

2007 RESULTS

VIA COM

February 28, 2008

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## Cautionary Statement Concerning Forward-Looking Statements

This presentation contains both historical and forward-looking statements. All statements, including Business Outlook, which are not statements of historical fact are, or may be deemed to be, forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. These forward-looking statements are not based on historical facts, but rather reflect the Company's current expectations concerning future results and events. Forward-looking statements generally can be identified by the use of statements that include phrases such as "believe," "expect," "anticipate," "intend," "plan," "foresee," "likely," "will" or other similar words or phrases. Similarly, statements that describe the Company's objectives, plans or goals are or may be forward-looking statements. These forward-looking statements involve known and unknown risks, uncertainties and other factors that are difficult to predict and which may cause the actual results, performance or achievements of the Company to be different from any future results, performance and achievements expressed or implied by these statements. These risks, uncertainties and other factors include, among others: advertising market conditions and developments in the Company's markets worldwide and, in particular, for advertisements targeting demographics served by the Company's program services and other content outlets; the public acceptance of and ratings for the Company's movies, programs, digital services and other content, along with the level of viewership of advertisements on these platforms; competition for advertising dollars from online and wireless-based services, content providers and distributors, and various intermediaries; technological developments and their effect in the Company's markets and on consumer behavior; fluctuations in our results due to the timing, mix and availability of our programming, motion pictures and other content; changes in the Federal communications laws and regulations applicable to cable operations, including the possibility of mandatory à la carte programming or limitation on the packaging of program services; the impact of piracy on the Company's programming and films; the impact of increased scale in parties involved in the distribution and aggregation of the Company's products and program services to consumers and advertisers; the impact of union activity, including possible work stoppages or our inability to negotiate favorable terms for contract renewals; other domestic and global economic, business, competitive and/or regulatory factors affecting the Company's businesses generally; and other factors described in the Company's news releases and filings with the Securities and Exchange Commission, including but not limited to the Company's 2007 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, under Section 27A of the Securities Act and Section 21E of the Exchange Act, the Company does not have any obligation to publicly update any forward-looking statements to reflect subsequent events or circumstances. Reconciliations for any non-GAAP financial information contained in this presentation are included in this presentation or found on the Company's website at [www.viacom.com](http://www.viacom.com).

**This presentation is a supplement to, and should be read in conjunction with, Viacom's earnings release for the fourth quarter and year ended December 31, 2007. Certain numbers may not foot due to rounding.**

# Reported Results

(\$ In Millions, except per share amounts)

	4th Quarter		Full Year	
	2007	B/(W) 2006	2007	B/(W) 2006
Revenues	\$ 4,248	19%	\$13,423	18%
Expenses	(3,153)	(21%)	(10,009)	(23%)
Equity Compensation	(22)	21%	(86)	(7%)
D&A	(96)	7%	(393)	(8%)
Operating Income	<u>978</u>	18%	<u>2,936</u>	6%
Net Earnings, Continuing Operations	545	14%	1,630	4%
Diluted EPS, Continuing Operations	0.83	20%	2.41	10%
Weighted Average Diluted Shares	653	6%	676	6%

# Adjusted Results

(\$ In Millions, except per share amounts)

	4th Quarter		Full Year	
	2007	B/(W) 2006	2007	B/(W) 2006
Revenues	\$ 4,248	19%	\$13,423	18%
Adjusted Expenses	(3,145)	(22%) <sup>(1)</sup>	(9,932)	(23%) <sup>(1)</sup>
Equity Compensation	(22)	16%	(86)	(24%) <sup>(2)</sup>
D&A	(96)	7%	(393)	(8%)
Adjusted Operating Income	<u>985</u>	15%	<u>3,013</u>	6%
Adjusted Net Earnings, Continuing Operations	550	21% <sup>(3)</sup>	1,591	8% <sup>(4)</sup>
Adjusted Diluted EPS, Continuing Operations	0.84	29% <sup>(3)</sup>	2.36	14% <sup>(4)</sup>
Weighted Average Diluted Shares	653	6%	676	6%

See Page 4 for footnotes.

