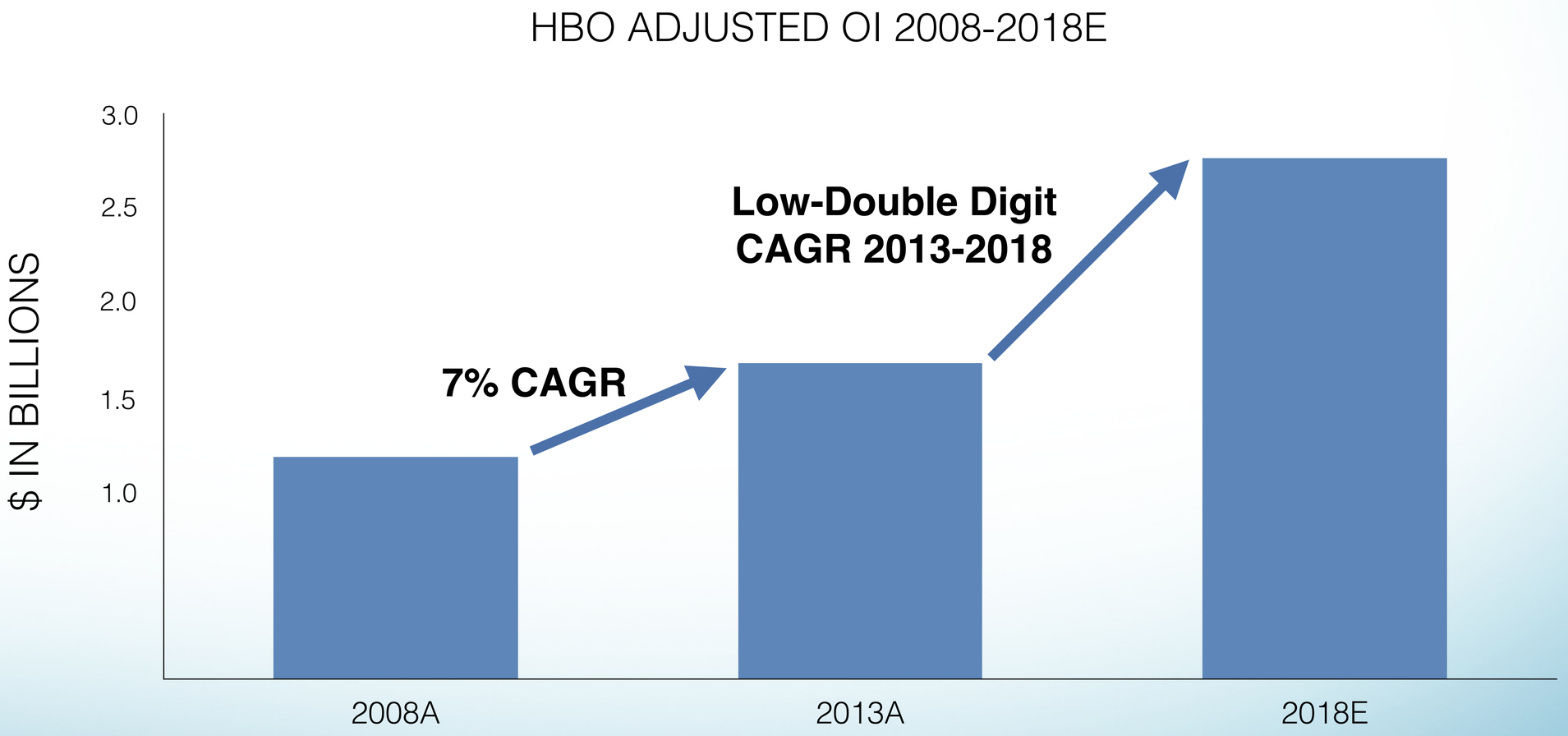


Strongest Global Brand

CONSISTENT PROFIT GROWTH



ACCELERATING GROWTH



HBO | STRATEGY

Press Content Advantage

Use Technology to Evolve Business

Improve Domestic Penetration and Monetization

Capitalize on International Growth

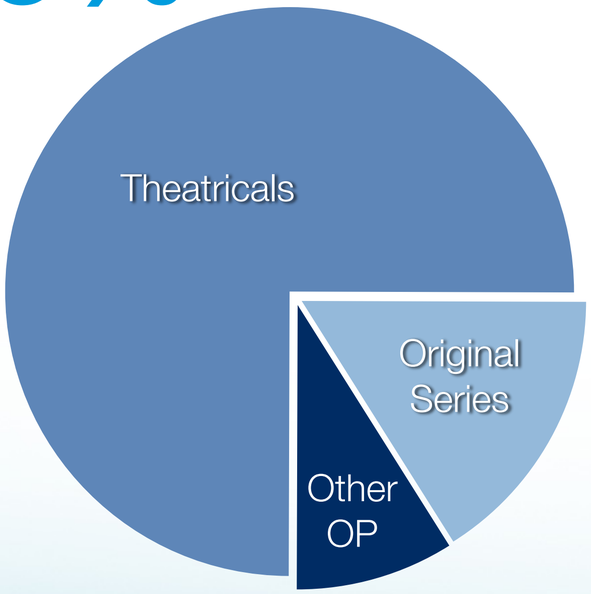




HBO Theatricals

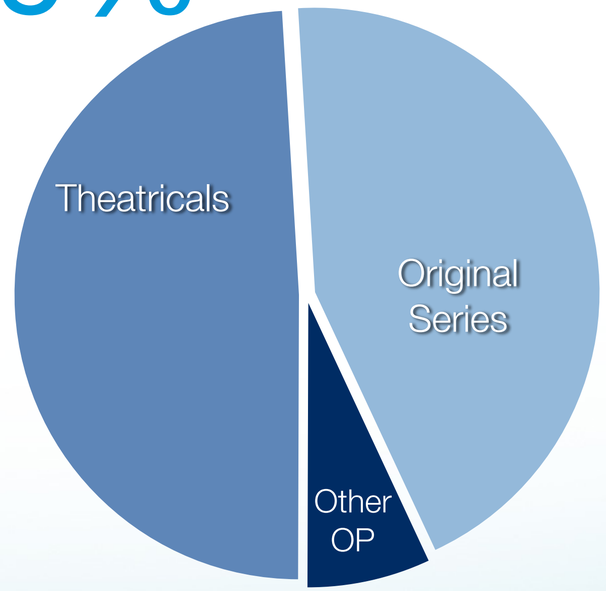
THEATRICALS DRIVE VIEWERSHIP

75%



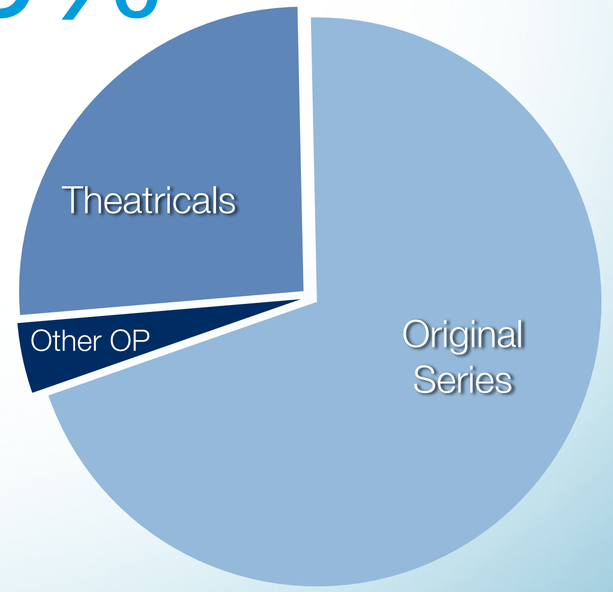
HBO Linear Channels
% of Total Viewing Time

