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PRESENTATION

Anthony Joseph DiClemente - *ViacomCBS Inc. - EVP of IR*

Good afternoon. My name is Anthony DiClemente, and I am the Head of Investor Relations at ViacomCBS. It is my pleasure to welcome you to our Streaming Investor Event and Fourth Quarter and Full Year 2020 Earnings Presentation.

Before we begin, I would like to remind you that certain statements made in today's presentation are forward-looking statements that involve risks and uncertainties. Information about these risks and uncertainties are discussed in more detail in our filings with the SEC. Some of today's financial remarks will focus on adjusted results. Reconciliations of these non-GAAP financial measures can be found in our earnings release or in our trending schedules, which contain supplemental information, and in each case, can be found in the Investor Relations section of our website.

With that being said, on behalf of everyone at ViacomCBS, I would like to thank you for taking the time to join us this afternoon. And now sit back, relax, and enjoy the show.

(presentation)

Shari E. Redstone - *ViacomCBS Inc. - Non-Executive Chair*

Thank you, everyone, for joining us. This is a big day, a new day, a new beginning. And we're so excited that you tuned in as we celebrate our vision for the company we share, the content we make and the consumers we serve.

I'm speaking to you from Paramount Pictures, which is one of the first movie studios in the world and the last working studio located in Hollywood. My father loved this lot. He loved everything that was created here, and he believed that its future could be even greater than its proud, storied past. I believe it, too, especially today, a year after we brought together Viacom and CBS. When I thought about what that might look like, today is exactly the kind of day I had in mind. The breadth and depth of the creative firepower that you are about to see from this unified company is truly breathtaking. And the incredible executive team presenting it is as talented and experienced a group as I've ever seen. If your impression of ViacomCBS is still rooted in what we were 3 or 5 or 10 years ago, I invite you to take a fresh look. This is not your father's Viacom, and it's not my father's either. This is a ViacomCBS that is being reimagined for a new kind of marketplace and a new kind of consumer.

As Bob Bakish has said, despite the challenges posed by the world around us, our company's transformation is ahead of schedule. We are optimizing the power of our combined assets and IP. We're unlocking more power in distribution. We're driving growth in subscribers, and we're rapidly realizing the cost savings we promised when we announced the merger. We're now building on this new foundation and on our legacy of innovation.

Simply put, we are better positioned to succeed because we have the best team in the industry, and we are better on the fundamentals. Our leadership in creative teams, our culture, our values, all of this proceeds and informs the vision and the strategy. And we have the vision and the strategy to win and to grow.

For all of these reasons, 1 year in, the market is beginning to recognize the value of the company. And we hope that soon, it will fully recognize that value. You know us as a value stock. But what we are going to show you today is that inside our value company is a powerful engine for growth, one that can propel this company faster and further.

It starts and ends with content, and I want to be super clear about this. We are not confused about what we do. We are a pure-play content company. Every single day, we're working toward 2 mutually reinforcing objectives: first, to maximize the quantity and quality of content, what people want to see, wherever they want to see it; and second, to maximize the value of that content for the long term and for all of our shareholders.

The business case is pretty simple. Consumers are demanding a world-class experience with world-class content. My father famously said, "Content is king." Today, we affirm anew that ViacomCBS is indeed one of the kings of content.

Through Paramount+, we will offer consumers a unique combination of live sports, breaking news and a mountain of entertainment. Some people will tell you that a company like ours has to choose, that we're either all in on linear or all in on streaming. We think that's a false choice. We're not about only linear or only streaming. We're about both linear and streaming.

The industry is transitioning. But for consumers, it's happening at different paces in different places. We will live in this hybrid environment for a while, but we are the company that is best positioned to enable this transition over time. Wherever consumers like to experience their favorite shows and movies today, our promise to you is simple. We will be everywhere you need us to be, on every platform that matters to you with content, creativity and experiences that are second to none, and audiences will stay with us because of that, because of our integrated ecosystem of free, pay and premium streaming platforms that support strong, long-lasting consumer relationships.

In the process, we will deliver to our shareholders a whole that is far greater than the sum of its parts. This is a new day for ViacomCBS.

And to share more, I am pleased to welcome our President and CEO, Bob Bakish.

Robert Marc Bakish - *ViacomCBS Inc. - President, CEO & Director*

Thank you, Shari, and hello, everyone. On behalf of the ViacomCBS senior leadership team, thank you for joining us on this exciting day.

Paramount was the first studio to make a full-length feature film back in 1912. In the century since, Paramount has been home to some of the biggest stars and the biggest movies and television series in Hollywood history. Paramount has also had a front-row seat on every innovation to propel the entertainment industry forward, from the advent of sound and color, to the rise of broadcast television, to the birth and rapid expansion of the Internet.

Today, that landscape is being reshaped again as the industry transitions from linear-based platforms to streaming video. So this lot is the perfect backdrop to launch an exciting new chapter for the Paramount brand and for ViacomCBS.

Paramount has thrived through the years for a simple reason because Paramount tells stories that people love. This is a brand that hasn't just produced iconic movies like *The Godfather* and *Top Gun*, but also legendary television series like *The Brady Bunch*, *Star Trek* and *Cheers*.

Paramount has proven that no matter how technology changes the industry, great content will always win in the end. And that same commitment to telling great stories also sits at the heart of the flagship brands of ViacomCBS. Whether on demand, on broadcast or on the big screen, there's one truth we pride ourselves on that connects all of our brand experiences. We know how to make hits. ViacomCBS has been and remains a consistent hit maker across genres, across demographics, across formats and across platforms.

Across our studios, we're one of the biggest suppliers of premium original content in the industry today, with nearly 900 shows in production this year. In addition to hits on our own networks around the world, every major streaming service has had a monster hit from one of our studios. We have made or licensed for third parties some of the most-watched shows and movies of the streaming era, including *13 Reasons Why*, *Emily in Paris*, *Dead to Me*, *Jack Ryan*, *Avatar*, *The Haunting of Bly Manor* and many others.

The original shows we've made for others is proof of the power of our content in the streaming era. And we also know that if we direct that same great content engine back to our own streaming service and unleash that same knack for producing original hits to attract our own subscribers, we can be successful. And that's exactly what we're setting out to do.

A year ago, I said we were going to supersize CBS All Access, but we've done much more than that. We've transformed CBS All Access into Paramount+. Paramount+ will be one of the only streaming services to combine live sports, breaking news and a mountain of entertainment, a mountain of entertainment built on a portfolio of world-renowned brands. It's all your favorites, all in one place.

Going forward, the combined creative firepower, franchises and IP of Paramount, CBS, MTV, Nickelodeon, Comedy Central, BET and the Smithsonian Channel will be focused on creating original hits for Paramount+. And Paramount+ will also be home to their massive libraries.

As you'll hear over the next couple of hours, Paramount+ comes to the streaming space with real advantages that our competitors do not have and with a strategy that's unique to the marketplace. As the streaming segment continues to evolve and mature, we believe consumers will increasingly be looking for the combination of genres that have long made linear television popular. And ours will be the first service that can do it at scale in each of them, all in one place.

It starts with live sports. CBS was a pioneer of live sports on television more than 7 decades ago with coverage of college football, PGA golf and the NFL. College basketball found a home on CBS 4 decades ago. Today, Paramount+ is helping to bring those sports and more into the streaming era, with over 1,000 live sporting events a year. It will have exclusive matches and tournaments that fans love most, from the NFL to the National Women's Soccer League, from March Madness to the Masters. And we'll have Messi, Ronaldo and Neymar competing for some of soccer's biggest cups. Few other streaming services will offer live sports at this scale.

The same is true of breaking news. There are a few brands more storied or celebrated in journalism than CBS News. Back when giants like Edward R. Murrow walked its halls, CBS invented broadcast news. 8 decades later, our award-winning news programs and franchises, like the renowned 60 Minutes, are among the most watched and trusted in the world. And now that commitment to excellence is carrying over to the streaming era. Paramount+ is the only streaming service where well-informed citizens will get both a 24-hour news network and local news and weather from 200 local affiliates across America.

Now we know that fans of sports and news also have this in common. When the game or the news is done, they like to find other content to watch. And as you've seen from our marketing campaign, we have a mountain of entertainment for them to enjoy. How big is that mountain? As you'll see today, it's a lot bigger than you think.

It starts with more than 30,000 episodes of iconic television from some of the most popular franchises of all time, and we're building on that library immediately with a broad slate of original content that we're thrilled to tell you about. This year alone, Paramount+ will debut 36 original series across key genre lanes. And it will also have some unforgettable original movies, content that subscribers won't get anywhere else.

Now if you like reality TV, Paramount+ is the place for you. Remember, ViacomCBS invented the genre with MTV's The Real World back in 1992, and we've dominated it globally ever since. Paramount+ will have more than 5,000 episodes of the biggest reality hits, including the most-watched reality series on all of television and 4 of the most popular reality franchises on cable. And we will debut a new reality series every single month in 2021.

If you're a parent looking for outstanding kids programming, we have beloved characters and global franchises that have ranked in first place with kids and families for 25 years straight, a library of nearly 7,000 episodes of the most popular series ever and some extraordinary new original series and movies for kids on the way this year, including new versions of a certain sponge that lives under the sea.

If scripted dramas are what you love, Paramount+ will, of course, benefit from our top-rated broadcast network and studios that produce original programming on a huge scale. And we don't just develop shows. We develop powerful, beloved series and franchises that are as popular on streaming as they are on broadcast, cable and the big screen.

On Paramount+, you'll see powerful new versions of well-established television IP, amazing spinoffs based on franchise movies and of course, some of the best new ideas from creators responsible for a number of the most acclaimed series streaming today. The good news is that if you helped make our scripted dramas big hits on other services, there's a good chance that the next chapters or spinoff of your favorite franchises will be coming soon, only to Paramount+.

In addition to reality, kids and scripted dramas, we also have more than 6,000 episodes of the world's funniest comedy programming and dozens of documentaries coming from award-winning film makers, including sports and news docks. We're thrilled about all of that. And let me tell you what we're most excited about. If you love movies, our service will do justice to the Paramount name. We will provide an unforgettable range of some of the most exciting movies ever made for the Paramount+ consumer. As you will hear in more detail from Jim Gianopulos, movies will come to Paramount+ in a variety of ways.

First, some of the biggest, most anticipated new Paramount films will go exclusively to Paramount+ 30 to 45 days after their theatrical release. Second, all other new Paramount movies will appear on Paramount+ after their theatrical run, some as early as 90 days. In addition, new movies from MGM will also appear on Paramount+ during the Pay1 window. Third, the powerful hit-making studios across all of ViacomCBS are ramping up production to provide a continuous flow of new original movies made exclusively for Paramount+. And fourth, all of these new offerings will be underpinned by a library with over 2,500 titles from Paramount, Miramax and a number of other leading Hollywood studios, which includes some of the most popular films and franchises of all time. In short, if you love movies, Paramount+ is a streaming service that you can't live without. So we have incredible breadth and depth of content coming. Truly, that's what we mean by a mountain of entertainment.

Today, we're thrilled to show you the original storytelling that's coming in Paramount+. And here to tell us more about that mountain of entertainment is a man who started more genres in his own right than you can count, our very own, James Corden.

Unidentified Participant

Thank you, Bob. It's great to be here, and welcome, investors, or should I call you sharks? When Bob asked me to speak here, of course, I said yes. Not only is he my boss, but what else am I going to say? Where am I going to be right now? Am I going to be like, oh, sorry, I've got a really packed day just lying on the living room floor, staring at the corner of a rug.

But seriously, though, it's great to see you, Bob. It really is. We don't get the opportunity too often. We're both very busy. He spends his days navigating an ever-changing media landscape. I spend my days telling actors how much I enjoyed their films that I've never actually seen.

But here's what you need to know. Paramount+ is coming March 4, and there is so much amazing content. And as the host of The Late Late Show with James Corden, I know a thing or 2 about amazing content. Every 5 or 6 episodes, we actually manage to produce some.

Paramount+ brings together the best in live sports, breaking news, children's shows, comedy, drama, reality and whatever spy wars with Damian Lewis'. But I'll say that again, live sports, breaking news and an unbelievable mountain of entertainment. I haven't left my house in 9 months, and now it looks like I don't need to be leaving for the next 9 either.

Now we all know that there are a lot of streaming services out there. But when it comes to streaming, Paramount+ is doing things differently. We break the mold. Here are just a few ways Paramount+ is different from those other streaming services. First off, I have it on good authority that there are 0 other streaming services named Paramount+. And I promise you this, if our service goes down, Bob has promised to personally fly to each customer's homes and act out their favorite television episodes for them. I mean what other streaming CEO would do that?

But seriously, Paramount+ has so many shows and movies to offer. It has Peppa Pig and the Jersey Shore. And I can't say this for certain, but if you invest enough, there might be a crossover. Paramount+ also has the new SpongeBob SquarePants movie as well as the original SpongeBob Show. This is great news for both children and adults who live anywhere where weed is legal.

What's that? You want Mission Impossible movies? Well, we got them. We've got Missions Impossible. Here's the thing about those films. The mission was always eventually possible. That's basically what every single movie was about. They should have called them Mission Difficult. But we've got them, and it's still a great watch. We've also got Love Island. I've got a soft spot for Love Island because just like Love Island, I'm also a sexy import from Britain.

Paramount+ has so many incredible shows, but I want to highlight one show in particular, and that's The Late Late Show with James Corden. Honestly, you don't even have to watch it. Just click play and go in the other room. That's what my family does. And here's a promise. Whether it's an announcer for Real Madrid during Champions League Soccer or just an episode of Jersey Shore, you will get plenty of good use out of the subtitles feature. Now that I've told you about Paramount+, it's time for me to throw back to Bob. Bob?

Robert Marc Bakish - *ViacomCBS Inc. - President, CEO & Director*

Thanks, James. Lastly, let me say that Paramount+ is not the only part of our streaming strategy that makes us unique. We're also the only media company to fully embrace an ecosystem of free, pay and premium streaming services. That starts with free.

We acquired Pluto TV 2 years ago because it is a compelling, free, ad-based complement to linear and streaming video. Today, Pluto is the #1 free ad-supported streaming television service in the United States and is quickly becoming a leading fast service around the world. Pluto may not be a planet, but it sure looks like a rocket ship. And it's well on its way to being a \$1 billion business, and it's not going to stop there.

