



# CW Media Holdings Inc.

Q1 Fiscal 2010 Investor Conference Call  
January 21, 2010



## Forward Looking Statements

The following information contains forward-looking statements. These forward-looking statements are based on CW Media Holdings Inc.'s ("CW Media") current expectations and beliefs, as well as a number of assumptions concerning future events. These statements are subject to risks, uncertainties, assumptions and other important factors, many of which are outside CW Media's control, that could cause actual results to differ materially from the results discussed in the forward-looking statements. You are cautioned not to place undue reliance on such forward-looking statements because actual results may vary materially from those expressed or implied. All forward-looking statements are based on information available to CW Media on this date and CW Media assumes no obligation to, and expressly disclaims any obligation to, update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

## Highlights – Q1 Fiscal 2010

### **Total revenues up \$8 million or 8% versus prior year**

- Advertising revenue up 10% for the quarter
- Subscriber revenue up 5% for the quarter

### **Channels continue to show strength in rankings (Adults 25-54)**

- 3 of Top 10 analog channels with History Television at No. 5
- 4 of Top 10 digital channels with the top 3
- Average Minute Audience of Top 10 digital stations increased 32%
- DIY Network Canada successfully launched during the quarter
- Showcase, Showcase Diva and Action successfully rebranded during the quarter

### **Operating expense reduction of approximately \$2 million or 7% for the quarter**

### **Adjusted EBITDA growth of \$20 million or 45% before non-recurring items for the quarter**

- Favourable impact of a lower cost schedule and delayed Fall launches within our lifestyle channels contributed to a decrease of approximately \$10 million in direct operating expenses. This is not a permanent decrease in the year given our Canadian expenditure requirements.

# Rankings

- CW Media channels are some of the most-watched in Canada

Analog Stations		persons 25-54 AMA (in thousands)
1	TSN	80.6
2	YTV	48.2
3	Sportsnet National	45.4
4	Discovery SD	43.3
5	History	40.5
6	Teletoon Eng	39.0
7	HGTV	34.1
8	Space	33.5
9	Showcase	27.9
10	W Network	25.7
11	Food Network	23.1
12	Comedy	21.7
13	Tvtrópolis	18.4
14	Score	15.0
15	Slice	13.6
16	MuchMusic	13.5
17	Bravo!	13.1
18	CMT	13.0
19	CBC News Network	10.7
20	OLN	10.4
21	MuchMore	8.2
22	Weather	7.6
23	CTV News Channel	6.3
24	MTV	6.2
25	Star!	5.6

Digital Stations		persons 25-54 AMA (in thousands)
1	Action	16.0
2	National Geographic	10.5
3	Showcase Diva	9.8
4	TSN2	8.7
5	Teletoon Retro Eng	8.1
6	Mystery	6.9
7	MovieTime	6.2
8	Dusk	5.8
9	IFC	3.6
10	Deja View	3.5
11	Cosmo TV	3.4
12	BBC Canada	3.3
13	diy network	3.1
14	Discovery Civilization	2.6
15	Discovery Health	2.2
15	Leafs TV	2.2
17	G4Tech TV	2.1
18	Animal Planet	2.0
19	Game TV	1.8
20	Raptors TV	1.5
21	BIO	1.4
21	NHL Network	1.4
23	Sex TV	1.3
24	Drive In	1.2
25	BBC Kids	0.8

