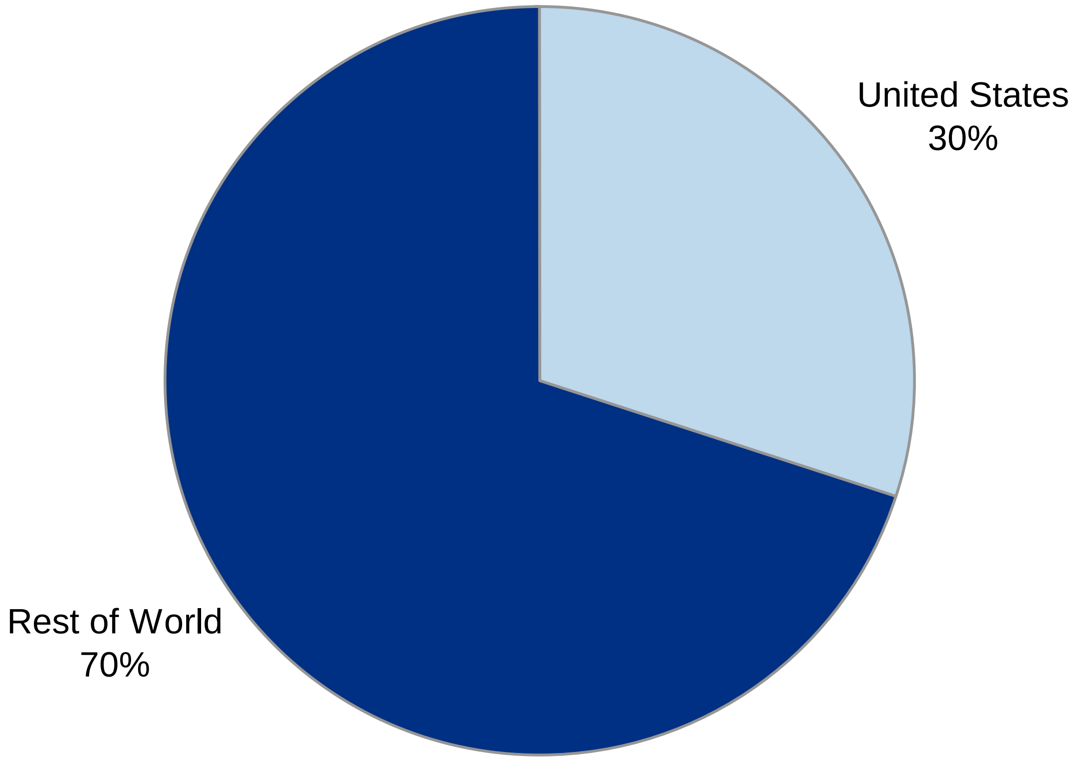
CTHRA Symposium – Financial Perspective

June 9, 2009

What's Going On?

U.S. Equity Market

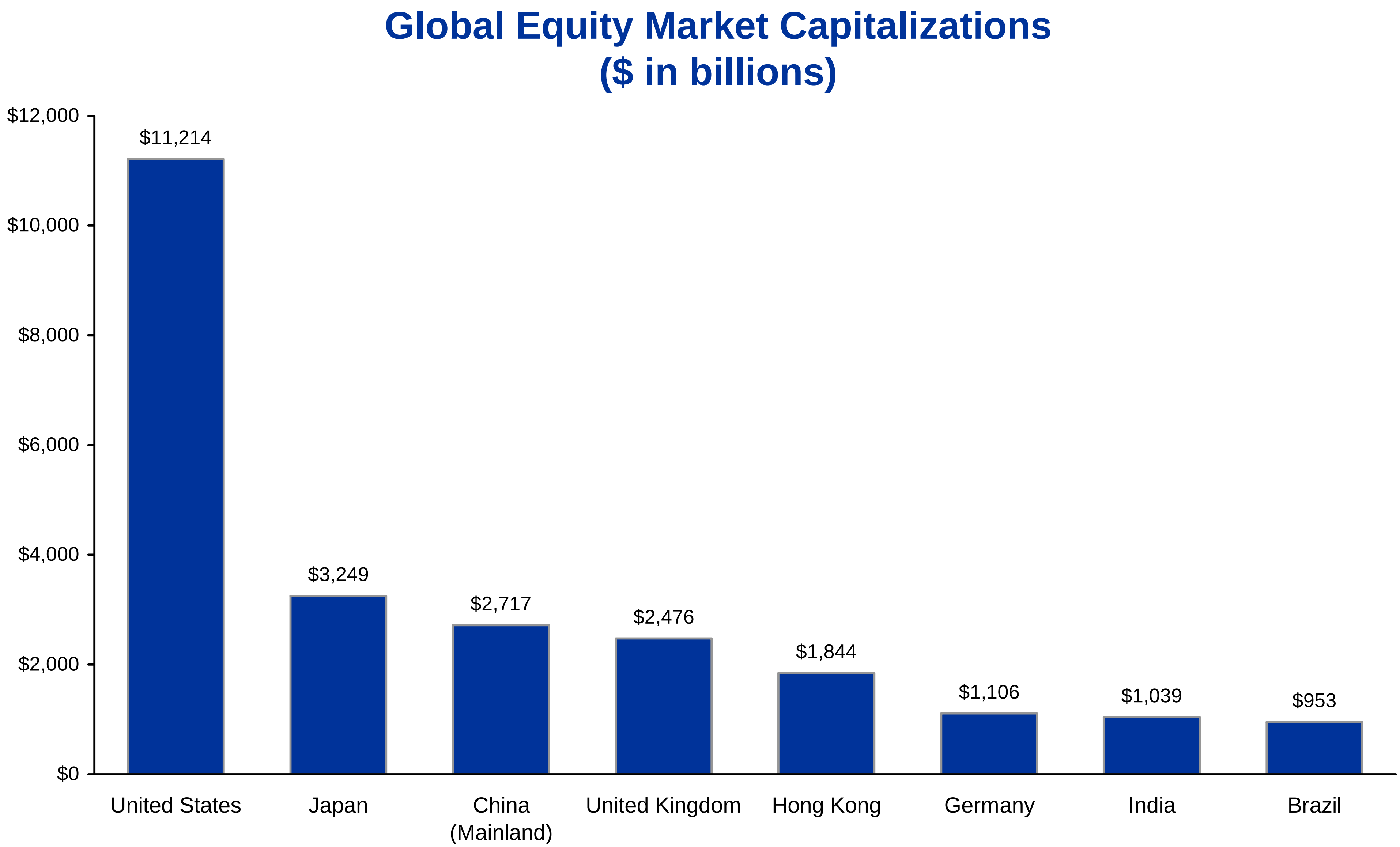
U.S. vs. Global Equity Market Capitalization
(% of Global Capitalization)