On the premium side of the spectrum, we have Showtime OTT and BET Plus. We believe strongly in the premium space because it attracts a different kind of consumer, one who values provocative, cutting-edge content and storytelling that takes risks. All told, no matter where you are on your streaming journey, we have fantastic content for you. This is a differentiated winning strategy.

One of the reasons I'm so excited about our streaming future is that we have Tom Ryan, the visionary who built Pluto TV and a master at seeing and acting upon white spaces, driving our streaming execution across free, pay and premium. As Tom will tell you, you don't want to miss the chance to be part of it.

It's my pleasure to introduce the President and CEO of Streaming at ViacomCBS, Tom Ryan.

Thomas Ryan - *ViacomCBS Inc. - President & CEO of Streaming*

Thanks, Bob. I've spent most of my career as an entrepreneur, creating, launching and leading companies that reflect the things I love: great music, art, fashion, film and TV. Each of these companies was unique. They span different industries. But what made them successful was something they all had in common, each used curation to solve the paradox of choice, delivering not just the right product or content, but the right experience for every consumer.

Whether you're talking about music playlists, design collections or channels in the case of my most recent startup, Pluto TV. Curation is the differentiator, which means my job description really hasn't changed much over the years because delivering the right content and the right experience is not just a part of the streaming strategy we're discussing today. It's the whole ball game. Starting with the center piece of that strategy, a new paid service that we believe represents the next evolution of streaming beyond CBS All Access, beyond film and TV as we know it, where no one has gone before.

(presentation)

Thomas Ryan - *ViacomCBS Inc. - President & CEO of Streaming*

Live sports plus breaking news plus a mountain of entertainment, Paramount+, the next exciting chapter for one of the most storied brands in Hollywood. A brand-new, one stop, live and on-demand streaming service with one of the broadest content experiences across more genres and the hit-making power of ViacomCBS at our backs. We're leveraging our massive catalog, our key franchises and storied IP and some of the world's greatest content creators to assemble a truly unique and compelling service. With more than 30,000 episodes and more than 2,500 movies and more on the way, the sheer depth and breadth of content makes Paramount+ a world-class streaming service on day 1.

We're putting more of what people want in one place because we know most viewers come to us for more than just entertainment. And Paramount+ is uniquely positioned to serve this large audience of people who love all kinds of content in the streaming space. But it's not just about aggregation. We're curating all of this amazing content by brand and genre to deliver the combination of news, sports and entertainment that we know people will flock to. Our user experience is built around the joy of discovery.

And Paramount+ doesn't just get the basics right. We're delivering an on-demand experience with originals in 4K, HDR and Dolby Vision, mobile downloads so it's easy to watch your favorite shows and movies on-the-go and cross-platform dynamic play functionality that lets you pick up right where you left off.

Our personally curated carousels use machine learning to offer recommendations for every family member. This encourages deeper scrolling, presents users with more new shows and movies to love and leads to more streams and longer viewing times. We've rebuilt our entire live experience, and we're introducing a new feature called On Now, which provides immediate access to content playing on our live channels, including CBS, CBSN and CBS Sports HQ.

You can watch games and matches from our growing lineup of exclusive sports programming, get breaking national and local news or catch up with award-winning daily and weekly shows like 60 Minutes, CBS This Morning or the CBS Evening News. We're even taking what we learned about curation from the explosive growth of Pluto TV and applying it to Paramount+. The service will expand over time to include new curated linear channels of movies, shows and originals, offering an effortless lean-back experience.

And it's not just that content from each of our brands can be discovered throughout the service, curation means every one of them, from CBS to Nickelodeon to Comedy Central to MTV to BET and more, will have a dedicated home on Paramount+. We know from our research that when it comes to choosing what to watch, these iconic brands are already deeply trusted content curators in their own right. They're universally known and loved. Each comes to the service with a deep library of fan favorites, plus an all-new slate of originals you won't be able to find anywhere else. And nearly all have greater than 90% brand awareness.

Just seeing these logos makes it easier and faster to find what you're looking for. But it's the way these lanes come together when we reach across brands and start to think about the leading genres that generate the most interest and excitement, engagement and retention, from sports to news, to movies, from kids to scripted dramas to reality shows and everything in between, that's when you start to get a sense of how powerful this new service really is.

And we haven't just dominated these genres. In many cases, we pioneered them in markets around the world. Take a look.

(presentation)

Thomas Ryan - *ViacomCBS Inc. - President & CEO of Streaming*

Paramount+ is home to the leading franchises and some of the most valuable IP, not just in the streaming space but in all of entertainment. Curation means maximizing this IP and expanding these beloved franchises from SpongeBob to Star Trek and beyond, to attract and engage with the millions upon millions of passionate fans who love these stories, know everything about their favorite characters and would follow them anywhere. Soon, they'll follow them to Paramount+.

But we're not just relying on brand recognition. We know that we need to keep turning out high-quality, groundbreaking content to expand our audience's trust, extend our lead and take our indelible dynamic library to the next level. So we're going to hear directly from the brand leads behind this work, starting with George Cheeks, President and CEO, CBS Entertainment Group, about how our studio content engines are kicking into high gear, making bold new investments and creating an all-new lineup of unforgettable shows and movies exclusively for Paramount+.

(presentation)

George Cheeks - *ViacomCBS Inc. - President & CEO of CBS Entertainment Group*

Thanks, [Ru]. That's a serious view you've got up there. Now as Bob said earlier, Paramount+ stands out because it provides the full breadth of programming that consumers love. In addition to all the entertainment content CBS will bring to Paramount+, we're also contributing 2 of the service's biggest differentiators, live sports and breaking news.

So let's talk about live sports. It's a huge passion point in our lives and the #1 acquisition driver for our current streaming service. Fans come to us because we have college football and basketball. We've got the PGA TOUR. We've got marquee events like the Super Bowl, NCAA March Madness, the Masters and the PGA Championship. And of course, we have the NFL. It's television's most valuable property by far, attracting massive audiences and major advertisers. And it will be fundamental to the growth of Paramount+.

It drives more subscriptions than any other program and significant engagement, too. Time spent streaming NFL games grew 88% this season alone. Any NFL game you can watch on CBS, you can stream on Paramount+. Bottom line, everything sports fans love on CBS, everything that brings them to us and everything that keeps them with us, our marquee properties, regular season games, playoffs, championships, all of this will be available on Paramount+.

We're also doubling down on soccer for Paramount+. It's the world's most popular sport with billions of fans globally. And it's rapidly growing here in the U.S. among young, diverse, enthusiastic digital natives, exactly the type of audience that's drawn to streaming. Plus it's year round, which means no seasonal churn.

So as we look to the future, we are making soccer a core pillar of sports exclusively available on Paramount+. We will be the home of UEFA, including the popular Champions League, Europa League and Europa Conference League and the only place in the U.S. where you can find every match, every season. That's hundreds of exclusive matches with renowned clubs like Man City, Barcelona and Bayern Munich. UEFA currently drives more new subscriptions than any sports partner except the NFL.

Now for fans of Megan Rapinoe, Julie Ertz or Carli Lloyd, Paramount+ also will be the home of the National Women's Soccer League, with full regular season coverage and now the Challenge Cup. In addition to this, we've added exclusive U.S. English language rights to 3 more soccer properties and hundreds of additional matches.

We'll have more than 200 matches from CONCACAF, covering 41 national teams across North and Central America and the Caribbean, including high-profile matches for the U.S. men's and women's national teams as well as the Women's World Cup qualifiers. We'll have more than 300 matches a year from Argentina's top soccer division with more than a century of history and some of the most famous rivalries in the world. We'll have 360 matches a year from Brazil's premier soccer league, known for holding the most club world champion titles and for producing exceptional young superstars. With the breadth of our sports programming available on Paramount+ as well as the depth of new exclusive matches and tournaments, few other streaming services will offer live sports at this scale.

So let's hear what this means for fans from the people who know them best.

(presentation)

George Cheeks - *ViacomCBS Inc. - President & CEO of CBS Entertainment Group*

Thanks, guys. Now as Jim and Tony know, fans don't stop watching when players stop playing.

So while Paramount+ will be the leader in live sports, we'll also have original programming that will take fans even deeper into the sports they love.

Here's just one example. Inside the NFL, it's a go-to program for NFL fans with the most respected experts in the industry offering an inside look at America's most popular sport. And it's coming exclusively to Paramount+. This is exactly the kind of programming that turns new subscribers into lifelong fans, and it's just the beginning.

Now beyond sports, Paramount+ will give you deeper insight into our world with breaking news and impactful journalism from the award-winning CBS News team. Truth matters, and today, more than ever, we need best-in-class unbiased journalism that brings us the news as soon as it happens and unpacks the most pressing questions of the day with context and with perspective.

This is what CBS News stands for. Time-honored broadcasts with steadfast followers, trusted journalists who help people understand not just what's happening, but why? And who better to speak to the power of CBS News than Norah O'Donnell and Gayle King.

Gayle King

Hey, George, as you can see, I'm here with your favorite evening news anchor, that's Norah O'Donnell. Hey, Norah.

Norah O'Donnell

Hey, Gayle, and hey, George. Hi, everybody. So good to be here.

Gayle King

This truly is an unprecedented time for us. Now it's not just about reporting a story. It's about why it matters. And that is the reason we go after and talk to the key people at the heart of every story at the end of the day, Norah. We know that's what really matters.

Norah O'Donnell

It's so true. CBS News and all of the reporters here have a mission, to break news, to tell stories that may never see the light of day if it weren't for our relentless efforts to listen, report and bring important issues to the public. That's what all of our shows really do.

Gayle King

We hope so. This is a home of some of the most honored and iconic news franchises in the world from CBS This Morning, that's me, Anthony Mason, Tony Dokoupil. CBS Evening News with Norah O'Donnell. 60 Minutes. CBS Sunday Morning with Jane Pauley. Face the Nation with Margaret Brennan, 48 hours. And the list goes on and on.

Norah O'Donnell

The very best shows. And also, we tell the new stories that are compelling, and we do interviews that have impact. I'm proud to be part of CBS News and excited that we will be bringing the best news content in the business to Paramount+ alongside live sports and a mountain of entertainment, yes, all in one place.

Gayle King

Yes, Norah. I'm proud, too. Definitely exciting for all of us here at CBS News. George, your turn. Back to you.

George Cheeks - ViacomCBS Inc. - President & CEO of CBS Entertainment Group

Thanks so much, Gayle and Norah. So in addition to the news programs our viewers already love, Paramount+ will be home to brand-new series based on our award-winning franchises. First, 60 Minutes Plus, a compelling new version of the world-renowned News Magazine and the #1 news program in America. The program will feature the famous ticking stopwatch as well as the hallmark storytelling that has made it a Sunday night favorite for generations, investigations that expose injustice, correspondents who travel the globe to interview world leaders and cultural icons who open up and reveal their true selves, respected award-winning journalists, Enrique Acevedo, Wes Lowery, Laurie Segall and Seth Doane will speak directly to the next generation of viewers on a news magazine built for them. That's 60 Minutes Plus exclusively on Paramount+.

Next up, the new 48 Hour true crime docuseries, exclusive for Paramount+. It's called a lie detector. A Texas ranger who has spent 25 years getting into the minds of killers in high-profile, twisted murder cases. He will take viewers behind the scenes into some of the most infamous cases he has handled. You'll find the same style and quality of true crime reporting you've come to expect from the producers of the Emmy and Peabody award-winning 48 Hours. But this time, in a new and compelling original format.

And then there's CBSN. CBS News is global 24/7 digital new service. It's a live, anchored stream with breaking news and round-the-clock coverage. Now it's been embedded within CBS All Access since 2017, which means we've had a big head start with a streaming news service on a premium service. We've got years of data on what news stories people consume as well as how and when they consume it.

We know our CBSN audience is 20 years younger than our broadcast audience. Also, viewers who streamed CBSN daily last year spent an average of 55 minutes on the service. And CBSN broke records in 2020 with more than 1 billion streams across platforms and connected devices. That's a year-over-year increase of 200%. All of this showcases our strength in storytelling.

And increasingly, we see audiences hungry for shows that document history from the distant past to history that's being made today. So I'm excited to tell you about just a few of the amazing documentaries from all across ViacomCBS that we're bringing to Paramount+.

For sports, we'll bring fans up close to the greatest sports figures and the moments that define them. Never Give In tells the story of Sir Alex Ferguson, the Legendary manager of Manchester United and one of the most memorable figures in European football. And building on our strength in soccer, we're producing an original series of documentaries called Stories From the Beautiful Game from Pete Radovich, the award-winning producer of our UEFA Champions League coverage.

We'll release 4 to 5 soccer documentaries every year, beginning later this year, will also produce exclusive documentaries in the immediate aftermath of momentous events. Like the siege on the Capitol last month. These instant documentaries or instadocs will be released within days of breaking news and will dive deeper into events that have gripped the nation's attention. Now our documentary slate for Paramount+ will include projects from some of the world's best filmmakers. First up will be Black Gold from Oscar Nominated Director, Darren Aronofsky and TIME Studios. It's a true-to-life conspiracy thriller about Big Oil's decades-long campaign to trade our planet for profit.

From Smithsonian, we have a series on Watergate that illuminates a moment in our history that parallels so much of what's happening right now. And from MTV Documentary Films, we have the Oscar-shortlisted 76 Days, an extraordinary inside look at Wuhan, China in the early days of the COVID-19 pandemic. Take a look.

(presentation)

George Cheeks - *ViacomCBS Inc. - President & CEO of CBS Entertainment Group*

I honestly can't think of a story more gripping, more powerful and more relevant to this moment. And this is just one of the many documentaries you will find on Paramount+.

Now as you can see, we are bringing the full weight of our talent, our resources and our expertise to this new service, Live Sports, exclusive championship events, the richest in-depth storytelling, investigative reporting and high-profile interviews, 24/7 live news and compelling documentaries. Together, these offerings will put Paramount+ in a league all its own. No other streaming service will offer sports and news coverage of this quality and at this scale.

But as Bob said, these are just 2 pieces of the puzzle. So to tell you about our mountain of entertainment, please welcome Chairman and CEO of Paramount Pictures, Jim Gianopulos.

James N. Gianopulos - *Paramount Pictures Corporation - Chairman & CEO*

Thank you, George. Now movies have always been very special to me. Growing up in Brooklyn, my grandfather was a Greek immigrant, took me to the movies all the time. It was his way of spending time with me and learning English in the process. I would translate what was happening on the screen as a sort of uncredited voiceover, which created some irritated shushes from fellow patrons. He wasn't very particular about the movies we saw, choosing them more from the geography of the theater than what was playing. We saw thrillers and westerns and romances, you name it. He inadvertently took me to see Psycho. I was 8.