49%



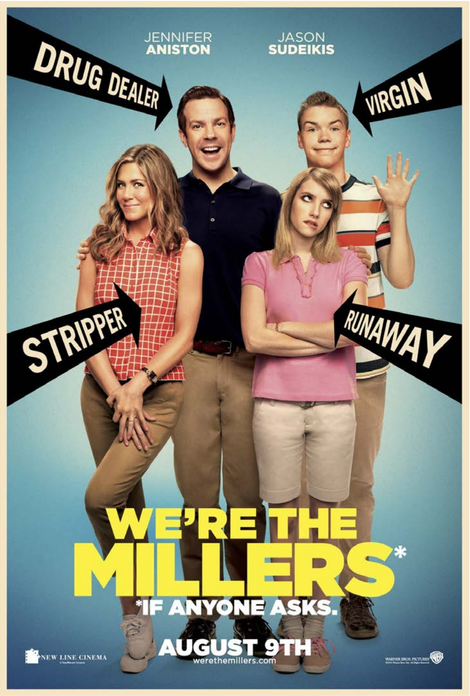
HBO On Demand
% of Total Viewing Time

26%

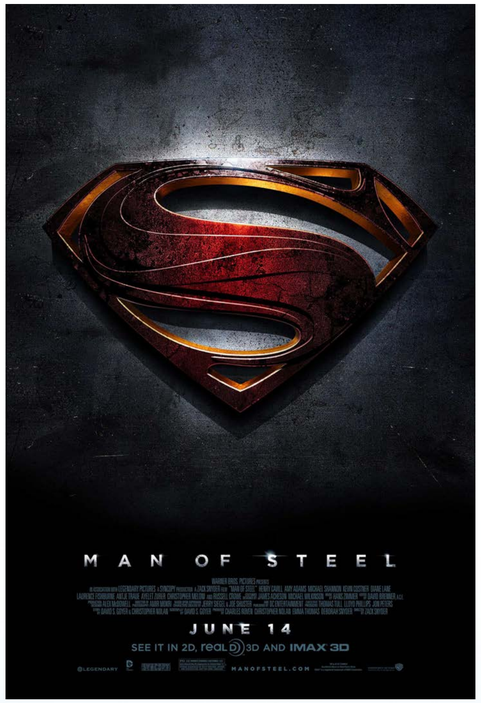


HBO Go
% of Total Viewing Time

THEATRICALS DRIVE VIEWERSHIP



26M



23M



21M

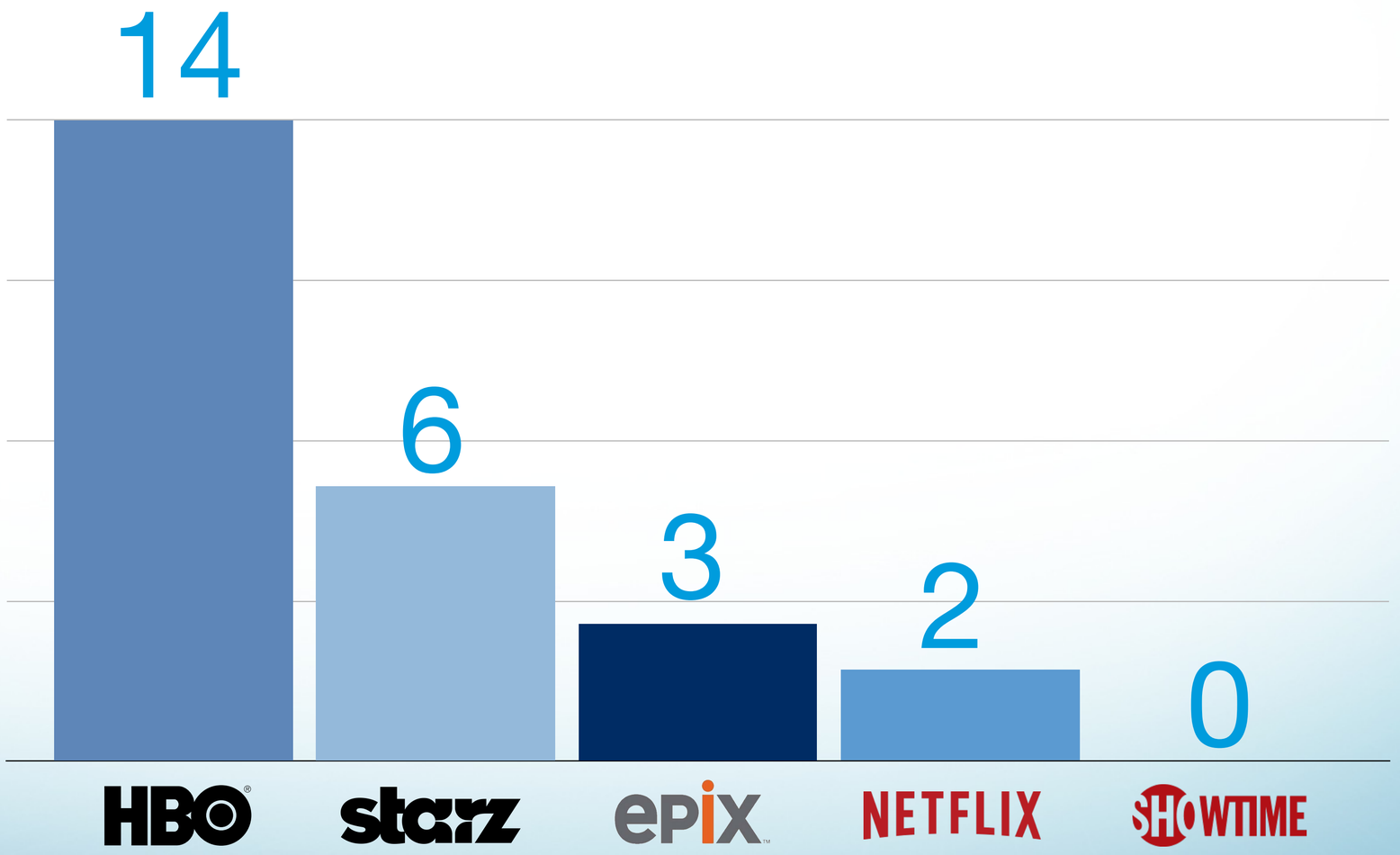


20M



20M

THE MOST BLOCKBUSTERS



NUMBER OF TOP 25 EXCLUSIVE RELEASES (2014-YTD)