# Footnotes

1. Excludes Media Networks pre-tax restructuring charges of \$7mm in 4Q'07, \$78mm in FY07 and \$15mm in 4Q'06 and FY06. Excludes pre-tax net compensation charges (principally related to the resignations of the former President & CEO and the former Executive Vice President & CFO) of \$9mm in 4Q'06 and \$62mm in FY06.
2. Excludes equity compensation for above-mentioned Executives of \$2mm and \$11mm in 4Q'06 and FY06, respectively.
3. In 4Q'07, excludes after-tax Media Networks restructuring of \$5mm (\$0.01 per share). In 4Q'06, excludes after-tax Media Networks international restructuring of \$9mm (\$0.01 per share), after-tax net compensation expense of \$8mm (\$0.01 per share) and discrete tax benefits of \$42mm (\$0.06 per share).
4. In FY07, excludes an after-tax gain on the sale of non-controlling investment in MTV Russia of \$96mm (\$0.14 per share), an after-tax impairment charge to write off our investment in Amp'd Mobile which filed for bankruptcy of \$23mm (\$0.04 per share), after-tax Media Networks restructuring charges of \$49mm (\$0.07 per share), and discrete tax benefits of \$15mm (\$0.02 per share).  
  
In FY06, excludes after-tax net compensation charges of \$46mm (\$0.06 per share), after-tax Media Networks restructuring of \$9mm (\$0.01 per share) and discrete tax benefits of \$142mm (\$0.19 per share).

See pages 16 - 21 for a reconciliation to GAAP results.

# Free Cash Flow

(\$ In Millions)

	4th Quarter		Full Year	
	2007	B/(W) 2006	2007	B/(W) 2006
Operating Income	\$ 978	18%	\$2,936	6%
Depreciation & Amortization	96	(7%)	393	8%
Capital Expenditures	(89)	(10%)	(237)	(14%)
Cash Interest	(191)	15%	(469)	(8%)
Cash Taxes <sup>(1)</sup>	(240)	(11%)	(663)	(4%)
Working Capital & Other	145	(67%)	(258)	11%
Operating Free Cash Flow	\$ 699	(17%)	\$1,702	9%
Cash Taxes on Disposition <sup>(2)</sup>	(115)	n/m	(163)	n/m
Asset Securitization <sup>(3)</sup>	-	n/m	-	n/m
Free Cash Flow <sup>(4)</sup>	\$ 584	(57%)	\$1,539	(25%)

1) Excludes taxes paid with respect to the dispositions of assets in 2007.

2) Cash taxes paid with respect to the gain recognized in 2Q'07 on the sale of the Company's non-controlling investment in MTV Russia and gain recognized in 3Q'07 on the sale of Famous Music. It is important to note that the net cash proceeds of approximately \$550 million from asset sales is not included in Free Cash Flow.

3) During 4Q'06, Viacom increased its total capacity under the facilities by \$500 million and utilized the proceeds to pay down outstanding commercial paper.

4) See Page 22 for the definition and reconciliation of free cash flow and operating free cash flow to net cash flow from operations.

# Debt

(\$ In Millions)

December 31, 2007

Commercial Paper / Bank Debt	\$ 806
Floating Rate Senior Notes due 2009	750
Total Floating Rate Debt	<u>1,556</u>
5.75% Senior Notes due 2011	1,494
6.25% Senior Notes due 2016	1,495
6.125% Senior Notes due 2017	497
6.875% Senior Debentures due 2036	1,734
6.75% Senior Notes due 2037	248
6.85% Senior Notes due 2055	750
Note Payable	170
Capital Leases	303
Total Fixed Rate Debt	<u>6,690</u>
Total Debt	<u>\$ 8,246</u>
Cash & Cash Equivalents	<u>\$920</u>

# Share Repurchase Program

*(In Millions)*

	4Q 2007	FY 2007	YTD Through 02/27/08
<b>Cost of Repurchase</b>	<b>\$591</b>	<b>\$2,157</b>	<b>\$247</b>
<b>Shares Repurchased</b>	<b>14.2</b>	<b>52.5</b>	<b>6.2</b>
<b>Year-End Shares Outstanding</b>		<b>644.8</b>	

**Remaining program availability as of 2/27/08 is \$2.3 billion**





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**SEGMENT HIGHLIGHTS**

# Media Networks – Revenues by Type

(\$ In Millions)

	4th Quarter		Full Year	
	2007	B/(W) 2006	2007	B/(W) 2006
Advertising	\$ 1,389	9%	\$ 4,690	8%
Affiliate	598	11%	2,339	14%
Ancillary	460	72%	1,072	27%
Total	<u>\$ 2,447</u>	18%	<u>\$ 8,101</u>	12%

# Media Networks – Financial Results

(\$ In Millions)

	4th Quarter		Full Year	
	2007	B/(W) 2006	2007	B/(W) 2006
Revenues	\$ 2,447	18%	\$ 8,101	12%
Expenses	(1,451)	(22%)	(4,662)	(16%)
Equity Compensation	(10)	(26%)	(37)	(44%)
D&A	(63)	16%	(276)	(2%)
Operating Income, Before Restructuring Charges	923	14%	3,126	7%
Restructuring Charges	(7)	50%	(78)	(427%)
Operating Income	\$ 916	15%	\$ 3,048	5%