Before many of the movies we saw, the lights would go down, that iconic mountain would come up, that crown of stars would trail in from off screen and a great Paramount presentation would begin. For over a century, Paramount has thrilled generations of audiences. It's one of the world's most recognized brands, known for great stories told well and unforgettable experiences that stand the test of time. And that's why we're so pleased that the Paramount name will be the one that carries a great new streaming service forward into a new era.

If you love movies as much as I do, Paramount+ is the service you can't do without. It starts with access to one of the greatest film libraries in the world, generation-defining films like The Godfather and Indiana Jones and Forrest Gump and Top Gun, dramas like Chinatown and Titanic and comedies like The Odd Couple and Beverly Hills Cop and Wolf of Wall Street and romances like Sabrina and Ghost, sci-fi films like War of the Worlds and World War Z.

And that great library is now augmented with the addition of over 700 titles from the Miramax library as well. Here's a look at our library and some of what's coming to Paramount+.

(presentation)

James N. Gianopulos - *Paramount Pictures Corporation - Chairman & CEO*

As Bob mentioned, that's not all that will be on our service for film lovers. Thanks to the EPIX deal we announced, we'll be making available thousands of movie titles from a wide variety of studios to Paramount+ subscribers. Beginning in late spring, Paramount+ will have available for streaming some of the most popular films and franchises of our time, including films from the James Bond and Hunger Games franchises to films like The Addams Family and The Avengers, among many others. In addition, Paramount's recent titles will be unified and available as well from Dora the Explorer to Sonic The Hedgehog to Bumblebee and Rocketman, all coming to Paramount+.

All told, we'll have more than 2,500 movies on Paramount+, and that's just the ones that already exist. We have an exciting robust slate of some of the most anticipated films and beloved franchises planned for 2021 and the years to come.

As we always have, we believe in the power of theatrical releases. And we have faith that after things get back to normal, audiences will enthusiastically return to theaters. At the same time, consumers have also increasingly embraced streaming as another way to enjoy films, and our strategy accounts for both.

I'm pleased to say some of our biggest releases this year will go exclusively from movie theaters to Paramount+. That starts with the sequel to one of the most original and memorable films of the past few years. In John Krasinski's expert hands, A Quiet Place showed us that if they hear you, they hunt you. The film captivated audiences and earned huge box office receipts, all with a very compelling premise. How do you protect your children from the world around you?

In A Quiet Place Part II, the Abbott Family has been forced into the outside world and must fight for survival in silence. It's my privilege to show you the trailer for A Quiet Place Part II scheduled for release this September and coming to Paramount+ just 45 days after its theatrical release.

(presentation)

James N. Gianopulos - *Paramount Pictures Corporation - Chairman & CEO*

Another one of our titles to make an exclusive streaming debut in year 1 on Paramount+ after its theatrical release is the first film from one of the most beloved children's television series around the world. PAW Patrol: The Movie comes to Paramount+ exclusively this fall. Lastly, there are franchises and then there are franchises, the kind that inspire moments like a seemingly mild mannered CEO jumping out of a plane at 35,000 feet.

While it was Bob Bakish inside the helm at this time, this November, Tom Cruise returns as Ethan Hunt in the next installment of one of the most beloved action spy series of all time, Mission Impossible. Mission Impossible 7 is scheduled for theatrical release on November 19 and will come to Paramount+ exclusively 45 days later.

The rest of our 2021 film lineup, including Snake Eyes and Clifford the Big Red Dog and Top Gun Maverick will all be coming to Paramount+ in 2022 after their respective theatrical runs. Future releases like Sonic the Hedgehog, the newest Transformers, Dungeons and Dragons, The Saint and many others will also be coming to Paramount+ after their theatrical runs. New MGM films such as Respect and Creed III and Gucci will also be coming to Paramount+ after their theatrical runs.

But that's not all. There's much more in store and content coming directly to Paramount+. As Brian Robbins will discuss in a moment, we will also release SpongeBob Movie: Sponge on the Run exclusively on Paramount+.

In the streaming era, many have come to us as content creators with access to talent and storytellers and ideas and intellectual property to make original programming for them. Together with our sister studios at ViacomCBS, Paramount will now be ramping up our in-house engine for original hit series and movies made exclusive for Paramount+.

Many of these films will stem from our franchises. Our originals will cover a wide range of genres, and the first offerings will focus on one of the most popular horror and the supernatural. We're commencing production on new film versions of Paranormal Activity and Pet Sematary as well as an original supernatural story, the In Between, featuring Joey King, the star of the smash hit, The Kissing Booth.

As I learned long ago, seeing that mountain on screen signified that we were going to love what we were about to watch. And that no matter who you are or where you come from, the mountain has always had something for you. That has been true of Paramount over the years, and it's true of Paramount+ as well.

In addition to film, our Paramount television studios has had huge success with shows for a wide variety of platforms. And we'll now be bringing that talent to producing original series for Paramount+, accessing the rich trove of our assets and our franchises.

To say more about our forthcoming series, please welcome the President of Paramount Television Studios, Nicole Clemens.

Nicole Clemens - *Paramount Pictures Corporation - President of Paramount Television*

Thank you, Jim. I know we both feel tremendous reverence for Paramount's legacy and library and see great opportunity to take that legacy into the future. For me, that starts with The Godfather. In our forthcoming event limited series, The Offer screenwriter, Michael Tolkin, brings us the true story of the making of one of the most celebrated movies in cinematic history. The story of how this film ultimately made its way from page to screen is nothing short of a miracle, one wrapped in intrigue, betrayal, sacrifice, menace and audacity. When it premieres on Paramount+, The Offer will journey with producer, Al Ruddy, on his quest to bring The Godfather to the screen. Al Ruddy wanted to make a movie about terrifying ice-cold people who you love. He did and lived to tell about it.

(presentation)

Nicole Clemens - *Paramount Pictures Corporation - President of Paramount Television*

Intelligent and immersive scripted dramas like *The Offer* drive viewership and engagement. We know because nearly every major streaming service includes one of Paramount Television Studios biggest hits from *Jack Ryan* and *Defending Jacob* to the *Haunting of Bly Manor*, *Catch-22* and *13 Reasons Why*. And now we have the unique opportunity to harness Paramount's incredible library to create shows that come with a built-in fan base for Paramount+.

While we have no shortage of source material, we're being very selective and strategic in choosing what IP is best positioned for modern streaming consumers, and there will be something for everyone. *Grease: Rise of the Pink Ladies* will come to Paramount+ from executive producer, Annabel Oakes, and the producers of *La La Land* and *Twilight*. With both classic and new songs and a diverse cast, this series is a prequel to the unforgettable musical film *Grease*, and tells the story of how Frenchy's older sister Jane founded *The Pink Ladies*.

Award-winning *Mad Men* writer, Tracy McMillan, is writing a new *Flashdance* drama series. It will pick up from where the story left off but in present day. *True Blood*'s Angela Robinson will direct and executive produce the series with Lynda Obst.

Josh Schwartz and Stephanie Savage, the executive producers of *Gossip Girl*, the *OC* and *Looking for Alaska*, are bringing to Paramount+ a series based on the award-winning perennial film *Love Story*. Fans of *The Italian Job* and the *Parallax View* can also look forward to series based on these iconic films.

Since the 1960s, *Star Trek* has been one of Paramount and CBS' most revered franchises. More recently, the 3 *Star Trek* series launched on CBS All Access have broken records. And now the *Star Trek* journey will continue on Paramount+, boldly going where no man has gone before with more universes, more storylines and more mind-blowing visual effects. Soon, viewers will be able to enjoy new realms of this final frontier and binge the classic shows and films as well, truly the best of all worlds.

On the television side, producer Alex Kurtzman has brilliantly crafted *Star Trek's* *New Voyages* with a clear vision for what comes next. Take a look as he explores the ever-expanding *Star Trek* universe.

(presentation)

Nicole Clemens - *Paramount Pictures Corporation - President of Paramount Television*

Thank you, Alex. In addition to the new shows we're building from our franchise IP, we're excited to leverage our relationships with the most talented creators in the industry to develop new originals and a steady stream of innovative programming for Paramount+. Now to tell us more about the slate of incredible shows coming to the service, please welcome EVP of Development and Programming, Julie McNamara.

Julie McNamara

Thanks, Nicole. Our franchise strategy is core to our vision for Paramount+ originals. With brilliant creators, top talent and the right execution for the moment, we've created hits like the *Star Trek* franchise entries Alex just talked about, *The Twilight Zone* and *The Good Fight*, all modern reimaginings of beloved TV shows that were groundbreaking in their day and are newly significant now, and this is just the beginning.

To expand a franchise, whether from a movie or a TV series, you have to have a visionary at the helm, making sure every show has its own unique flavor and reason for being. These genius creators are hard to come by, and we are partnering with some of the best. It's my pleasure to kick it over to one of the most impressive prolific creators out there today, Oscar and Golden Globe nominee, Taylor Sheridan, creator of *Yellowstone*, the #1 series on cable, along with some of the creative talent he's working with on some very exciting projects for Paramount+.

(presentation)

Julie McNamara

With creators like Taylor, an entire universe can emerge from a single great show. And when it comes to crime procedurals, we have a lot of great shows. No one does the crime procedural better than CBS. NCIS, Hawaii Five-0, MacGyver, SEAL TEAM, FBI, all of this library content is on our platform.

And of course, so is Criminal Minds. It's a huge hit on broadcast and consistently one of the top 10 shows streaming. On Netflix, it was the third most-viewed series in 2020. And now the only place you can find all 15 seasons will be Paramount+. We're also creating a suite of new projects that build on the success of this show and our culture's ever-growing obsession with criminal cases.

First, a scripted series, bringing the gang back together, same showrunner, same breaking down of the criminal psyche and catching the bad guy, all the things you love about Criminal Minds. But instead of a new case every week, it will be a single fascinating case story told over 10 episodes each season.

And second, a true crime series, THE REAL CRIMINAL MINDS, where a real FBI profiler analyzes real cases and real criminal behavior, illustrated by clips fans will remember from the fictional series. Also building on the crime genre, we're doing a follow-up to Waco, Paramount Networks's massive hit miniseries as part of our new anthology entitled American Tragedy. Exclusive to Paramount+, each season of American Tragedy will tackle complicated and conspiracy-ridden moments in history.

Of course, crime is not the only genre that has pulled in die hard fans. Our hit dramedy, Younger, developed a super strong fan base over the course of its 6 amazing seasons. In fact, it was the #1 original cable sitcom among women 25 to 54 during each of its last 3 years. Fans have been waiting impatiently for the final season, and now they'll be able to find that season on Paramount+. So it's my pleasure to give you a first look.

(presentation)

Julie McNamara

With each new franchise entry, our goal is to create moments. Not just the splash of a big entrance, but the lasting ripples of a new conversation. So now I'm thrilled to announce the revival of one of the most highly acclaimed, most successful comedy series of all time. Frasier is coming back exclusively to Paramount+. It's one of the most popular shows in our library, and the new series will have everything you love about the original: coziness, great writing, and, of course, a cast led by multiple Emmy winner Kelsey Grammer. It's nostalgic and contemporary all at once.

Paramount+ will be home not only to franchises based on movies and television series, but also to franchises based on video games. To start, one very, very popular video game. To tell you more, please welcome the CEO of Showtime Networks, David Nevins.

David Nevins - ViacomCBS Inc. - Chief Creative Officer

Thank you, Julie. I'm here to talk about Halo, one of the most important game franchises of all time. The reason Halo has persisted in the culture for 2 decades is because of its incredible narrative and rich universe of stories and characters. With a cast led by Pablo Schreiber as the iconic master chief, the upcoming Halo series will weave intimate personal stories with incredible action and a lavishly imagined vision of the future.

Halo has been in production in Hungary. And I can tell you, it's visually stunning, totally thrilling, and significantly, it offers true 4-quadrant general audience appeal. It's so promising, in fact, that we've made the strategic decision to have Showtime serve as a studio that produces a series for Paramount+. That's right, Halo will premier on Paramount+ early in 2022, and we all believe it's going to be a defining show for our new super service. We see this as another example of us marshaling the finest resources of the company in service of Paramount+.

Julie McNamara

We are all very excited about this new series.

David Nevins - *ViacomCBS Inc. - Chief Creative Officer*

It's my privilege for the first time ever, to show you a sneak peak of Halo coming to Paramount plus early in 2022.

(presentation)

Julie McNamara

There's no question Paramount+ will be home to some of the greatest franchises on TV, but every franchise begins with a single game-changing series. So you better believe we'll be taking big swings and teaming up with top creative talent to create the next big thing. I'd like to share just a few of the notable new projects we have planned.

First, I'm thrilled to announce that we have found our Man Who Fell to Earth in Oscar nominee and BAFTA winner, Chiwetel Ejiofor. Based on the iconic science fiction novel and film, The Man Who Fell to Earth tells the story of an alien who arrives on this planet and reveals more about human nature than humans ever could.

Next up, Guilty Party, a dark comedy starring Kate Beckinsale as a journalist who gets in over her head when she tries to salvage her career by investigating the story of a young woman in jail for murdering her husband. Then there's The Game, a sitcom that broke records when it premiered on BET, which is returning to the field with a mix of original cast and new players and will offer a modern-day examination of black culture through the prism of pro football.

At a time when we all could use more laughter in our lives, shows like Frasier, Guilty Party and The Game are embracing comedy in a big way. To tell us more about comedy on Paramount+ and some of the other genres that will define our new service, I want to introduce President of MTV Entertainment Group, Chris McCarthy.

Chris McCarthy - *ViacomCBS Inc. - President of Entertainment & Youth Brands of ViacomCBS Domestic Media Networks*

Thanks, Julie. Now we just heard some great new comedy projects that are coming to Paramount+, and I'm excited to share some new ones. But first, let me tell you why how comedy matters to streaming.

Now when we look at total minutes consumed across the leading streaming services, comedy is the genre that rises to the top of the list. So what does that mean? Well, it means that comedy helps to capture new subscribers and it helps to keep existing ones. You see, viewers enjoy binging episode after episode of friendly faces and familiar characters.

In many ways, comedy is our comfort food. And when it comes to beloved characters from iconic franchises, Paramount+ delivers. With over 6,000 episodes, it's clear that comedy is central to Paramount+.