CW Media Channels  
 Canwest Television LP Channels

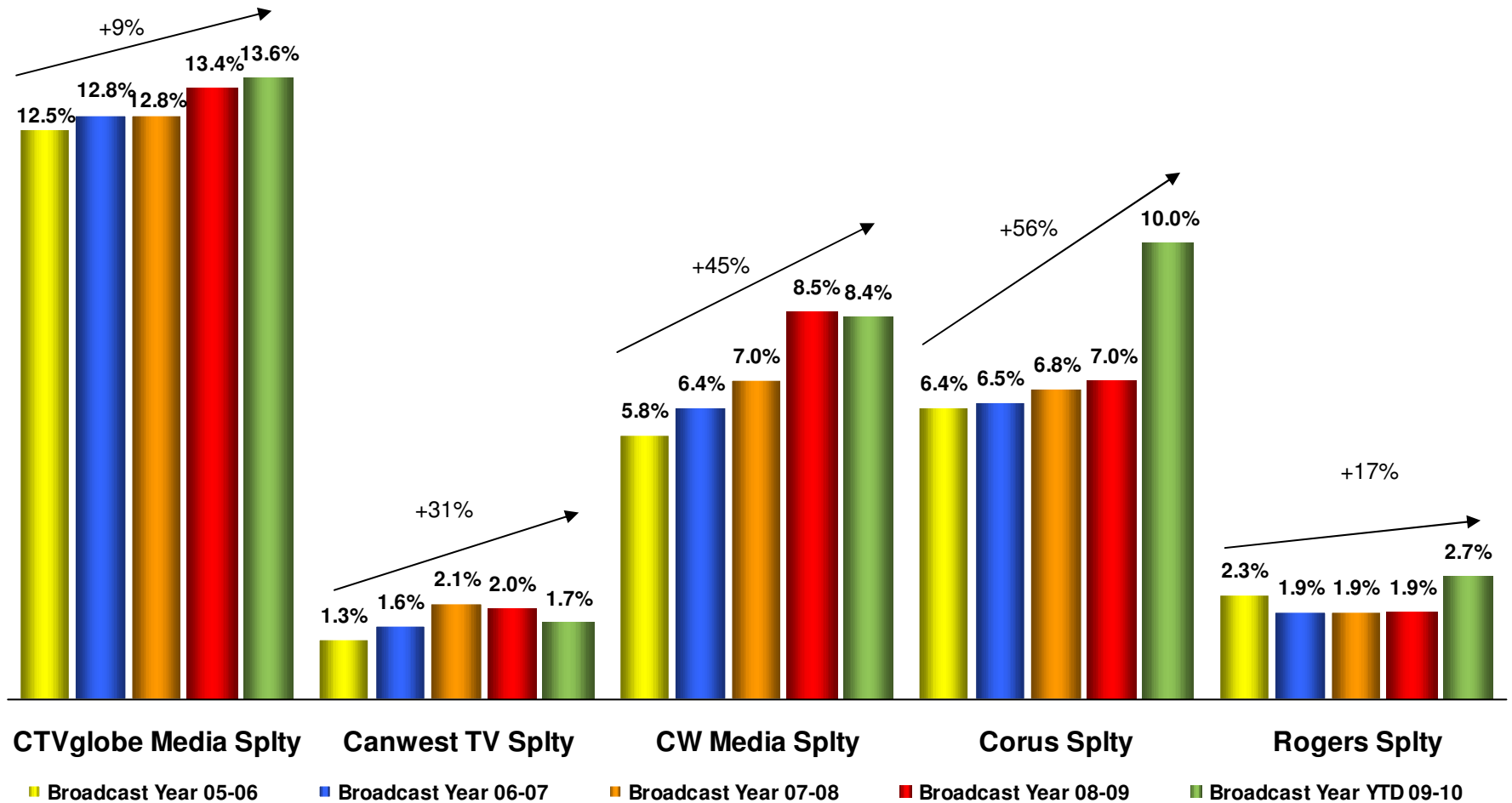
3 Channels in Top 10  
5 Channels in Top 20

4 Channels in Top 10  
7 Channels in Top 20

Source: BBM Nielsen People Meter Data for the period of August 31 – November 29, 2009

# Competitive Positioning

## Specialty TV Audience Share (Adults 25-54) Total Canada, M-Su 2a-2a



Note: Ref Channel: Share PPM Measured Stations/ Source: BY04-05 to BY 08-09 BBM NMR Data, BY09-10 Forward BBM Canada PPM, M-Su 2a-2a