# Filmed Entertainment – Revenues by Type

(\$ In Millions)

	4th Quarter		Full Year	
	2007	B/(W) 2006	2007	B/(W) 2006
Theatrical	\$ 273	30%	\$ 1,466	69%
Home Entertainment	1,081	12%	2,493	18%
TV License Fees	403	23%	1,294	15%
Ancillary	79	61%	222	30%
<b>Total</b>	<b>\$ 1,836</b>	<b>19%</b>	<b>\$ 5,476</b>	<b>28%</b>

# Filmed Entertainment – Theatrical Releases

## 4Q 2007

**The Heartbreak Kid**  
**Things We Lost in the Fire**  
**Bee Movie (DWA)**  
**Beowulf**  
**Margot at the Wedding**  
**The Kite Runner**  
**Sweeney Todd**  
**There Will be Blood**  
**No Country for Old Men**

## 4Q 2006

**Flags of our Fathers**  
**Babel**  
**Flushed Away (DWA)**  
**Charlotte's Web**  
**Dreamgirls**  
**Perfume**

# Filmed Entertainment – Financial Results

(\$ In Millions)

	4th Quarter		Full Year	
	2007	B/(W) 2006	2007	B/(W) 2006
Revenues	\$ 1,836	19%	\$ 5,476	28%
Expenses	(1,688)	(17%)	(5,263)	(30%)
Equity Compensation	(3)	(62%)	(10)	(1%)
D&A	(27)	(13%)	(99)	(20%)
Operating Income	<u>\$ 118</u>	40%	<u>\$ 104</u>	(22%)

## Business Outlook

For the three year period from 2008 through 2010, Viacom expects to deliver low double-digit annual growth in diluted net earnings per share from continuing operations.

This outlook is based on adjusted diluted net earnings per share from continuing operations of \$2.36 in 2007.



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**APPENDIX  
RECONCILIATIONS**



## Supplemental Disclosures – Non-GAAP Financial Information

Non-GAAP measures, including free cash flow and adjusted results that exclude non-operating investment gains, impairment charges and restructuring charges, 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 flow from operations, operating income, net earnings from continuing operations and diluted earnings per share from continuing operations as indicators of operating performance. Such non-GAAP measures, as calculated by the Company, may not be comparable to similarly titled measures employed by other companies.

## Supplemental Disclosures – Non-GAAP Financial Information

(\$ In Millions, Except Per Share Amounts)

	Quarter ended December 31, 2007			
	Operating Income	Pre-tax Earnings <sup>(5)</sup>	Net Earnings, Continuing Operations <sup>(6)</sup>	Diluted EPS, Continuing Operations
<b>Reported Results</b>	\$ 978	\$ 863	\$ 545	\$ 0.83
<b>Adjustments:</b>				
Media Networks Restructuring Activities <sup>(1)</sup>	7	7	5	0.01
<b>Adjusted Results</b>	<u>\$ 985</u>	<u>\$ 870</u>	<u>\$ 550</u>	<u>\$ 0.84</u>

See Page 21 for footnotes.

## Supplemental Disclosures – Non-GAAP Financial Information

(\$ In Millions, Except Per Share Amounts)

	Year ended December 31, 2007			
	Operating Income	Pre-tax Earnings <sup>(5)</sup>	Net Earnings, Continuing Operations <sup>(6)</sup>	Diluted EPS, Continuing Operations
<b>Reported Results</b>	\$ 2,936	\$ 2,579	\$ 1,630	\$ 2.41
<b>Adjustments:</b>				
Media Networks Restructuring Activities <sup>(1)</sup>	78	78	49	0.07
Discrete Tax Benefits <sup>(2)</sup>			(15)	(0.02)
Gain on Sale of Equity Investment <sup>(3)</sup>		(151)	(96)	(0.14)
Impairment of Investment <sup>(4)</sup>		36	23	0.04
<b>Adjusted Results</b>	<u>\$ 3,013</u>	<u>\$ 2,542</u>	<u>\$ 1,591</u>	<u>\$ 2.36</u>

See Page 21 for footnotes.