Now we've got it all. Everything from I Love Lucy to Everybody Hates Chris, from Hot in Cleveland to The Neighborhood and from Strangers with Candy to and the famous Friends and Cheers. Paramount+ also brings us some of the funniest families in television, including Family Ties, the Brady Bunch, Young Sheldon, Moesha, Mom and, of course, Frasier.

Now Paramount+ will also be the home to iconic sketch shows from the man who reinvented the genre in Chappelle's Show to the guys who took it to new heights with Key & Peele, and of course, the women who made it their own, Sarah Silverman and Amy Schumer. In fact, Amy is back for a very special new season of Inside Amy Schumer.

And if topical comedy is your thing, well, Paramount+ has you covered with the raining chance of late night. I'm talking about Stephen Colbert, James Corden and, of course, Comedy Central's Trevor Noah. Plus exclusive new originals that offer a fresh take on the day's events. Like Stephen Colbert's Tooning Out The News, and something very special from my friend, Trevor Noah, who is here to tell us more about that now.

Trevor Noah

Well, thank you so much for that, Chris. And I'm not going to lie, guys. Paramount+ sounds incredible, but not nearly as incredible as Trevor+. That's right, people. A new streaming platform that's going to blow Paramount+ out of the water. I mean, sure Paramount+ has breaking news, but Trevor+ has news that you won't hear anywhere else because I'll be making it up.

For instance, did you hear that they found chocolate inside Mount Everest? Of course, you didn't. It's a Trevor+ exclusive. And yes, Paramount+ offers classic new and original shows, I mean, and movies, including the best in reality, comedy, music, animation and late night, yes, true mountain of entertainment. But Trevor+ doesn't have any kind of mountain. What we do have is a plus sign. And my plus sign could mean anything.

Maybe there's more than one Trevor. Maybe I'll be doing arithmetic all day. The possibilities are endless. And yes, I know that Paramount+ has live sports, but I'm proud to announce that at Trevor+, we couldn't get the rights to any live sports. So instead, I'm just going to be showing off my karate skills.

All right, people, let's be honest. I'll never be able to compete with Paramount+, which is why I've made the unfortunate decision to announce that after magical 0 days in business, Trevor+ is shutting down.

But as the old saying goes, if you can't beat them, well, why not host a show for them on Paramount+? That's right, a new weekly show hosted by me, Trevor Black Belt Noah is coming to Paramount+ later this year. Each week, I'll look at the stories across the media landscape and talk with the people behind those stories, the people you know, the people you don't know and the people you didn't even know that you didn't know.

It's kind of exciting, right? My favorite part is that, wait, if I'm doing the daily show, and I'm going to be doing a weekly show, what am I still doing? I've got to get to work. Chris, back to you.

Chris McCarthy - *ViacomCBS Inc. - President of Entertainment & Youth Brands of ViacomCBS Domestic Media Networks*

Thanks, Trevor. Now we're also excited to share that we'll be doing exclusive original comedy movies that will reignite franchises for new and old fans alike. Like a new special from the guys of Workaholics, who are working hard through the pandemic and the gang from Reno 911!, who returned to take us on the elusive search for QAnon, certainly not one to be missed. And we even have 2 of America's most famous couch potatoes, who went in on the action, and they're here joining us today via Zoom.

(presentation)

Chris McCarthy - *ViacomCBS Inc. - President of Entertainment & Youth Brands of ViacomCBS Domestic Media Networks*

Always great to have absurdity back where it belongs, in animation. Okay. So it's clear that we know comedy. But there's another category that we know really well as well, and that's music. Because for almost 40 years, MTV has chronicled the world of music through the eyes of the most important artists telling their stories and only in a way that we can because we were there.

And now we're bringing back some of our most iconic franchises and opening up our vault exclusively for Paramount+ with new seasons of Behind the Music, Unplugged and the legendary Yo! MTV Raps!, plus new original music series like Cradle to the Stage with Dave Grohl and Foo Fighters.

Now switching gears, I want to talk about another area that we know really well, and that's because we created it. It's reality television. Now reality television is one of the hottest genres today. It's long reined in the top 10 across broadcast and cable, and that's around the globe. But it's also the fastest-growing genre in streaming.

Look at Netflix alone, and we see that reality made up half of the top 10 new series. Now that's a category that barely cracked the top 10 just a few years ago. So let's take a look at where it all started right here back in 1992.

(presentation)

Chris McCarthy - *ViacomCBS Inc. - President of Entertainment & Youth Brands of ViacomCBS Domestic Media Networks*

That's right. You've guessed it. We're kicking off Paramount+ with the first reality series in the first reality house with the first reality cast of all time, back together for the first time in over 3 decades.

Now we've come a long way since The Real World. And as you've heard from Bob, we dominate the reality category today with over 5,000 episodes of some of the biggest hits. But what you might not know is how important reality is to sports fans. So guess what sports fans are watching when they're not watching the biggest game? That's right, it's reality TV. And as you heard from George, sports is a key differentiator for us. And so reality will help drive new subs, and it will help us to retain the existing subs that sports helps to bring in.

So we have all the biggest hits to help us do that from Love and Hip-Hop to Love Island, from Drag Race to The Amazing Race, from Survivor to The Challenge and, of course, from Big Brother to the big bros in Jersey Shore. And I'm excited to share with you today a great new slate of Paramount+ originals using some of our biggest franchise IP, including The Challenge: All Stars; RuPaul's Drag Race All Stars; and a new series, Queen of the Universe, which is this global search for the world's best new drag queen. And of course, there's Big Brother's 24-hour live feed and the red-hot Love Island after show. Plus, in addition to The Real World, we're bringing back some of the most beloved reality franchises exclusively for Paramount+, including Road Rules, Ink Master and Dating Naked. So let's take a look at why Paramount+ will rule reality.

(presentation)

Chris McCarthy - *ViacomCBS Inc. - President of Entertainment & Youth Brands of ViacomCBS Domestic Media Networks*

It's all great stuff, and it's all right here on Paramount+.

And now I'd like to turn it over to my colleague and friend, Brian Robbins, the President of Kids and Family Entertainment, to tell us about the amazing content he and his team have in store for us on Paramount+.

(presentation)

Brian Robbins - *ViacomCBS Inc. - President of Kids & Family Entertainment for ViacomCBS Domestic Media Networks*

That video was just a quick roll call of some of Nickelodeon's greatest characters and global franchises, the engines that have kept this brand in first place with kids and families for 25 years straight, shows like SpongeBob SquarePants, which is hands down the most watched kids franchise there is; PAW Patrol, the biggest preschool property on the planet with an unparalleled 97% awareness rate; Teenage Mutant Ninja Turtles; Henry Danger; Dora; Blue's Clues and many more. These are franchises that audiences connect to and follow on every platform that we take them to. From linear, where we're #1 with all the top 10 shows in every demo. To digital, like YouTube, where our channels like Nick JR are top 10 globally. To music, gaming, consumer products and experiences like our coverage of the NFL wild card game, which can entertain the whole family and capture the attention of the whole world.

And when you put it all together, the Nick brand is approaching absolute ubiquity with kids 2 to 11, along with the millions of nostalgic adults who grew up with our shows and now want to share them with their own kids. So we know the audience is ready to follow us again as we move to Paramount+.

Kids are early adopters, and they've led the way with streaming. Households with children subscribe to almost 40% more streaming services than those without. And once these families subscribe, they stay subscribed. So by using the power of our franchises, our deep connection with the audience and our significant reach, we're going to make Paramount+ a must-have streaming service for kids and their families.

Now on one hand, we have our content library, 7,000 episodes of hit shows in every genre kids love, including a powerhouse roster of curriculum-driven preschool hits like PAW Patrol, Blaze, Dora and Diego, Blue's Clues and many more. And with our content translated into more than 25 languages, we're already set to fuel the services international expansion.

And now on the other hand, we're stocking Paramount+ with a growing slate of original productions, strategically built around our biggest and best franchises. Now we surveyed which are the most celebrated, the most requested and which hold the most creative possibilities. And that has led us to produce a string of reimagined series, starting with Avatar: The Last Airbender. It's considered one of the greatest animated series of the last 30 years, a hero's journey through a universe of myth and fantasy with a dedicated fan base that has supersized since the show's original run on Nick ended in 2008.

Now to satisfy the demand for more chapters of this franchise, we're now establishing Avatar Studios, which will be led by the original creators with the goal to further develop this fantastic universe. Together, we'll produce all-new series, short-form content, spin-offs and theatrical films. It's an all-out expansion of everything Avatar with Paramount+ at the core.

And then there's SpongeBob, which, in many ways, is the centerpiece example of our strategy, pairing beloved library with brand-new takes on beloved characters. SpongeBob is simply a property that wins on every platform: #1 on TV, in games and products and ubiquitous on social media, where it's mentioned or made into a meme every 5 seconds. And yes, that is a real stat. Paramount+ is already home to the complete SpongeBob library. And next month, we up the ante with dual editions of the Sponge on the Run feature film and the brand-new series, Kamp Koral, where viewers will see SpongeBob in gorgeous CG animation and learn how he and his friends first met. Here's a clip.

(presentation)

Brian Robbins - *ViacomCBS Inc. - President of Kids & Family Entertainment for ViacomCBS Domestic Media Networks*

Also teed up for the second quarter this year is in all-new Rugrats, the original Nick franchise that still holds a special place in almost every millennial's childhood memories. The babies we all know and love are back with a new animation style and the original voice cast on board. And here's the very first sneak peek.

(presentation)

Brian Robbins - *ViacomCBS Inc. - President of Kids & Family Entertainment for ViacomCBS Domestic Media Networks*

Next on deck for the fall is the most successful kid sitcom of all time, iCarly, a show that defined its time, predicted the future of young Internet creators and entrepreneurs and gave us spaghetti tacos. The new show has the same humor and focus on friendship, but now the characters are 10 years older and with much better tech. Here's a message from the cast.

(presentation)

Brian Robbins - *ViacomCBS Inc. - President of Kids & Family Entertainment for ViacomCBS Domestic Media Networks*

Thanks, guys. Now coming in the near future, we also have a live-action Dora the Explorer series in the vein of the hit 2019 Paramount feature and a live-action retelling of The Fairly OddParents, one of the longest-running and most successful animated hits on Nickelodeon.

But we'll finish out this year by literally taking the audience to the final frontier, as you heard Alex Kurtzman mentioned earlier, with Star Trek: Prodigy. The team producing this impressive show is A class: Alex Kurtzman, Heather Kadin, along with the Hageman brothers, Ben Hibon and Nickelodeon are the first to make a Star Trek story for the kids and family audience. It combines Nickelodeon's fresh sensibility with the action and adventure that are the hallmarks of this incredible franchise, with characters who are kids in an extraordinary situation who have to work together to commandeer a starship and explore a universe like no other you've ever seen before.

So all of this strategy, Prodigy, Rugrats, SpongeBob, iCarly, Dora, Fairly OddParents, Avatar and a vast library 4 decades in the making, this is just a taste of the full pipeline for our new home base on Paramount+, and all of this is just the start. There is so much more to come. So thank you.

And now here's Scott Mills, President of BET, to share his plans.

Scott Morgan Mills - *ViacomCBS Inc. - President of BET Networks*

Black audiences have long been a key driver of the TV viewer ecosystem. They make up an outsized share of the viewing audience for virtually every major network. For the Black community, television is the go-to source for news, public affairs and entertainment. Contrary to prediction, the revolution is very much being televised. In other words, Black viewers are TV's super consumers. And when they tune in, they're looking for the very best of general entertainment and culturally relevant programs that speak to the Black experience. BET was founded on this insight, and we have flourished for 40 years by super serving our community with Black stories that entertain and move us all.

Now we're very excited to bring a robust array of traditional scripted and unscripted BET originals and library favorites to Paramount+, including our top library series like Being Mary Jane, Real Husbands of Hollywood and The Bobby Brown Story. But that's not all. We're bringing exciting new original series to the platform as well. I brought a friend along to give you a sneak peek of an upcoming project he's making exclusively for Paramount+.

Kenya Barris

Thanks, Scott. I have to say, I did not realize what a beautiful man you are. But maybe everyone else said it. Anyway, my name is Kenya Barris, and I'm a writer and producer, a storyteller. And for me, when it comes to content, the thing that interests me most is telling stories from new perspectives and from fresh voices, stories that expand how we are seeing ourselves on screen, who we see ourselves as on screen and, most importantly, who is telling those stories behind the screen. I could not be more thrilled to be joining the ViacomCBS family, and I can't wait to share more about what we've got going on the works.

But today, however, today, I'm here to make all my new partners feel good by telling you exactly how excited I am about Paramount+. That's why I think this is the perfect place to kick things off. The first series I'll be involved with will take an intimate look at contemporary relationships. We'll explore sort of the complicated, ever-changing boundaries and sometime racy dynamics that have shaped and redefine what modern love is. It's custom-made for Paramount+, and I can't wait for you and the rest of the world to see it. Now back to the beautiful Scott Mills.

Scott Morgan Mills - *ViacomCBS Inc. - President of BET Networks*

Thanks so much, Kenya. As Bob said earlier, ViacomCBS is the only media company to fully embrace an ecosystem of free, pay and premium streaming services with strong products in each. Each of these services has a dedicated audience, and combining them allows us to serve a broad array of consumer needs.

You've heard all about the incredible content coming to Paramount+. Now I want to talk about our premium offerings, starting with BET Plus. We launched BET Plus, BET's first ever stand-alone streaming service 18 months ago. The enormous success we've seen already proves that Black Americans are also streaming super consumers. BET Plus has rapidly grown to nearly 1.5 million paid subscribers by delivering a unique and powerful combination of provocative and edgy originals from top Black creators, fan favorite movies, beloved sitcoms and exclusive stage plays, amounting to over 2,000 hours of popular, culturally relevant content.

BET Plus has great original series from star showrunners like Tracy Oliver, whose next season of the popular *First Wives Club*, starring Jill Scott, hits the service in June; and the prolific Will Packer, whose comedy series, *Bigger*, comes to BET Plus in April, with Tori Spelling adding a little drama. There's the brilliant Emmy award-winning Lena Waithe, who's executive producing the scripted dramedy, *Birth of Cool*, which will debut later this year.

And last but certainly not least, we've got the one and only, Mr. Tyler Perry, creator of the top 3 original series for Black consumers right now. His popular streaming series, *Ruthless*, is coming back to the service in April, and a stage play recently broke every viewing record on the service. Not only does BET Plus have Tyler's catalog, one of the most valuable libraries of content in entertainment today, we have the man himself here to share more of what we'll be bringing next to BET Plus. Tyler, take it away.