SECURED STUDIO OUTPUT











HBO Original Programming



HBO® | MOST EMMY WINS 13 YEARS IN A ROW


GAME OF THRONES
HBO
HBO'S BIGGEST SHOW EVER


McCONAUGHEY HARRELSON
TRUE DETECTIVE
HBO | MOST WATCHED FIRST SEASON EVER


the leftovers
HBO | OVER SEVEN MILLION VIEWERS



HBO | THE GREATEST VARIETY AND RANGE



HBO | UPCOMING PROGRAMMING



HBO | UPCOMING PROGRAMMING


Anthony Hopkins in WESTWORLD
HBO | UPCOMING PROGRAMMING

TRUE DETECTIVE

HBO | UPCOMING PROGRAMMING


STRIKE
BACK
CINEMAX®


THE KNICK
CINEMAX
MOST WATCHED SERIES EVER



HBO® | VALUABLE AND GROWING LIBRARY

HBO GO



Total usage up over 40% since last year



A Key Competitive Advantage



HBO | DOMESTIC REVENUE OPPORTUNITIES

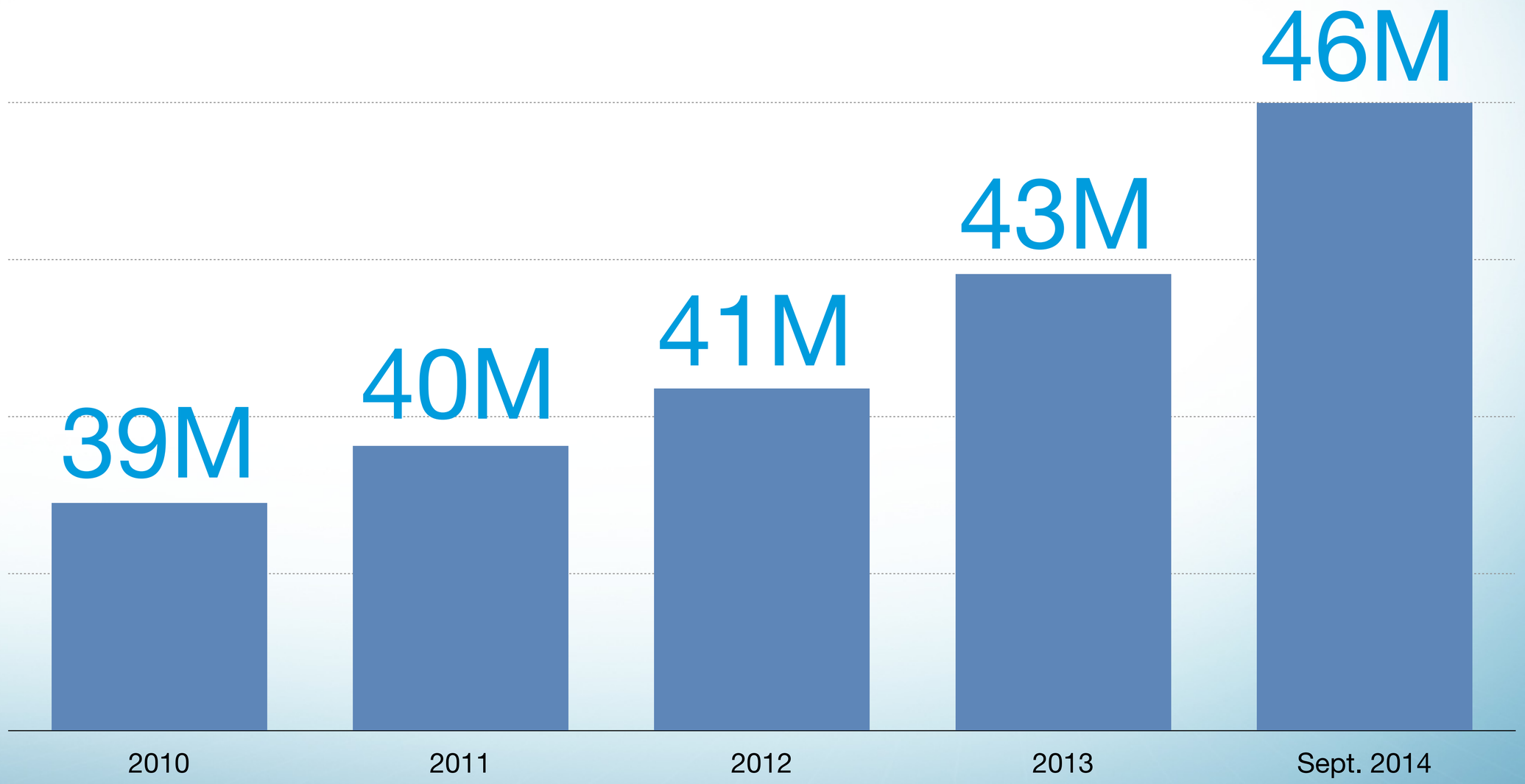


Monetize Non-Revenue Generating Subs

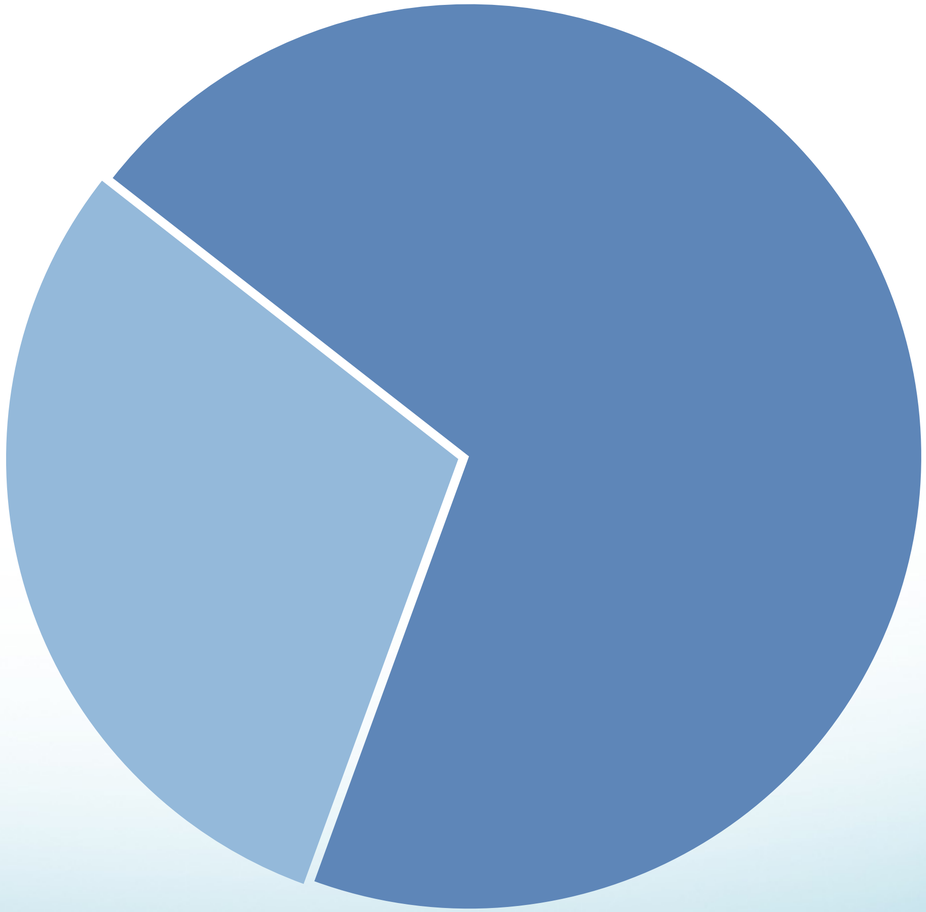
Increase Penetration in Pay-TV Universe

Pursue Consumers Outside the Multi-Channel Universe

DOMESTIC SUBSCRIBERS



MONETIZING SUBSCRIBER GROWTH



1.9M

Revenue Generating

30%

4.5M

Non-Revenue Generating

70%

Overall HBO/MAX growth: 6.4M Subscribers (2012-Sept. 2014)