# Financial Summary – Q1 Fiscal 2010

(C\$ in Thousands)	Three Months Ended November 30, 2009	Three Months Ended November 30, 2008	\$ Variance	% Variance
Advertising	\$73,122	\$66,660	\$6,462	9.6%
Subscriber	40,844	38,734	2,110	5.4%
Other	132	705	(573)	(81.3)%
<b>Total revenue</b>	<b>\$114,098</b>	<b>\$106,099</b>	<b>\$7,999</b>	<b>7.5%</b>
Direct operating expenses	29,214	39,691	10,477	26.4 %
<b>Direct profit<sup>1</sup></b>	<b>\$84,884</b>	<b>\$66,408</b>	<b>\$18,476</b>	<b>27.9%</b>
	74.4%	62.6%	N/A	11.8 %
Operating expenses	20,549	22,125	1,576	7.2%
Settlement of regulatory fees	(6,443)	-	6,443	N/A
Restructuring expenses	-	1,015	1,015	N/A
<b>EBITDA<sup>1,2</sup></b>	<b>\$70,778</b>	<b>\$43,268</b>	<b>\$27,510</b>	<b>63.5%</b>
Non-recurring items <sup>3</sup>	(6,443)	1,015	(7,458)	(734.8)%
<b>Adjusted EBITDA</b>	<b>\$64,335</b>	<b>\$44,283</b>	<b>\$20,052</b>	<b>45.3%</b>

<sup>1</sup> EBITDA and Direct profit are not recognized terms under GAAP, however, management believes these measures provide a more complete understanding of the factors and trends affecting the business.

<sup>2</sup> EBITDA is noted as Earnings before undernoted in the financial statements.

<sup>3</sup> Non-recurring items in the current period relate to the reversal of CRTC Part II fees for fiscal years 2007, 2008 and 2009 accrued at August 31, 2009 as a result of the settlement reached between the Canadian Association of Broadcasters and the Government of Canada in October 2009. Non-recurring items for the prior period are comprised of costs related to restructuring initiatives.

# Capitalization

(C\$ in Thousands)	Amount	% of Total Capitalization	November 30, 2009 EBITDA <sup>1</sup>	x LTM
Revolving Credit <sup>2</sup>	-	0.0%	-	x
Term Loan B <sup>3</sup>	451,867	29.6%	2.5	x
<b>Total Senior Secured Credit Facility</b>	<b>\$451,867</b>	<b>29.6%</b>	<b>2.5</b>	<b>x</b>
Senior Unsecured Notes <sup>4</sup>	348,005	22.8%	1.9	x
Capital Leases & Other Loans	1,507	0.0%	-	x
<b>Total Debt</b>	<b>\$801,379</b>	<b>52.4%</b>	<b>4.3</b>	<b>x</b>
Shareholders' Equity	726,945	47.6%	4.0	x
<b>Total Capitalization</b>	<b>\$1,528,324</b>	<b>100.0%</b>	<b>8.3</b>	<b>x</b>

<sup>1</sup> Multiples based on LTM November 30, 2009 Adjusted EBITDA of \$184.0 million.

<sup>2</sup> The total Revolving Credit Facility is \$50.0 million, of which nil is drawn at November 30, 2009.

<sup>3</sup> The indebtedness outstanding under the term loan facility is translated at the November 30, 2009 exchange rate of U.S. \$0.9473=\$1.00, as published by the Bank of Canada, and is presented net of debt issuance costs of \$10.0 million. CW Media has entered into a foreign currency interest rate swap agreement, resulting in a fixed interest rate of 8.7% based on a fixed currency exchange rate of U.S. \$0.9399=\$1.00 until February 2015. The fair value of this derivative financial instrument is a liability of \$67.1 million as at November 30, 2009.

<sup>4</sup> The Senior Unsecured Notes are translated at the November 30, 2009 exchange rate of U.S. \$0.9473=\$1.00, as published by the Bank of Canada. The Notes are presented net of debt issuance costs of \$7.7 million and include accrued interest of \$27.8 million. The Notes include the estimated fair value of the prepayment option of \$1.4 million as at November 30, 2009.

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Q&A