Tyler Perry

Thanks, Scott. I'm really thrilled with BET Plus' incredible growth, nearly 1.5 million subscribers. We've clearly established BET Plus as the essential Black streaming service, the service that Black consumers buy to supplement general entertainment streaming services.

Listen, I began my career in this direct-to-consumer business, so I know it well. I will go out on stage every night all over the country. And as a result, I have been confident about the demand for our service since its inception because I know how much my audience, how much Black consumers overall value and seek our great content anchored in our culture and in our experiences. BET Plus is home to an extraordinary array of my content, including my movies, dramas, sitcoms and my stage plays. I'm most excited about the new original series I'm creating for BET Plus, including the second season of my breakout here, this thing is huge on BET Plus, my drama there, *Ruthless*; my comedy, *Bruh*. And Tyler Perry Studios itself is working on a brand-new show called *All the Queen's Men*. And I can't wait to create even more, bring more great content for the BET Plus viewers as we continue our growth right through the roof.

Scott Morgan Mills - *ViacomCBS Inc. - President of BET Networks*

Thank you, Tyler. BET Plus' premium content offering and powerful brand are already prominent beacons in the streaming marketplace. As such, they are the perfect complement to Paramount+ and Showtime. Pairing BET Plus with Paramount+ and Showtime gives us a unique opportunity to tailor packages to Black super consumers. With BET's unbeatable array of targeted marketing platforms, partners and insights, we're able to aggressively market these packages to our audiences to drive acquisition across all 3. We're going to super serve our viewers with the perfect combination, the very best general entertainment and culturally relevant content that can only be found in our ecosystem.

Next up, it's my pleasure to now bring out David Nevins, Chief Creative Officer of CBS and Chairman and CEO of Showtime Networks.

(presentation)

David Nevins - *ViacomCBS Inc. - Chief Creative Officer*

A drunk, roguish patriarch; a lesbian gallery owner turned candidate for L.A. mayor; a brash sado-masochistic attorney; and a shrewd, relentlessly calculating hedge fund king, iconic characters shape our culture. They captivate. They fascinate. They elevate. They take risks. They make you say, "I can't believe they just did that." They're not only thrilling to watch, they move us, and they change the way we think about each other and the world. They define our most interesting conversations. So when we talk about culture, really, we're talking about characters with unique voices, and Showtime is their home.

For 30 years, Showtime has been at the forefront of storytelling. Our stories, our characters and our content push the culture forward. Our viewers are the cultural omnivores who want to be a part of the conversation, the adventure seekers who aren't afraid to be challenged. They're our consumers who want a provocative experience that they've heard about and they won't be able to find anywhere else. This unique segment is why we at ViacomCBS believe in the broader strategy of carving out lanes. Some viewers will want the free content on Pluto. Some will want the broad offerings on Paramount+, and some would want the premium entertainment offerings on Showtime.

People are used to paying for premium Showtime content, and we are proving our value to consumers every day. That's why Showtime has grown streaming subscribers so dramatically in the past few years. The fact is that brands matter, and Showtime stands out as the only pure-play premium service for sophisticated, surprising, culture-moving content. We've got entertaining compelling docuseries like *The Circus*, *VICE* and *COUPLES THERAPY*; decade-defining shows like *Billions*, *Shameless* and *The Chi*; and the premier combat sports lineup in America with premium boxing and MMA events throughout the year.

So let me tell you about a few of the upcoming projects that we're so excited about. From the incredible director, Susanne Bier, who created *The Night Manager* and *The Undoing*, comes *The First Lady*, featuring actors as powerful as the women they portray, with Viola Davis playing Michelle Obama; Michelle Pfeiffer as Betty Ford; and Gillian Anderson is Eleanor Roosevelt. Think of it as *The Crown* for America.

Moving from the East Wing to the hills of Western Pennsylvania, our new series, *American Rust*, starting Jeff Daniels and Maura Tierny, explores the elusive American dream through a compromised Chief of Police. It's a compelling murder mystery that's going to grip audiences and strike right at the heart of some of today's most important conversations.

And then there's *YELLOWJACKETS*. It's the story of a girl's high school soccer team whose plane goes down in the Canadian wilderness. Equal parts survival epic, psychological horror story and coming of middle age melodrama, *YELLOWJACKETS* stars Christina Ricci, Juliette Lewis and Melanie Lynskey as the grown-up women who must come to grips with what they had to do to survive. Take a look.

(presentation)

David Nevins - *ViacomCBS Inc. - Chief Creative Officer*

Oscar winner Steven Zaillian is writing and directing *RIPLEY*, a thrilling multi-season TV series based on the great novels by Patricia Highsmith that also inspired the hit movie. Ripley will be played by Andrew Scott, best known as the hot priest from *Fleabag*. It's a premium psychological drama shot in some of the most iconic locations around the world. Also, who said iconic characters had to be made up? Showtime has built a reputation for incredible documentaries. Here's a preview of our upcoming slate.

(presentation)

David Nevins - *ViacomCBS Inc. - Chief Creative Officer*

In comedy, we couldn't be more excited about *THE CURSE*. This is the ultimate collaboration between the Oscar winner Emma Stone, satiric genius Nathan Fielder and boundary-pushing filmmakers the Safdie brothers of *Uncut Gems* fame. Starring Emma and Nathan and set against the backdrop of a cable home flipping show, *THE CURSE* keenly satirizes the performative aspects of white liberalism run amok.

Next, we're bringing back an old favorite in a big way. The famous fixer, *Ray Donovan*, will return to Showtime, this time in a feature length movie. We're thrilled that Liev Schreiber is back to wrap up the show while setting us up for a potential movie franchise.

And speaking of favorites coming back in a big way. The pandemic of 2020 meant the last season of *Billions* got cut short, but last year's loss is this year's gain. We're coming back with 18 power-packed episodes of this culture-defining show. Take a look.

(presentation)

David Nevins - *ViacomCBS Inc. - Chief Creative Officer*

Yes. One more thing. We do have one more treat for Showtime subscribers, but I'll let him speak for himself.

(presentation)

David Nevins - *ViacomCBS Inc. - Chief Creative Officer*

Slate of original programming and with even more coming beyond what we were able to preview today, Showtime will be offering the premium content that's going to define 2021. And it's all going to pair perfectly with Paramount+ and Pluto. To say more about Pluto and our commitment to free, ad-supported TV, I'd like to welcome back Tom Ryan.

(presentation)

Thomas Ryan - *ViacomCBS Inc. - President & CEO of Streaming*

As you've just seen, we're set up for big success in paid and premium streaming. But we're also on course to dominate the free streaming world, a hugely exciting opportunity in itself and one that allows all of our products to work together in a unified streaming strategy that's greater than the sum of its parts.

When my co-founders and I launched Pluto TV nearly 7 years ago, we led with linear, interest-based channels at a time when everybody was moving to on-demand. We wanted Pluto to be totally free in the age of paid subscription and supported by ads when everybody said consumers wouldn't watch ads anymore. And it's clear that those contrarian instincts are paying off. Pluto TV hasn't just proven our skeptics wrong. We pioneered a new category, and now we're one of the leading free streaming television services with over 43 million global monthly active users. We're available anywhere you stream: on mobile, desktop and connected TV.

And Pluto TV is not only distributed as an app. Through innovative partnerships with Samsung, LG, Amazon, Verizon, TiVo and Vizio, we've already integrated Pluto directly into over 100 million devices. And we're on pace to extend this integrated partnership portfolio to 200 million devices globally this year. This gives us, by far, the largest distribution footprint in our category. We meet viewers and advertisers where they want to be, in the streaming living room, on connected TVs. And our ad partners love Pluto because we offer the best of both worlds, the efficient targeting of digital with the brand-building and storytelling of traditional TV.

And we're not just growing domestically. From day 1, Pluto's mission has been to entertain the planet. And we are well on our way, scaling rapidly in 25 countries across Europe and Latin America. We'll have more to say about our international strategy a bit later.

At a time when choosing what to watch too often feels like work, when you're paralyzed by the paradox of choice, Pluto makes enjoying great entertainment easy, fun and intuitive. With more than 150,000 hours of high-quality programming from 400 global content partners spanning news, sports, entertainment, lifestyle and more, all hand-curated into hundreds of channels, plus thousands of shows and movies on-demand, Pluto TV really does have something for everyone. TV lovers can watch hits like *The Walking Dead*, *Narcos* and *RuPaul's Drag Race*; or classics like *Three's Company*, *Happy Days* and *The Love Boat*. Sports fans can watch channels from the NFL, Major League Soccer, the PGA TOUR and launching soon, Major League Baseball. News junkies can stay up to speed on CBSN, CNN, Bloomberg and NBC News NOW.

And Spanish language viewers will find a wide selection of programming that understands and serves the U.S. Hispanic community in all its diversity across cultures and generations. In May, we'll relaunch our USH category with nearly double the offerings of our closest competitor in this space, carried it into a dozen rebranded channels and 14 new ones for a total of over 40 channels in Español, including kids and music.

Our secret weapon is our team of human curators, each programming what they're passionate about, like the ex MMA fighter who programs all of our fight channels or the stand-up comedian who programs our comedy channels or the movie buff who selects films for our cinema classics channel. Pluto TV really is a whole world of entertainment, and it just keeps getting better with more great content on the way.

(presentation)

Thomas Ryan - *ViacomCBS Inc. - President & CEO of Streaming*

Now Pluto's category leadership in free streaming TV is hugely exciting in itself. But it's even more exciting when you see how it helps us create something we call the super funnel. I know that sounds like something from a Nickelodeon game show. But actually, it's an incredibly powerful way to expand our paid streaming audience. Because of ViacomCBS' enormous reach, we can ensure that we're there for you in every place you experience content. We're there for you on linear TV, where we have the #1 broadcast and cable networks across all demographics in the U.S. We're there for you on social media, where we are ranked #1 in total video views among major media companies. And of course, we're there for you on free streaming, where Pluto is the #1 free ad-supported television service in the country. Through all of these touch points, we expand the funnel's base. And once we have people's attention, we keep demonstrating the value of our subscription services.

How? The key here can be found in a line you heard earlier from the Paramount classic, *The Godfather*. "We keep making them offers they can't refuse." Take Pluto, which offers particularly valuable opportunities for discovery, sampling and upsell into our paid services. With Pluto's free linear experience, we can effortlessly introduce tens of millions of viewers to the amazing content we've highlighted today. Viewers drop in any time and discover a pilot episode of *The Stand* or past season episodes of *NCIS* before a new season debut. Once they're hooked, we offer a trial subscription for more.

For example, a few months ago, we launched a channel called Showtime Selects, where viewers can watch select episodes of hit Showtime series for free. After they've watched, we tell them how to find more great episodes by subscribing to Showtime. Eventually, users will be able to click right out of the Pluto service to immediately begin their Showtime subscription. Already, the channel has been an enormous success. The first episode of *Your Honor* saw more sampling on Pluto than it did on YouTube. So you can bet we're going to be launching a channel like this for Paramount+, too, and doing everything that we can to make sure that Pluto viewers are watching it.

These channels on Pluto TV are just one example on linear, online and everywhere. We'll keep putting out content that appeals to all kinds of people and then funnel these viewers into our subscription services through offers so good, they can't refuse. So the super funnel is one major competitive advantage that Paramount+ will have over the competition from day 1.

And there are 2 other big strengths we expect to supercharge growth. For one, we will launch with near-universal awareness of the Paramount brand. I think it's a good sign that I don't have to tell you much about the Paramount+ marketing campaign because the statistics suggest you've already seen it. Our ad campaign reached new heights when nearly 100 million people tuned into the Super Bowl this year and saw our iconic talent, from Patrick Stewart and Christine Baranski, *Dora the Explorer* and *SpongeBob SquarePants*, summit Paramount mountain, their new streaming home. This TV campaign is being accompanied by an incredible social media and digital blitz from the entire ViacomCBS enterprise. All together, our ad campaign is projected to reach an outstanding 95% of Americans age 25 to 54.

And two, Paramount+ will have near-universal distribution. As I mentioned, Pluto's powerful distribution strategy provided the foundation for remarkable growth. And we have deep relationships with virtually every major distribution partner across our business, mutually beneficial relationships we've been cultivating for years. The combination of Pluto, Showtime, BET Plus and now Paramount+ creates a uniquely valuable portfolio for our partners. So again, we're talking about near-universal awareness and near-universal distribution. I think we can all agree, that's a great place to start. And to quote a line from a CBS classic, "The price is right."

Starting this June, Paramount+ will have 2 pricing tiers: first, a base ad-supported tier that still offers the full spectrum of the Paramount+ experience. For live sports, subscribers on our base tier will get the NFL, UEFA, National Women's Soccer League and more to come. For breaking news, they'll get CBSN and on-demand videos from CBS News. And for their mountain of entertainment, they'll get the full breadth of Paramount+ originals, Paramount movies, a massive portion of the ViacomCBS library and current seasons of CBS shows and all for \$4.99 a month, an incredible value.

Subscribers on our premium tier will get a commercial-free viewing experience. Their live sports will be supplemented by even more CBS sports. Their news will be enriched by live CBS News feeds, including local feeds from around the country. And their mountain of entertainment will get even taller with the full live CBS TV experience at their fingertips. It's everything we know consumers want in a streaming experience, plus some things that they'll soon discover that they want and all for \$9.99.

Even better, we'll be offering consumers the chance to bundle Paramount+ with our premium offerings for an even better deal on ViacomCBS content. Our goal is to create a frictionless experience with an integrated ecosystem of services available to users. For example, we plan to add an integrated upsell, where subscribers can easily add Showtime content to their Paramount+ experience. This way, we have distinct products that stand for something and can succeed in their own lane, but it's incredibly simple for users to combine them however they see fit.

That's why we call this an ecosystem. In nature, different parts of an ecosystem carve out their own niche, their own particular strategy for success. But each one of an ecosystem's elements also works together with the rest, promoting the health of the whole. That's exactly what we hope to create with our streaming services, and we can't wait to see them thrive.

And now let me introduce our President of International Streaming, Kelly Day, to talk us through our global launch.

Kelly Day - *ViacomCBS Inc. - President of Streaming & COO of ViacomCBS Networks International*

Thanks, Tom. 95% of the world's population, 7.5 billion people, live outside the U.S. The international opportunity in streaming is massive.