U.S. MULTI-CHANNEL UNIVERSE



30M

HBO®

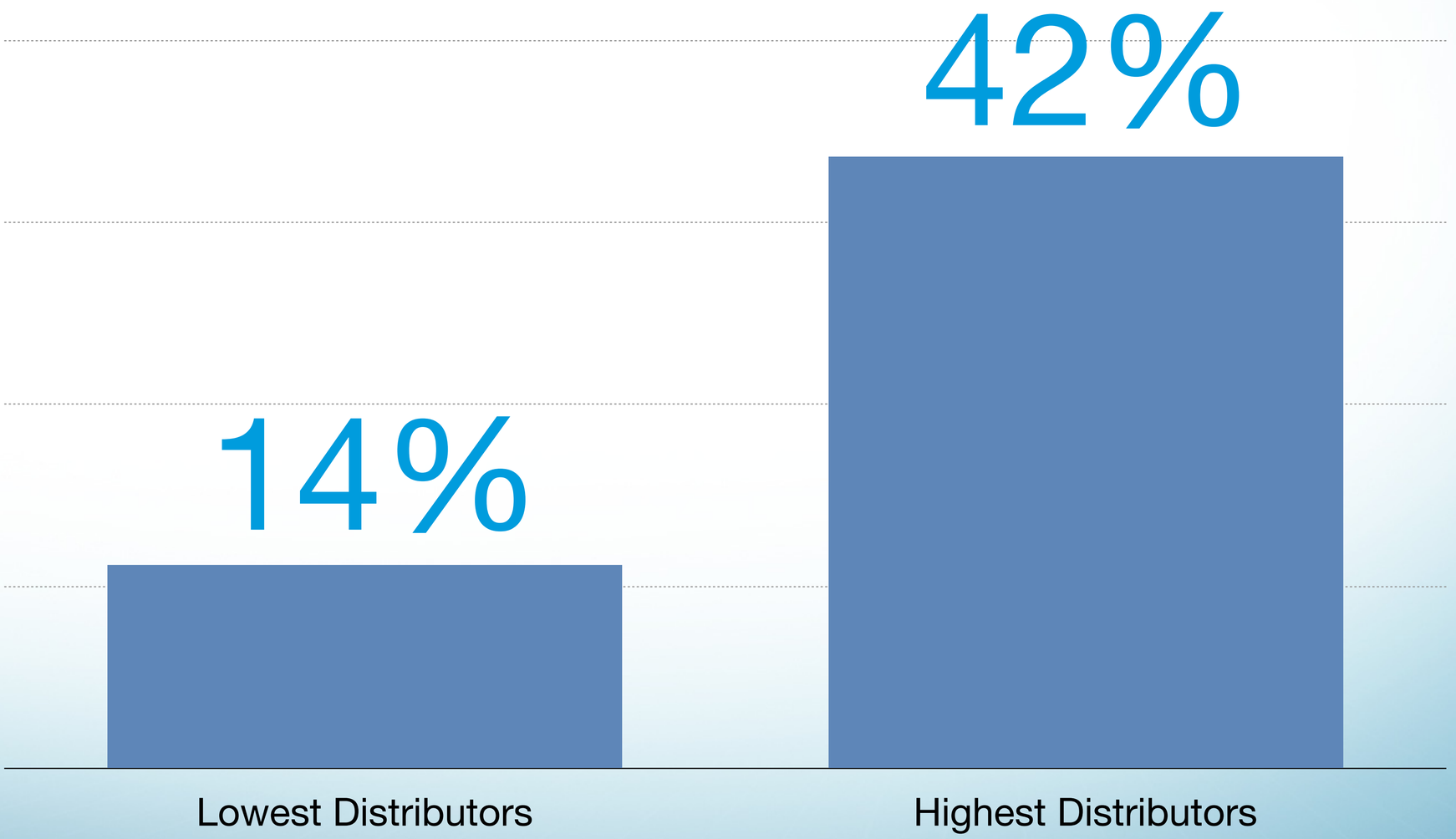
U.S. MULTI-CHANNEL UNIVERSE



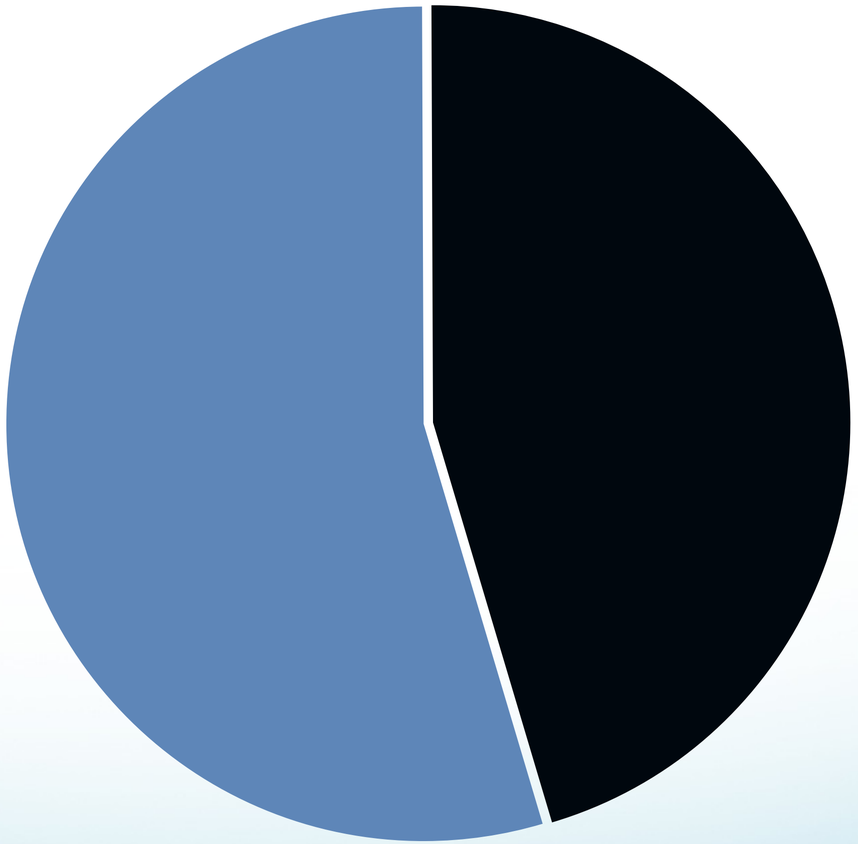
10-15M
"Persuadables"

30M
HBO®

DOMESTIC AFFILIATE PENETRATION



10M U.S. BROADBAND ONLY HOMES



4-5M

Streaming Subs



HBO | STAND ALONE OTT SERVICE

INTERNATIONAL

$1.4B

in revenue
outside the US

25%

of HBO revenue

Attractive Margins

Already Very Profitable

HBO | INTERNATIONAL STRATEGY

Three models:

- Networks
- Licensing
- OTT

Original Programming as the backbone

INTERNATIONAL NETWORKS

60+
Countries

90M
Subscribers

$0.14-$13
ARPU range

HBO | INTERNATIONAL CONTENT



Top Hollywood Hits

U.S. Originals

Local Originals

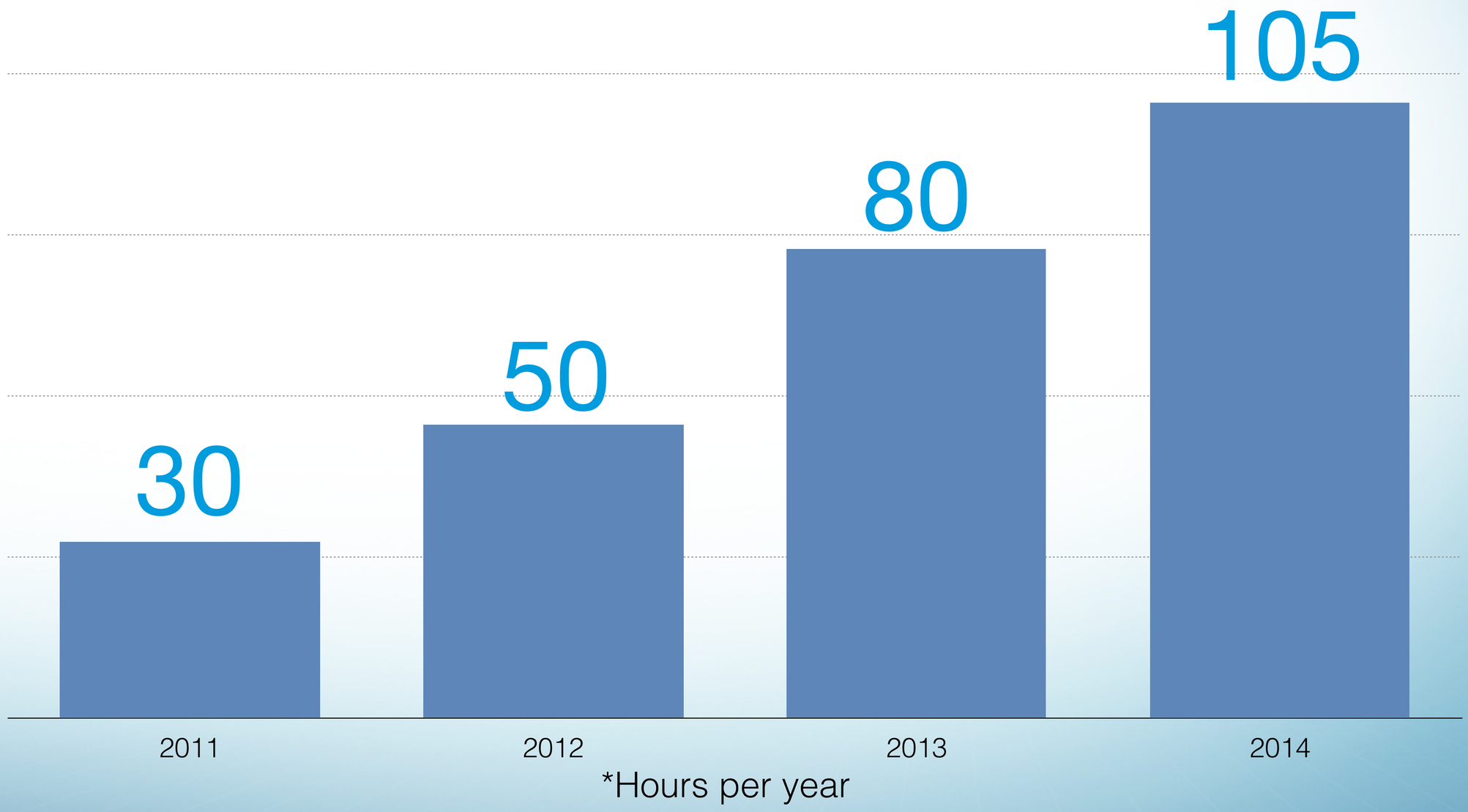
HBO | LATIN AMERICA

Biggest Region-$600M in Revenue

Sustained Double Digit Growth

Growth Countries: Brazil, Colombia, Chile, Mexico, Peru

INCREASED ORIGINAL PROGRAMMING IN LATIN AMERICA