## Supplemental Disclosures – Non-GAAP Financial Information

(\$ In Millions, Except Per Share Amounts)

	Quarter ended December 31, 2006			
	Operating Income	Pre-tax Earnings <sup>(5)</sup>	Net Earnings, Continuing Operations <sup>(6)</sup>	Diluted EPS, Continuing Operations
<b>Reported Results</b>	\$ 827	\$ 693	\$ 479	\$ 0.69
<b>Adjustments:</b>				
Net Compensation Charges <sup>(7)</sup>	11	11	8	0.01
Media Networks Restructuring Activities <sup>(1)</sup>	15	15	9	0.01
Discrete Tax Benefits <sup>(2)</sup>			(42)	(0.06)
<b>Adjusted Results</b>	<u>\$ 853</u>	<u>\$ 719</u>	<u>\$ 454</u>	<u>\$ 0.65</u>

See Page 21 for footnotes.

## Supplemental Disclosures – Non-GAAP Financial Information

(\$ In Millions, Except Per Share Amounts)

	Year ended December 31, 2006			
	Operating Income	Pre-tax Earnings <sup>(5)</sup>	Net Earnings, Continuing Operations <sup>(6)</sup>	Diluted EPS, Continuing Operations
<b>Reported Results</b>	\$ 2,767	\$ 2,310	\$ 1,567	\$ 2.19
<b>Adjustments:</b>				
Net Compensation Charges <sup>(7)</sup>	73	73	46	0.06
Media Networks Restructuring Activities <sup>(1)</sup>	15	15	9	0.01
Discrete Tax Benefits <sup>(2)</sup>			(142)	(0.19)
<b>Adjusted Results</b>	<u>\$ 2,855</u>	<u>\$ 2,398</u>	<u>\$ 1,480</u>	<u>\$ 2.07</u>

See Page 21 for footnotes.

## Footnotes – Pages 17 - 20

1. **Media Networks restructuring charges, principally severance, affecting MTV Networks domestic and international operations.**
2. **The Company recognized net discrete tax benefits of \$15 million for the full year ended December 31, 2007. Discrete tax benefits of \$142 million and \$42 million were recognized for the full year and quarter ended December 31, 2006. The discrete tax benefits in both years were principally as a result of audit settlements.**
3. **The Company sold its non-controlling investment in MTV Russia for \$191 million and recognized a pre-tax gain of \$151 million.**
4. **The Company recorded a pre-tax impairment charge of \$36 million to write off its investment in Amp'd Mobile which filed for bankruptcy.**
5. **Pre-tax earnings represent earnings from continuing operations before provision for income taxes, equity in earnings and minority interest.**
6. **Net earnings from continuing operations include an adjustment for the provision for income taxes calculated using the applicable rates in effect for the period presented.**
7. **The Company recorded net compensation charges of \$73 million and \$11 million, respectively, for the full year and quarter ended December 31, 2006, principally relating to the resignations of the former President and Chief Executive Officer and the former Executive Vice President and Chief Financial Officer.**

## Supplemental Disclosures – Non-GAAP Financial Information

(\$ In Millions)

	4th Quarter		Full Year	
	2007	2006	2007	2006
Net Cash Flow from Operations	\$ 674	\$ 1,427	\$ 1,776	\$ 2,270
Capital Expenditures	(89)	(81)	(237)	(209)
Free Cash Flow <sup>(1)</sup>	<u>\$ 584</u>	<u>\$ 1,346</u>	<u>\$ 1,539</u>	<u>\$ 2,061</u>
Cash Taxes on Disposition	115	-	163	-
Asset Securitization	-	(500)	-	(500)
Operating Free Cash Flow <sup>(2)</sup>	<u>\$ 699</u>	<u>\$ 846</u>	<u>\$ 1,702</u>	<u>\$ 1,561</u>

1. The Company defines free cash flow as net cash flow from operations minus capital expenditures. Free cash flow is a non-GAAP measure. Management believes free cash flow provides investors with an important perspective on the Company's liquidity, including ability to service debt, make strategic acquisitions and investments, and repurchase stock.
2. The Company defines operating free cash flow as net cash flow from operations minus capital expenditures and increases in asset securitization programs plus cash taxes on dispositions. Operating free cash flow is a non-GAAP measure. Management believes operating free cash flow provides investors with an important perspective on the Company's liquidity from ongoing activities.

The image features the word "VIACOM" in a bold, metallic, sans-serif font. The letters are rendered in a light blue color with a silver or chrome-like outline, giving them a three-dimensional appearance. The text is centered horizontally and positioned in the lower-middle section of the frame. Behind the letters, a bright, multi-pointed sunburst or starburst effect emanates from a central point, creating a sense of energy and focus. The background is a deep, dark blue with a subtle, fine-grained texture. A vertical beam of slightly lighter blue light passes through the center of the image, intersecting with the sunburst effect. The overall aesthetic is clean, modern, and professional, typical of a corporate logo presentation.