Let's start with Pluto. Since ViacomCBS acquired Pluto and began expanding outside the U.S., our monthly active user growth has gone through the roof. In 2020, with growth in the U.K. and Germany as well as new launches in Latin America and Spain, our international monthly active users jumped from 1 million to 13 million. This year, with Pluto's expansion in France and Italy, we expect that incredible growth to continue. The SVOD space is still early in international markets. We expect over 350 million new subscriptions to come online in the next 3 years, giving us a lot of room to grow.

With Paramount+, we have a 4-pronged strategy to meet this global opportunity. First, we start with a truly global brand. An average of 91% of people in key markets we tested know the Paramount brand, and 96% have a positive association with it. Around the globe, the Paramount brand means premium content, blockbuster films and must-see TV.

Second, we deliver a powerful mix of global and local content that lives up to that storied reputation. Internationally, Paramount+ will be the home of Paramount movies with select first-run movies in certain markets as well as some of the world's biggest scripted dramas from Showtime, CBS Studios and others. This new service will feature many of the exciting Paramount+ series you've heard about today, including originals such as *The Man Who Fell to Earth*, *Halo* and *Kamp Koral* as well as fan favorites like *NCIS*.

Paramount+ will also be the international home to many of the fantastic Showtime titles you just heard about, including new adds like *The First Lady* and *American Rust* as well as classics such as *Dexter* and *Billions*. You'll also see widely acclaimed dramas from third-party studios in select markets, including award-winning shows like *The Handmaid's Tale* and *Killing Eve*; and local formats of some of MTV's biggest global reality franchises such as *Acapulco Shore* and *Are You The One? Brasil*. All of these will be available to international consumers as part of a single subscription. Here's a quick look.

(presentation)

Kelly Day - *ViacomCBS Inc. - President of Streaming & COO of ViacomCBS Networks International*

Offering this unparalleled collection of global content is key to our strategy. And through ViacomCBS International Studios, we're also working closely with top global content creators to ensure we have a robust offering of premium scripted local dramas. These include *The Envoys*, a supernatural thriller produced with Academy award-winning director and screenwriter, Juan José Campanella; *Cecilia*, a female-led dramedy from

renowned Argentine writer and director, Daniel Burman; and Last King of the Cross, an organized crime drama based on the best-selling autobiography by John Ibrahim. We'll premier all of these in 2021 with more to come in 2022.

The third pillar of our strategy is to provide this premium content experience at a value price point, creating a must-have service. That's why all of this incredible content from Paramount, Showtime and our global content creators will come at a considerably lower price than competitors in each market.

Finally, we are leveraging the massive global reach of ViacomCBS to distribute this service. We have a deep history of relationships with MVPDs and telco partners in every major market around the world. And we are thrilled to announce that our service will have broad distribution across dozens of platforms in Latin America and the Nordics, in addition to our direct-to-consumer distribution. Paramount+ will also be made available internationally through our global relationships with major platform partners such as Apple, Amazon and Google.

With a universally recognized brand, an unparalleled collection of local and global content offerings, a value price point and a massive network of distributors, we are well positioned for rapid growth. So on the same day we launch in the U.S., we'll launch in all Latin American markets and in Canada. Just a few weeks after that, we'll launch in the Nordics. And then later this year, we'll launch in Australia. And this is just the beginning. We'll have more markets and more exciting growth opportunities coming soon.

And now to hear more about our growth both in streaming and across our enterprise, let me introduce Executive Vice President and CFO, Naveen Chopra.

Naveen Chopra - *ViacomCBS Inc. - Executive VP & CFO*

Thanks, Kelly. We began 2020 with a clear path forward: Unlock the power of the combined company, build strong operating momentum and accelerate our streaming strategy. And that's exactly what we did. And while we were at it, we improved operational efficiency. We strengthened our position in distribution and advertising. And during today's presentation, Bob, Tom and leaders from across the company have provided a sweeping view of the content powerhouse that will drive our streaming services. I'm excited to share a financial perspective on the streaming future of ViacomCBS. But first, I'd like to take a few minutes to quantify some of our recent progress by reviewing our Q4 results and sharing a brief look ahead to Q1.

Our consistent focus on value creation is evident in our Q4 results, where total company revenue was \$6.9 billion, up 3% year-over-year. Adjusted OIBDA was \$1.2 billion, up 5% year-over-year. And adjusted diluted EPS was \$1.04, up 13% year-over-year.

Looking more closely at our revenue performance in the quarter. Advertising revenue grew 4% year-over-year driven by an acceleration in streaming advertising growth and strength in political. Notably, advertising revenue growth in the quarter improved significantly versus the 6% decline we experienced in Q3. Affiliate revenue grew 13% year-on-year in Q4, an acceleration compared to our Q3 growth rate of 10%. The growth in total company affiliate revenue reflects the benefit of distribution renewals that included incremental carriage and improved economics as well as strength in domestic streaming subscription revenue, which grew 74% in the quarter.

Of course, today is all about streaming. And there, we finished Q4 on a high note with significant growth in subscribers for CBS All Access and Showtime OTT. In fact, it was a record quarter for both services in terms of new sign-ups. We ended 2020 with 19.2 million domestic streaming subscribers, up 71% year-over-year. In the domestic free ad-supported streaming TV market, Pluto continues to be the leader. We closed Q4 with 30.1 million Pluto TV MAUs domestically and 43.1 million globally. Moreover, based on publicly available information, Pluto TV is not only the leader in MAUs but also leads in total viewing hours and revenue.

Continued momentum in subscriber and MAU acquisition translated to strong year-on-year growth in domestic streaming and digital video revenue of 72%, an acceleration from Q3's 56%. That equates to a domestic annual run rate of nearly \$3.4 billion and highlights the power of combining ad-supported and subscription models in our streaming businesses.

And lastly, on Q4, I would point out that as expected, production ramping led to negative adjusted free cash flow in the quarter of \$342 million. Still, adjusted free cash flow for the year finished at \$2.5 billion, and we ended the year with \$3 billion of cash and equivalents on our balance sheet.

Before sharing thoughts on what to expect in Q1, I want to highlight some changes we're making in our financial disclosures. In light of our increasing focus on streaming, we are adding streaming as a specific revenue type in both our consolidated results and our segment reporting. Streaming revenue includes global subscription fees and advertising revenue generated by our streaming services, including Paramount+, Showtime OTT, BET Plus and Pluto TV as well as advertising and subscriptions for our other digital video products.

And now you can see exactly where and how these revenues contribute to our operating segments. Today, on our website, we published trending schedules with quarterly and annual data for 2019 and 2020 in this new format so you can clearly compare our historical results with future reporting. We're also changing our domestic-only metrics to global metrics for subscribers and Pluto MAUs. For example, now that we're reporting global numbers, streaming subscribers as of the end of Q4 are 29.9 million rather than 19.2 million of domestic-only subscribers based on our previous method of reporting. We'll be reporting under this new format going forward.

We will also be breaking global streaming revenue into its components so you can see exactly how much of our streaming growth comes from advertising and how much is driven by subscription revenue. For example, as you can see for the full year 2020, streaming ad revenue grew 41% to \$1.4 billion, while streaming subscription revenue grew 61% to \$1.1 billion. I would also note that as a result of this change, our advertising and affiliate revenue types have been recast to remove streaming-related revenue.

With those changes in mind, let's talk about Q1. First, on advertising, which now excludes streaming advertising revenue, we expect Q1 advertising growth will materially benefit from Super Bowl LV and the return of the NCAA Men's Basketball Tournament, which, as you know, did not occur in the prior year period. For affiliate revenue, which now excludes streaming subscription revenue, we had a productive year in 2020 with several new distribution deals signed. These renewals will continue to benefit our affiliate growth rates as we enter 2021.

Turning to our streaming outlook. We expect continued robust growth in total streaming revenue with the Q1 growth rate in streaming subscription revenue expected to be similar to what we experienced in Q4. And we're off to a strong start. Super Bowl Sunday delivered a record-breaking day on CBS All Access in terms of new subscriber sign-ups, streams and time spent. In fact, sign-ups surpassed prior single day records by 138%, and time spent on All Access across platforms surpassed prior single day records by 92%.

Beyond Q1, we have even more to look forward to with our expanded streaming ecosystem. And thanks to how far we've already climbed, we think the view is inspiring. We finished 2020 with \$2.6 billion in global streaming subscription and streaming advertising revenue and an annual run rate of \$3.6 billion. And we're not stopping here. Our progress in 2020 exceeded our expectations, but our ambitions reach even further. In fact, our goal is to grow streaming revenue to north of \$7 billion by the end of 2024. This represents an approximately 30% compound annual growth rate over that time period.

So let me tell you how each of our free, pay and premium components will contribute to this goal, starting with free streaming TV. Here, ViacomCBS doesn't just have a strong foundation. We have the strongest foundation with the category leader in Pluto TV. What's more, the free ad-supported streaming TV or FAST market is arguably still in its infancy. It's expected to grow to more than \$50 billion globally over the next 4 years. We expect to play a major role in accelerating this trend with continued MAU growth, international expansion and improvements in monetization.

By the end of 2024, we expect Pluto TV to have between 100 million and 120 million monthly active users around the globe. We know a large portion of them will be connected TV users because today, these viewers are the dominant source of viewing hours on Pluto TV. In fact, in 2020, connected TV users represented 86% of total Pluto viewing hours. These are the Pluto TV users who have been rewarding us with longer sessions, more total watch time and stronger program completion metrics, all things that fuel Pluto's advertising revenue growth. And as a result of more people spending more time with us, attracting more advertisers, Pluto TV has enjoyed significant ARPU growth, which we intend to improve even further.

Both Pluto TV and the base tier of Paramount+ are components of our broader EyeQ digital advertising platform, which also includes digital video inventory from brand-specific streaming sites like CBSN, BET, MTV, Comedy Central and Nickelodeon. Through EyeQ, advertisers can reach 50

million full-episode monthly unique viewers in the United States alone. And we're proud to be launching Paramount+ with a select group of brand sponsors, leading global brands like General Motors and Expedia. Each will have an unparalleled access to this audience and a unique opportunity to surround our beloved content from all angles, from video to custom creative to social. So we have a great opportunity before us in streaming advertising, and we have an even greater opportunity to leverage our linked ecosystem to grow streaming subscribers.

In the pay and premium space, ViacomCBS has nearly tripled its global subscriber base in the last 2 years and more than doubled streaming subscription revenue. This is just the beginning because we're launching Paramount+ into a new era of broader streaming growth. The number of streaming services the typical U.S. household pays for continues to increase. A few years ago, it was 1 to 2 paid subscriptions. In 2019, it was 2 to 3. Now it's 3 to 4 and trending toward 5. Already, half of U.S. households have more than 3. And we believe this number will grow as new services like Paramount+ come to market with streaming propositions that have not yet been available to consumers. It's one more reason we're excited about the combination of live sports, breaking news and a mountain of entertainment.

Step back and look at the bigger picture of this massive, growing global market. The number of SVOD subscriptions is expected to climb to more than \$1.1 billion by 2025, with revenue topping \$100 billion. ViacomCBS has the world-class studios, the massive library, the broad distribution, the beloved brands and local resources and relationships around the globe to capitalize on this opportunity. We've set a goal of achieving 65 million to 75 million global streaming subscribers by the end of 2024. The vast majority of this subscriber growth will come from Paramount+, both domestically and internationally. This year alone, Paramount+ will debut 36 original series in addition to a library with over 30,000 TV episodes and more than 2,500 movies. I'm personally looking forward to many of the great originals coming to Paramount+ from The Offer to Trevor Noah's weekly show and the Yellowstone spinoffs, to name a few.

And we're putting all of this and more right at consumers' fingertips at the price that's right for them. The premium tier at \$9.99 launches on March 4 in the United States, and the ad-supported base tier at \$4.99 launches in June. The \$4.99 tier of Paramount+ will have live sports, including NFL games, soccer and more. It has breaking news through CBSN and, of course, a mountain of entertainment with all Paramount+ originals and the full suite of current and library CBS shows available on-demand within 24 hours post-airing. By removing the live linear feed from our lowest-cost tier, we gain flexibility to bundle and package Paramount+ for a variety of distribution partners. We're looking forward to sharing more details about our partner distribution strategy when the new tier launches.

And as Kelly highlighted, Paramount+ will be available in several international regions at a very compelling price point relative to competing alternatives in each market. No matter which option consumers choose, over time, we expect the combination of advertising and subscription revenue to generate incremental value every time we attract a new Paramount+ viewer, even if that viewer has cut the cord and switched entirely to streaming.

As we pursue the streaming opportunity, we will invest aggressively in content to support our growth. Across our portfolio of services, we expect streaming content expense to grow to at least \$5 billion by 2024. This number includes content created exclusively for our streaming services and an allocation for highly valuable content assets distributed on both streaming and traditional platforms, including linear television and theatrical. It represents an increase of approximately \$4 billion to our 2020 streaming content expense realized through a combination of incremental spend and reallocation of linear content spend.

And frankly, we may accelerate the pace of reallocation if we exceed our early goals for subscriber and revenue growth. We're thrilled consumers will be able to find all of this must-watch content in one place. With live sports, breaking news and a mount of entertainment, we are bringing customers a streaming service like none other. This is the promise of Paramount+ and the power of ViacomCBS to deliver continued growth to investors over the long term. Thank you for joining us, but don't leave the lot quite yet. Before the Q&A portion begins, I'd like to turn it over to a special guest, the host of The Late Show with Stephen Colbert, Stephen Colbert.

Unidentified Participant

Thank you, Naveen. Hey, everybody, and thanks for being here for today's ViacomCBS Streaming Event. I've been invited to talk about the company's future and the exciting things in store for our viewers.

As you all might have noticed, 2020 was a bit of a challenge, but the silver lining is that right now people are watching more television than ever. In fact, I'm watching Blue Bloods while I tape this. Tom Selleck, don't let Donnie Wahlberg walk down that dark alley. He's your son. Being a police what is in your blood. That's why it's blue. I'm sorry, I'm just so invested. Save your mustache.

To recap, today, we have talked about what makes ViacomCBS unique, namely that we are the only media company to fully embrace an ecosystem of free, pay and premium streaming services. It's a far cry from the limited entertainment options of my childhood, which were Gilligan's Island and Watergate Hearings, great crossover episode, though, when Committee Chairman, Sam Urban made a subpoena out of coconuts. No matter what people are looking for, we've got the service for them as long as they're looking to stream TV. If they're looking for something else, like a socket wrench set, try a hardware store or something. I don't know.