HBO® | LICENSING REVENUE


HOME OF THRONES
sky ATLANTIC HD
HBO | HOME OF HBO

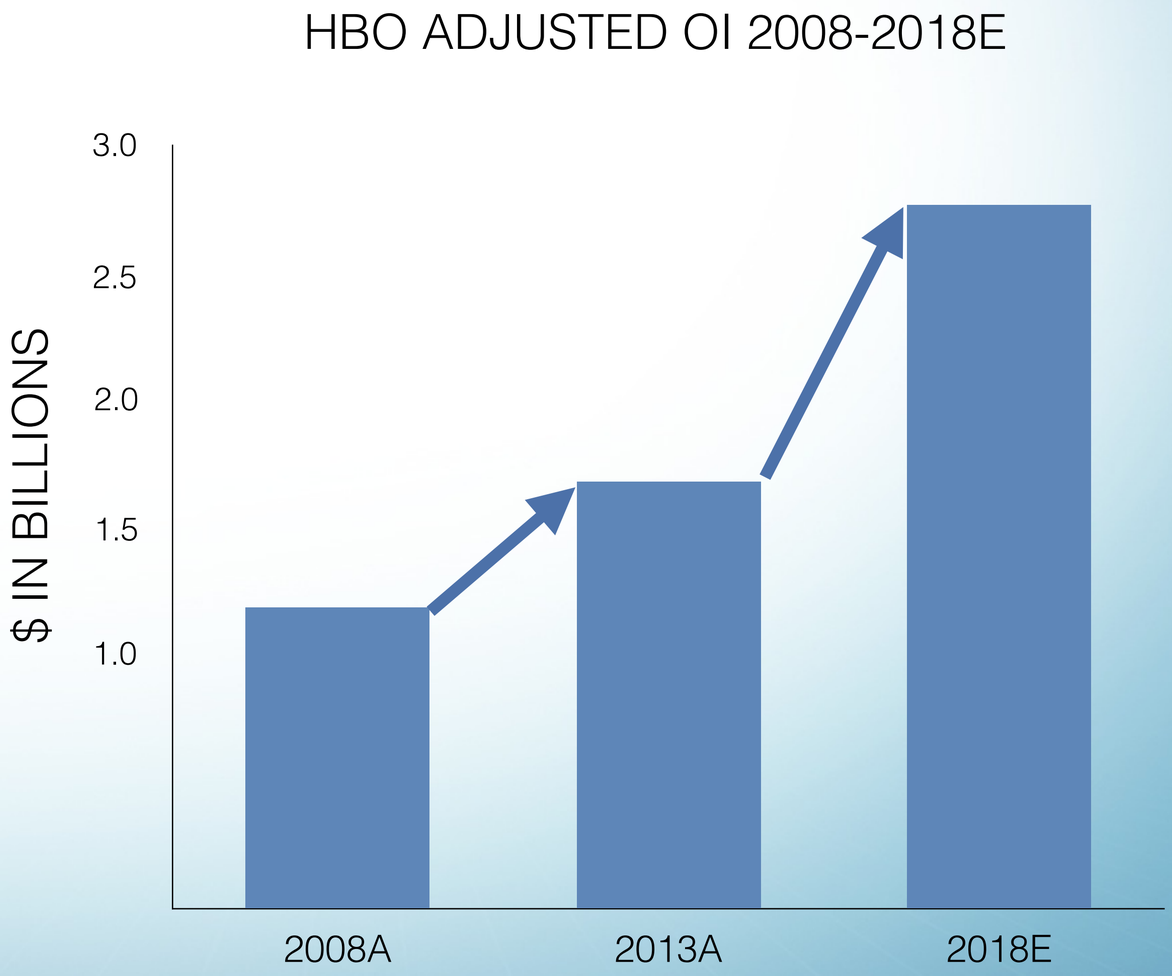

HBO
NORDIC

FINANCIAL OUTLOOK

ADJUSTED OI CAGR 2013-2018
Low-Double Digits

Revenue CAGR 2013-2018
Mid-to High-Single Digits

Expense CAGR 2013-2018
Low-to Mid-Single Digits




2015



Richard Plepler
Chairman & CEO

Notes

For definitions of each non-GAAP financial measure and reconciliations see Appendix.