Take our new service. Paramount+, it's amazing and way more user-friendly than my idea. Paramount Square Root. Paramount+ is the only paid streaming service to combine a mountain of entertainment like The Offer, the Rugrats Reboot and the Real World Reunion. Are you guys sure you want to return to the Real World? Because the Real World is a bit of a garbage fire right now. Now Paramount+ has breaking news and live sports like the PGA Tour, the NFL, Champions League Soccer and March Madness. But if you want to avoid any mention of sports whatsoever, it also carries The Late Show with Stephen Colbert. You know our motto is Dungeons & Dragons a sport?

ViacomCBS also offers a free streaming service, Pluto TV, loaded with top-notch content, all to fulfill one mission, to entertain the planet. I do have one question, which planet? Because they named it after Pluto, which Neil deGrasse Tyson says, isn't even a planet anymore. Damn you, Tyson. That's our business model.

And last, but certainly not least, ViacomCBS offers Showtime with programs like Desus & Mero, Billions and Ray Donovan plus combat sports like boxing and MMA an industry secret. If you turn on Showtime at 3:00 a.m., you can watch Ray Donovan fight SpongeBob in a parking lot. Cross-platform synergy, that's what this means. On top of all that, ViacomCBS uses its massive reach across social, digital, linear and streaming to give audiences what they want and then direct them to even more within its platforms and streaming services. It's like a cruise ship buffet, folks can load their plates with barnier, a paella, stir fry, chicken fingers and popcorn shrimp. Then once we got them there, we're like how about hitting the chocolate fountain and the unlimited Sheldon bar. Anyway, thank you again for coming. Now please welcome Bob Bakish, Naveen Chopra, Tom Ryan and Anthony DiClemente, who will take questions from investors.

You guys will talk about the Dow. You won't believe how many Dow units we have right now. So many Dows. Tell them all the Dow points we won, Bob. Dow-lings.

Anthony Joseph DiClemente - *ViacomCBS Inc. - EVP of IR*

Thanks, Stephen. Good evening, everyone. Sorry for the late start tonight, that traffic on the 101 was a little bit worse than expected. But thanks for staying with us. I'm Anthony DiClemente, EVP of Investor Relations at ViacomCBS. And with me on stage for our Q&A session is Bob Bakish, our CEO; Naveen Chopra, our CFO; and Tom Ryan, President and CEO of Streaming.

We're going to spend the next 30 minutes answering questions. Our analysts are joining us by Zoom. (Operator Instructions) With that, we can now open the line.

QUESTIONS AND ANSWERS

Anthony Joseph DiClemente - *ViacomCBS Inc. - EVP of IR*

Our first question comes from Alexia Quadrani at JPMorgan.

Alexia Skouras Quadrani - *JPMorgan Chase & Co, Research Division - MD and Senior Analyst*

Can you hear me? I just want to clarify -- I wanted to clarify on a couple of things and ask a question. I guess my main question is really on the windowing. On -- I think Jim's spent a couple of minutes talking about how they were -- some movies are going direct to theaters, and then they were going to go to Paramount+ after 45 days. I'm curious if that is a universal decision or is it really noted movie by movie. And you will then -- you contract the movie? Or is that something you're going to do across the board when you're looking at Paramount+? And then I just wanted to follow-up on 2 other really small points that you mentioned. If you could talk about whether or not you'll be breaking out Showtime at the subs separately, if you'll give us domestic versus global as well.

Robert Marc Bakish - *ViacomCBS Inc. - President, CEO & Director*

Sure. Alexia, it's Bob. Let me take the first part of your question. So we're very excited about the film offering we're bringing to consumers under Paramount+. It's a multifaceted, and robust part of that offering is enabled by us getting access to the Paramount pay one product through this new deal we have with EPIX. We will basically have 2 different models there. There'll be a subset of titles, including A Quiet Place Part 2 and Mission Impossible 7 in 2021, and then there'll be additional titles in '22 and '23. And those titles will have a short theatrical run -- exclusive theatrical run, where they go 45 days, and then on day 45 will go to Paramount+, where they reside for a while. And then later on, EPIX will pick them up. There'll be another set of titles where EPIX has them first. The window won't be quite that short and then Paramount will pick them up. We do believe 2 things. We believe in the value of theatrical, particularly for pictures like a Mission Impossible or a Top Gun, really big screen experiences. But we also believe the consumer is interested in titles earlier on streaming, and we believe that's an important proposition for us to supply. So that is the direction we're going, and we think it's going to work out well. Naveen, you want to take the other 2 points?

Naveen Chopra - *ViacomCBS Inc. - Executive VP & CFO*

Sure. So in terms of breakdown between services and then domestic versus international, we're not planning to break each of our services apart in our future reporting. However, I would tell you that we do expect Paramount+ will be the primary driver of subscriber growth going forward. And in terms of domestic versus global, we really look at streaming as a global opportunity. And so we'll be reporting both our advertising revenues as well as subscription on a global basis going forward.

Anthony Joseph DiClemente - *ViacomCBS Inc. - EVP of IR*

We'll take our next question from Mike Morris at Guggenheim Securities. Mike, go ahead.

Michael C. Morris - *Guggenheim Securities, LLC, Research Division - MD and Senior Analyst*

I'm curious with respect to that long-term guidance you gave looking to 2024, if you can share any thoughts on sort of the trajectory to achieve that, both on the subscriber side and also on the financial side. Do you expect it to be straight line? Is it something that's faster early or it kind of ramps up? Curious how you're thinking about that. And then on the content investment side, we understand the growth that you laid out from the \$1 billion to the \$5 billion I'm also curious about how you think about the licensing revenue that's been a strong part of the business for quite a long time. As you think about the future there, should we think about some contraction to that revenue stream as you allocate more internally? Or any thoughts that you have on how that basis would be great.

Naveen Chopra - *ViacomCBS Inc. - Executive VP & CFO*

I'll start on the pacing of the growth. Let me remind you that we talked about achieving a 65 million to 75 million SVOD subscribers by 2024, by the end of 2024 and 100 million to 120 million global Pluto MAUs and \$7 billion of revenue. We're already got a ton of momentum toward those goals finishing 2020 with \$3.6 billion run rate of streaming revenue. And we expect that significant growth along the way. We did not provide an annual breakdown because there will be parts where we might enter into certain new deals or launch certain content that could make it be a little

spiky here and there. But we do think that we'll continue to make progress both in 2021 and in the subsequent years. Bob, do you want to take the content license question?

Robert Marc Bakish - *ViacomCBS Inc. - President, CEO & Director*

So look, on the content licensing side, you look at ViacomCBS. We're obviously a powerhouse content producer from an original standpoint and then have broad and deep libraries to back that up. We've long been in the content licensing business. But as we've scaled our streaming trajectory, particularly on the pay side, what you've seen us do is lean more towards the streaming side, particularly when it comes towards franchises and IP. And if you watch what we presented today, you see franchise and originals really across the in all the genres that we're bringing to Paramount+. We believe that's critical to attracting subscribers, and we believe that links very well to library. Now as we do that, we pick up more internal licensing versus third-party licensing.

In addition, we obviously are rolling Paramount+ out globally. There, we have specific countries that we've announced, and we have a specific plan beyond that going forward. And as we go to pay O&O streaming in a country, whether that's Latin America or Australia or the Nordics that we've already announced, or other countries down the road, you'll see us pick up what might have been prior output deals and then have them go to more in-house output deals. That's certainly what's going on in the launch countries, including with respect to Showtime because Showtime product will be part of Mountain Paramount+ outside the U.S. So yes, that poses a change in composition of the business, but it doesn't mean we're exiting the business. We still like the business. It does provide some attractive financial characteristics as well as being an important platform for franchise development. So example, you saw us bringing a new version of iCarly to Paramount+ this year as part of our kids offering. We do have prior seasons of the original iCarly available today on a large -- and we think that helps with franchise development. So hopefully, that helps you understand the trajectory we're going down.

Anthony Joseph DiClemente - *ViacomCBS Inc. - EVP of IR*

Mike. Our next question will come from Brett Feldman at Goldman Sachs.

Brett Joseph Feldman - *Goldman Sachs Group, Inc., Research Division - Equity Analyst*

I know that you are going to be giving us more details on your domestic distribution partners as you roll out the entry-level plan later this year. But I was hoping maybe you could talk broadly about the role you expect third-party distributors to play in expanding the reach of the service. I'm also particularly interested in how you think MVPDs could be meaningful partners because, on the one hand, your service is probably very appealing to the cable company's broadband bases. On the other hand, it could theoretically stimulate additional cord-cutting.

Robert Marc Bakish - *ViacomCBS Inc. - President, CEO & Director*

Yes. Brett, let me hop in here. This is Bob, because if you look at the history of Viacom, particularly Viacom legacy, what you see is, over the last 4 years, we've substantially grown our book of business and diversified our book of business with, in particular, MVPDs. And what I mean by that is we're not only launching licensing linear feeds but we're also engaged in advanced ad partnerships and more recently licensing apps, whether those are free apps like Pluto or paid apps like, at the time, CBS All Access. And that's really all about being a multifaceted and, more important, content supplier. We found that works particularly well, particularly as those entities build out broadband distribution. So we like being a valued content player to a broad range of distributors. That's very much our strategy and certainly will be so as we roll out Paramount+. And maybe, Tom, you want to add a little more there.

Thomas Ryan - *ViacomCBS Inc. - President & CEO of Streaming*

Yes. So thanks. Certainly in discussions right now with a number of different partners about how we can expand the distribution for Paramount+. Pluto is a very widely distributed service. Paramount or CBS All Access has been a very widely distributed service. And we're in discussions about

how we can accelerate the distribution of Paramount+ as it rolls out. As Naveen mentioned in his remarks, the \$4.99 tier, which rolls out in June, gives us much greater flexibility in how we go about providing promotional distribution with partners, and so we'll have to announce on that. We really are just getting started. So stay tuned.

Anthony Joseph DiClemente - *ViacomCBS Inc. - EVP of IR*

Let's take our next question from Ben Swinburne at Morgan Stanley.

Benjamin Daniel Swinburne - *Morgan Stanley, Research Division - MD*

Can you hear me, Anthony?

Anthony Joseph DiClemente - *ViacomCBS Inc. - EVP of IR*

Yes, we can hear you well.

Benjamin Daniel Swinburne - *Morgan Stanley, Research Division - MD*

Great. Bob, when I look at your streaming forecast, particularly on the subscriber side, it's basically, I think, 10 million a year or so on average. I'm just wondering how much of an opportunity is it to use the 3 different products, I guess, this is a U.S. question, to drive growth. In other words, you had these products in the market for some time. But are there opportunities that you can take advantage of that you haven't yet taken advantage of it to sort of cross-promote? I noticed you didn't talk about sort of a ViacomCBS bundle across all these with the bundled price. Just wondering if you could talk a little bit about your opportunities there.

And then Naveen, I know you probably want to answer this, but I wanted to take a shot. As we think about the whole company's EBITDA outlook, should we expect growth after '21 as you scale this business? I mean, \$7 billion-plus of revenue is substantial. Is '21 sort of the peak investment year, and you'll start to get some benefits across the entire ViacomCBS company over time? Anything you could tell us about the EBITDA outlook for the business would be great.

Robert Marc Bakish - *ViacomCBS Inc. - President, CEO & Director*

Yes. So sure, let me start. So for about a year now, I've been talking about a streaming ecosystem that crosses free, pay and premium. And that is not just because we believe there were 3 lanes there. We do, obviously. But it's really because we believe that, that creates an opportunity that can collectively create value. So for example, using our free service, Pluto, as a funnel to not only attract MAUs that we can generate ad revenue from but also to upsell them. And we've recently done that with the Showtime channel, which actually proved that it was a better upsell channel that, in fact, in terms of attracting subscribers than YouTube. We also have bundled some of our products. So in the case of Showtime OTT and CBS All Access, we created a combined bundle at a discounted price and sold that through an over-the-top distributor also to great effect. So absolutely, there are opportunities to create value. And Tom, and I'll turn it to Tom next, is working on a more seamless version of this ecosystem, which we believe would create even better in the form of lowering acquisition costs, managing churn, increasing lifetime value. So yes, we think the ecosystem is a really powerful concept, and that's why we're so focused on it. Tom?

Thomas Ryan - *ViacomCBS Inc. - President & CEO of Streaming*

Yes. So as Bob said, we've been on the upsell opportunities within our free ecosystem now for the better part of the year. We've been having increasingly more effective and exciting results. Bob mentioned the Showtime Selects opportunity that -- where we spun up a channel on Pluto TV, driving more impressions for Showtime than the same viewership did on YouTube. We're doing the same -- we've been doing the same thing

on CBS All Access. And of course, we'll be launching a similar channel for Paramount+. However, the super funnel really allows us to take advantage of different parts of our system, not just our #1 free ad-supported streaming TV service in Pluto TV, but our #1 reach in linear television across all demographics and our #1 spot in digital. So we see big opportunities for bundles going forward. We'll have more to announce on that soon.

Robert Marc Bakish - *ViacomCBS Inc. - President, CEO & Director*

Yes. And then, Ben, to the second part of your question, which really speaks, I think, more broadly to the question of profitability and investment, I would say the following. Number one, we are very excited about the long-term potential of streaming to be a nicely profitable business ViacomCBS as a whole. We think that because the size of the opportunity is massive, as we talked about, 1 billion SVOD subscribers, \$100 billion SVOD revenue potential, \$50 billion AVOD market, and we think we've got a strategy that gives us some advantages in terms of turning that into our profitable business by having a dual revenue stream, by having the ability to leverage content across multiple channels, multiple services, multiple windows. And so over time, we think that is going to contribute very nicely to the company. In the short to medium term, however, we are focused on the growth, and it will require investment to realize that growth. And I think that the plan we laid out today is very consistent with what we said back in our Q3 call, which was that we are going to have to increase our levels of investment in streaming in 2021 as we begin down that path, and we're excited about what that's going to unlock in the long term.

Anthony Joseph DiClemente - *ViacomCBS Inc. - EVP of IR*

Why don't we take our next question from Rich Greenfield at LightShed.

Richard Scott Greenfield - *LightShed Partners - Partner and Media & Technology Analyst*

Can you hear me?

Anthony Joseph DiClemente - *ViacomCBS Inc. - EVP of IR*

Yes.

Richard Scott Greenfield - *LightShed Partners - Partner and Media & Technology Analyst*

When CBS All Access was created, the affiliates were clearly your partner. But it appears that the affiliate content, meaning live TV, I think you said will not be part of the base streaming tier for Paramount+ just based on price, I presume would be the one most consumers choose, but it will still have most valuable affiliate content, which is the NFL. And so I just wanted to understand, first, are the affiliates okay with these changes that you're making. Like have those deals been worked out with all of the affiliates? And then number two, I think David Devons mentioned that he's producing one of the most exciting shows, new shows exclusively for Paramount+ but out of the Showtime development team. He had a show like Billions or that new show which look great called Yellow Jackets are going to showtime. And I guess, maybe for Bob, how do you decide what goes where? I guess it was just not clear. Like who's choosing which goes to Showtime versus what goes to Paramount+? And that works out would be great to understand.

Robert Marc Bakish - *ViacomCBS Inc. - President, CEO & Director*

Yes. So Rich, let me jump in. I'll actually take both of them. So first of all, what we announced today, we absolutely have the right respect to the \$4.99 tier. Second, we have partnerships of all sorts of dimensions across this industry, including with the distribution community, and that obviously includes MVPDs, stations and other types of distributors. And so as we move forward and transform businesses, we are, for sure, sensitive to those partnerships. The station side, obviously, the live local feeds are in the \$9.99 version of the product. The stations participate economically in that and in that growth. They get their local news exhibited there, et cetera. So we are sensitive to it. At the same time, we are also moving forward with

a simplified version of the product that we think meets the market. As to the split of subscribers over time, we'll have to see. They're both compelling for different reasons.

The second part of your question, Showtime, the first thing I'd say is on Halo, that show was commissioned when there was no vision for Paramount+. As David said, it's been in development and now in production for some time. And we came to the conclusion, he and I jointly, that the characteristics of that show were better linked to a broad product of Paramount+ than Showtime as we look to get the most possible value out of it. At the same time, the other shows you mentioned, including Yellow Jackets, which looks phenomenal, I mean, they are, if you will, classic Showtime in that they are definitely edgier. They are definitely riskier. They are definitely a little bit more visually jarring, a.k.a, a little less mass market. And so we like them in the Showtime lane. And by the way, Showtime has been doing fantastic. As David said, it's had a great one financially this year. It's had 2 back-to-back strong years on the over-the-top subscriber side, and the trajectory looks quite good, particularly as it stays in this premium lane where others kind of move around a bit. So we like Showtime in its lane. I'm really excited about the slate. And by the way, if you haven't seen Your Honor, you really should, Rich. That was a show we released in the fourth quarter. It's the biggest hit, a new hit of the year on Showtime, and it's fabulous. So hopefully, that helps.

Anthony Joseph DiClemente - *ViacomCBS Inc. - EVP of IR*

Yes. Your honor is gripping. Why don't we take our next question from John Janedis at Wolfe Research?

John Janedis - *Wolfe Research, LLC - MD & Senior Media Analyst*

Great. Can you talk a little bit more about the pricing strategy? As you know, Netflix continues to enjoy pricing around the top end of the market, and been spending a lot of money and price to take share. So over the long term, how are you thinking about pricing power? And how relevant is the price point of the other services in the market after the initial land grab, given what seems to be a pretty big commitment on the programming side?

Thomas Ryan - *ViacomCBS Inc. - President & CEO of Streaming*

Sure. I'll take that. So we came up with the pricing strategy because we wanted to, one, serve the greatest addressable audience, which we think the 2 tiers does. And also, the 2 tiers allow us to drive both subscription and advertising revenue. And in addition, the \$4.99 tier gives us greater flexibility in how we go-to-market with distribution partners. The \$4.99 tier has way more content than CBS All Access had. The \$9.99 tier has more live sports, more breaking news and it has no ads. And so we came up with those by doing a variety of research, listening to customer and understanding what we thought would be the price points that would allow us to address the greatest possible audience. And so we think that those are great places for us to be. Over time, if -- as we see success, we'll revisit those price points. But right now, we think that those are the best price points to go to market with, and they're clearly very competitive in each of their respective lanes.

Anthony Joseph DiClemente - *ViacomCBS Inc. - EVP of IR*

Great. Let's take our next question from John Hodulik at UBS.

John Christopher Hodulik - *UBS Investment Bank, Research Division - MD, Sector Head of the United States Communications Group and Telco & Pay TV Analyst*

Can you hear me?

Anthony Joseph DiClemente - *ViacomCBS Inc. - EVP of IR*

Yes. Yes. Go ahead.

John Christopher Hodulik - *UBS Investment Bank, Research Division - MD, Sector Head of the United States Communications Group and Telco & Pay TV Analyst*

Okay. Great. First, thanks for all the info that you guys shared today. 2 quick ones. I think, first of all, and you guys may have gone over this, but is the \$4 billion in content spend all incremental to the sort of total company spend in 24? And then second, any clues you can give us in terms of the expected advertising ARPU component of the ad-supported tier? Any targets or any of the sort of components you can give us to sort of build up to a number?

Naveen Chopra - *ViacomCBS Inc. - Executive VP & CFO*

Yes. I'll start on the first part of your question in terms of content spend. Just to be clear, we didn't provide any specific guidance about total company content spend. But let me give you some context for that in general because I think it's very important to recognize that, as a company, we spend about \$15 billion in content investment. That's what we had budgeted for 2020. And what that does in terms of the strategic value for us that ultimately benefit streaming, I think, goes well beyond the \$5 billion that we have sort of allocated from a financial perspective in our 2024 goals. That \$15 billion investment creates and gives us access to content that would be very difficult to do with a smaller level of spend. It builds a phenomenal platform for promotion and driving awareness of our streaming services. And it feeds a library that ultimately becomes very, very valuable for streaming. Over time, the mix of that \$15 billion in terms of how much is dedicated to streaming versus how much is sort of doing double duty between multiple distribution channels will evolve. And we think that's going to be a really powerful component for driving our streaming services going forward here.

In terms of the second part of the question in terms of the component that was advertising-related, we're not breaking out the specific composition of the \$7 billion of revenue that we hope to achieve in 2024. We do think advertising is going to be a meaningful part of it. You can look at the -- our current streaming revenues. You can see that advertising is -- we did about \$1.4 billion of digital video advertising in 2020. We've got tremendous momentum. That business is growing at close to 70%. And we're seeing strong growth in MAUs and we're adding to the monetization potential on services, not just Pluto but also Paramount+ through the introduction of the lower-cost tier. So we do think that advertising will be a major piece of what our business looks like going out into the future.

Anthony Joseph DiClemente - *ViacomCBS Inc. - EVP of IR*

Let's take our next question from Robert Fishman at MoffettNathanson.

Robert S. Fishman - *MoffettNathanson LLC - Analyst*

Great. Can you speak more about how important Paramount+ is for your future sports rights negotiations, either as an exclusive home for new games, or a hybrid approach for new rights going forward, including the upcoming NFL renewal.

Robert Marc Bakish - *ViacomCBS Inc. - President, CEO & Director*

Sure, Robert. So as I say, Paramount+, live sports, breaking news, mountain of entertainment, the live sports component, we believe, is compelling. From a subscriber acquisition and from an engagement standpoint, we obviously exhibit a variety of sports on CBS, and by extension today on Paramount+, whether it's the NFL, the NCAA, Golf, we recently did a deal UEFA, which is overwhelmingly now Paramount+, it was CBS All Access with little bit of CBS carriage. I think that's a good example of a hybrid deal that you mentioned because what it allowed us to do was get exclusive products for Paramount+ but also help the leagues in terms of their audience development longer term by benefiting from broadcast. So we think

Paramount+ is an important -- it's obviously a critical product for us. Overall. It is an integral part of our sports paradigm. I talked with Sean McManus a lot about that, including today. Sean runs CBS Sports. and yes, going forward, you will see us use that platform as a key component of our overall sports business. Some of it will be exclusive to Paramount+. Some of it will be broader.

Anthony Joseph DiClemente - *ViacomCBS Inc. - EVP of IR*

Let's take our next question from Steve Cahall at Wells Fargo.

Steven Lee Cahall - *Wells Fargo Securities, LLC, Research Division - Senior Analyst*

Yes. Sorry about that. So Bob, you talked a little bit about churn in one of the previous questions. And I think a lot of managing streaming is about managing churn. So maybe just help us think through the decision to continue to keep Showtime and Paramount+ separate because it does seem like there's a lot of premium content on both. And now you kind of got one content budget but sitting with 2 services that might have higher churn as a result. And then just on the subscriber guidance, any kind of big buckets of splitting that between maybe domestic and international for us?

Robert Marc Bakish - *ViacomCBS Inc. - President, CEO & Director*

Sure. So Steve, again, we like the 2 lanes that we see, one for Paramount+, one for Showtime. They both -- Paramount+ in its prior iteration, CBS All Access and Showtime, had very strong performance on the subscriber side and subscriber revenue side. And they both have distinct positionings, and we believe in brand positionings. We think that's important consumers to understand what they're, in this case, buying and help them navigate a sea of choice. And again, the positions of Showtime versus Paramount+ are different. We are going to run a combined product outside the United States. It will be called Paramount+, and it will include Showtime. So we will have the benefit of looking at both configurations, and we can look at a variety of metrics as we do that, including, as you stated, churn. But at the moment, we like the split play in the U.S. We believe that will allow us to generate larger overall revenues and maintain real positioning power against the competitive landscape. In terms of your guidance...

Steven Lee Cahall - *Wells Fargo Securities, LLC, Research Division - Senior Analyst*

On the domestic international split?

Naveen Chopra - *ViacomCBS Inc. - Executive VP & CFO*

Sure. We're not providing an explicit breakdown between domestic and international in terms of our long-term goals. I will say that we think they are both very important. As I said earlier, we look at streaming as a global opportunity. And we have big ambitions, both for domestic subscriber growth as well as international subscriber growth and an advertising business across the board. And the reality is depending on the pace at which we launched in international markets, you may see that split actually evolve over time. But as I said, we're really focused on the global opportunity.

Anthony Joseph DiClemente - *ViacomCBS Inc. - EVP of IR*

I think we have time for one last question. We'll take our last question from Vijay Jayant at Evercore ISI.

Vijay A. Jayant - *Evercore ISI Institutional Equities, Research Division - Senior MD and Head of Media, Entertainment, Cable, Satellite & Telecommunication*

Hope you can hear me. So I'm just trying to understand sort of the economics of this business. So if you look at your legacy business today, which did something on just in the domestic market, when you look at affiliate and advertising, it's something like \$17 million, \$18 billion. And if you divide that by the 70-odd million subscribers in the U.S., it's about \$18 per subscriber a month. When you talk about your pricing for these products,

obviously, you don't know what the app component is. How is this going to be accretive to the enterprise long? Is it going to be -- do you think there'll be better margins here? Or the scale will be so substantial that it will kind of compensate for, obviously, the leaner businesses got secular pressures. I'm just trying to understand the accretiveness of this transaction -- of this plan.

Robert Marc Bakish - *ViacomCBS Inc. - President, CEO & Director*

Naveen, you want to take that?

Naveen Chopra - *ViacomCBS Inc. - Executive VP & CFO*

Yes, I'm happy to jump in that. At the end of the day, I mean, you kind of hit on the 2 key components in your question. We do think that, over time, scale present a tremendous opportunity in streaming. We have the ability to distribute our content in more places and in more channels than we could in the traditional model, where we're dependent on -- generally on MVPD distribution. And number two, we think the dual revenue stream approach can be really valuable in the streaming context and the ability to, over time, generate incremental ARPU, both from subscribers but even more so in the form of advertising revenue is something that we are very bullish about. And we there's a long track record of being able to generate incremental advertising revenue as our viewership becomes more and more valuable to advertisers. So we do think, obviously, in the short term, we're not able to put all of that together instantaneously in terms of the per-sub economics. But over time, we are really excited about that opportunity.

Robert Marc Bakish - *ViacomCBS Inc. - President, CEO & Director*

And the other thing I'd just add to it is Pluto. Implicit in your numbers, I think, are the pay side of the business, particularly when you look at the scale. But we see Pluto as another very meaningful business. It's obviously 100% ad-supported, but it is not only domestic. It is global. So you really should add that into the equation as well because as that continues to scale, it also is a very powerful tool for advertisers to use. You see them ramping in its consumption very materially as we speak. And so that is additive to the total enterprise as well. So we are very excited about the future trajectory of the business, our ability, first and foremost, to serve consumers, but then, obviously, to monetize that through multiple revenue streams, subscription, advertising and, to a lesser extent, things like ancillary and consumer products.

Anthony Joseph DiClemente - *ViacomCBS Inc. - EVP of IR*

Well, thanks, Vijay, and thanks, everyone, for your questions and for joining us tonight. With that, I'm going to hand it back to Bob for some closing remarks. Bob?

Robert Marc Bakish - *ViacomCBS Inc. - President, CEO & Director*

Yes. Thanks, Anthony. Look, on behalf of the entire ViacomCBS leadership team, thank you for joining us today. I know the session was long, but we appreciate that you stuck with us. It was a little more than a year ago when the ViacomCBS merger closed. And at the time, I said we were ready to hit the ground running to unlock value across this entire company. We'll fast forward a year, and you see our content position is strong. You see a real operating momentum. You can see it in our Q4 results. And those results were driven by the continuation of, and really an acceleration of, a strategy that's clearly working. And those results include nearly tripling of our global streaming subscriber base and more than doubling of our streaming subscription revenue in the last 2 years. And that's obviously before we launched everything that you've seen here today. Now over the years, we've learned that if you want to stand out in entertainment, as in life, it helps to stand for something. And as we told you today, when it comes to streaming, we stand for something unique, an ecosystem of free, pay and premium streaming, underpinned in pay by the new Paramount+ service, which is a streaming service that combines live sports, breaking news and a mountain of entertainment. And it's a streaming service that will resonate with broad and diverse audiences and it's a streaming service that has a robust slate of originals, which will only grow by harnessing the combined hit-making power of this global content company. So we are tremendously excited about the role of ViacomCBS in the streaming future of media, and we look forward to delivering on our long-term goals for streaming and more because we know that will deliver growth and

shareholder value creation at this company. Lastly, I want to thank the team you heard from today and really all the amazing employees at ViacomCBS who are bringing our streaming strategy to life each and every day. And I want to thank all of you as well for your time and your support. Stay well, everyone. We'll talk to you soon.

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