Slide #

2. Includes subscribers through HBO's unconsolidated international joint ventures. As of September 30, 2014.

3. Source for peer companies' revenues: earnings releases or analyst consensus. Revenues for year ended December 31, 2013.

4. Source for peer companies' adjusted operating income: earnings releases or analyst estimates. Adjusted operating income for year ended December 31, 2013.

12. Covers period January 2014 – July 2014. Sources: Nielsen Media Research (for HBO linear channels), Rentrak OnDemand Essentials (for HBO On Demand) and HBO internal data (for HBO Go).

13. Source: internal data. Data covers total views from the premiere on HBO linear channels, HBO On Demand and HBO GO. Data is through September 10, 2014.

14. Source: Boxofficemojo.com and internal data. Top 25 film releases based on domestic box office as of October 6, 2014.

17. Source: Emmys.com and internal data.

18. Source: internal data. Season 4 of Game of Thrones averaged 19.1 million viewers per episode in 2014. Based on gross viewers and includes HBO linear channels, HBO On Demand and HBO GO.

19. Source: internal data. Season 1 of True Detective averaged 11.9 million viewers per episode in 2014. Based on gross viewers and includes HBO linear channels, HBO On Demand and HBO GO.

20. Source: internal data. Season 1 of The Leftovers averaged 7.2 million viewers per episode in 2014. Based on gross viewers and includes HBO linear channels, HBO On Demand and HBO GO.

27. Source: internal data. Season 1 of The Knick averaged 3.2 million viewers per episode through first 5 episodes in 2014. Based on gross viewers and includes Cinemax linear channels, Cinemax On Demand and MAX GO.

30. Source: internal data. Based on total usage from January 2014 – September 2014 vs. January 2013 – September 2013.

35. HBO domestic subscribers (rounded) as of September 30, 2014.

36. Source: SNL Kagan 2014 U.S. multi-channel universe estimate, HBO internal data and third-party research commissioned by HBO. HBO domestic subscribers (rounded) as of September 30, 3014.

38. Estimate based on HBO internal data and Leichtman Research.

40. Includes revenue from HBO's unconsolidated international joint ventures. For the year ended December 31, 2013.

42. Source: internal data. International subscriber and countries data as of September 30, 2014 and includes HBO's unconsolidated international joint ventures. ARPU (average monthly revenue per unit) for August 2014.

44. HBO Latin America is an unconsolidated international joint venture. Revenue for the year ended December 31, 2013. Double digit revenue growth based on 2008 – 2013 CAGR.

45. Source: internal data.

Reconciliations

DEFINITIONS

A. Adjusted Operating Income (Loss) is Operating Income (Loss) excluding the impact of noncash impairments of goodwill, intangible and fixed assets; gains and losses on operating assets (other than deferred gains on sale-leasebacks); gains and losses recognized in connection with pension and other postretirement benefit plan curtailments or settlements; external costs related to mergers, acquisitions, or dispositions, as well as contingent consideration related to such transactions, to the extent such costs are expensed; and amounts related to securities litigation and government investigations.

B. Adjusted Operating Income margin is defined as Adjusted Operating Income divided by Revenues and Operating Income margin is defined as Operating Income divided by Revenues.

HOME BOX OFFICE RECONCILIATIONS OF ADJUSTED OPERATING INCOME TO OPERATING INCOME AND ADJUSTED OPERATING INCOME MARGIN TO OPERATING INCOME MARGIN

(IN MILLIONS; UNAUDITED)

HOME BOX OFFICE	YEAR ENDED 12/31/08	YEAR ENDED 12/31/13
Adjusted Operating Income	$1,179	$1,678
Gain on operating assets, net	-	113
Operating Income	**$1,179**	**$1,791**
Revenues		**$4,890**
Operating Income margin		37%
Adjusted Operating Income margin		34%

HOME BOX OFFICE RECONCILIATION OF ADJUSTED OPERATING INCOME GUIDANCE

(IN MILLIONS; UNAUDITED)

[1] Other includes gains and losses recognized in connection with pension and other postretirement benefit plan curtailments or settlements; external costs related to mergers, acquisitions or dispositions; and amounts related to securities litigation and government investigations.

RECONCILIATION OF ADJUSTED OPERATING INCOME TO OPERATING INCOME	YEAR ENDED 12/31/13	RECONCILIATION OF ADJUSTED OPERATING INCOME GUIDANCE (2013 - 2018 CAGR)
Adjusted Operating Income	**$1,678**	**Expected compound annual growth rate for 2013 - 2018 of LOW DOUBLE-DIGITS**
Asset impairments	-	Unable to estimate beyond ($4) million recognized for the period January 1, 2014 through June 30, 2014.
Gain on operating assets, net	113	Unable to estimate.
Other[1]	-	Unable to estimate.
Operating Income	**$1,791**	**Unable to estimate.**