Current World Market Capitalization: ~$37.5 trillion

Source: Bloomberg World Market Cap Data as of 6/1/2009.

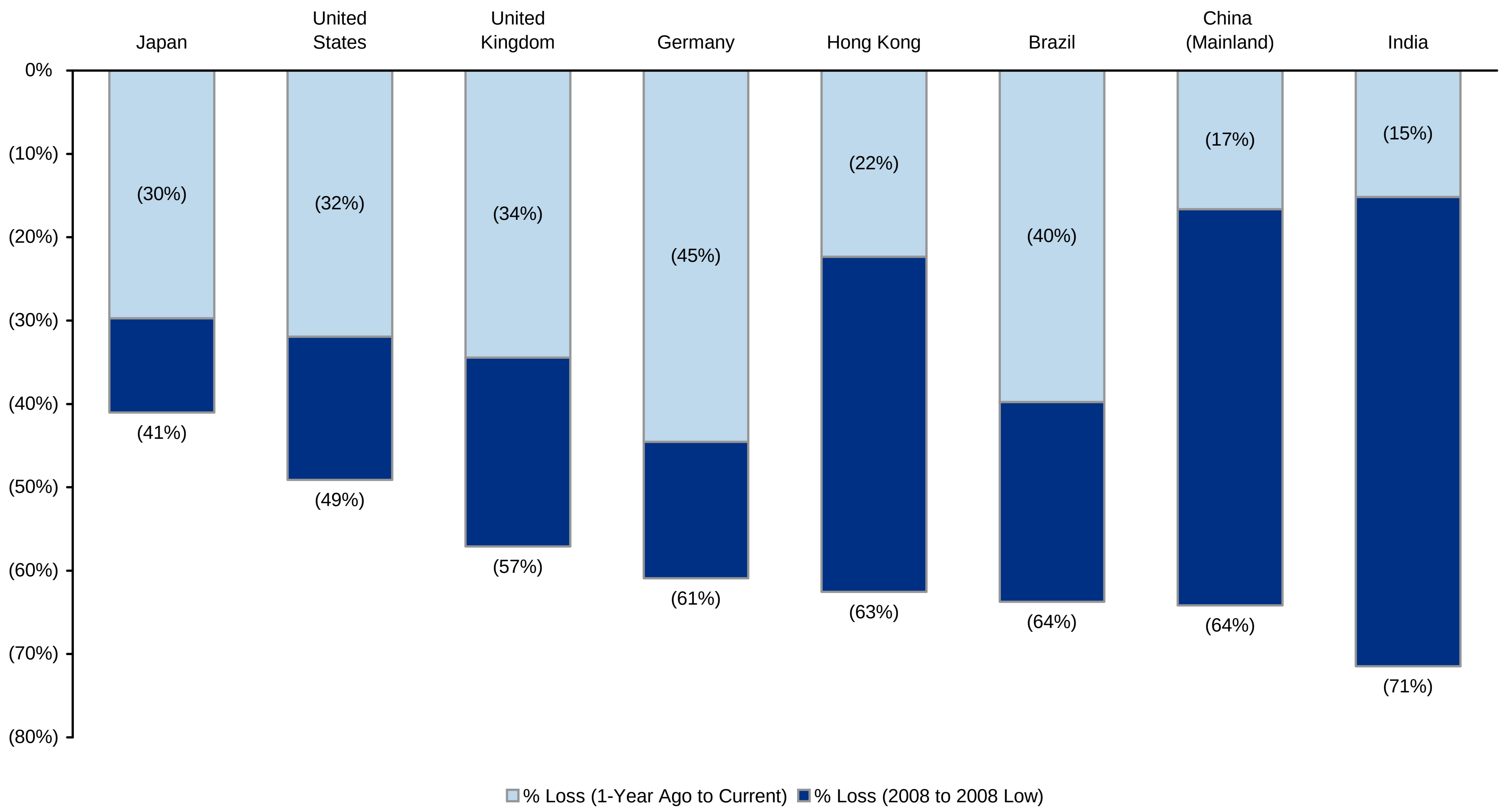
World Market Capitalizations



Source: Bloomberg World Market Cap Data as of 6/1/2009.

World Indices Stock Market Performance

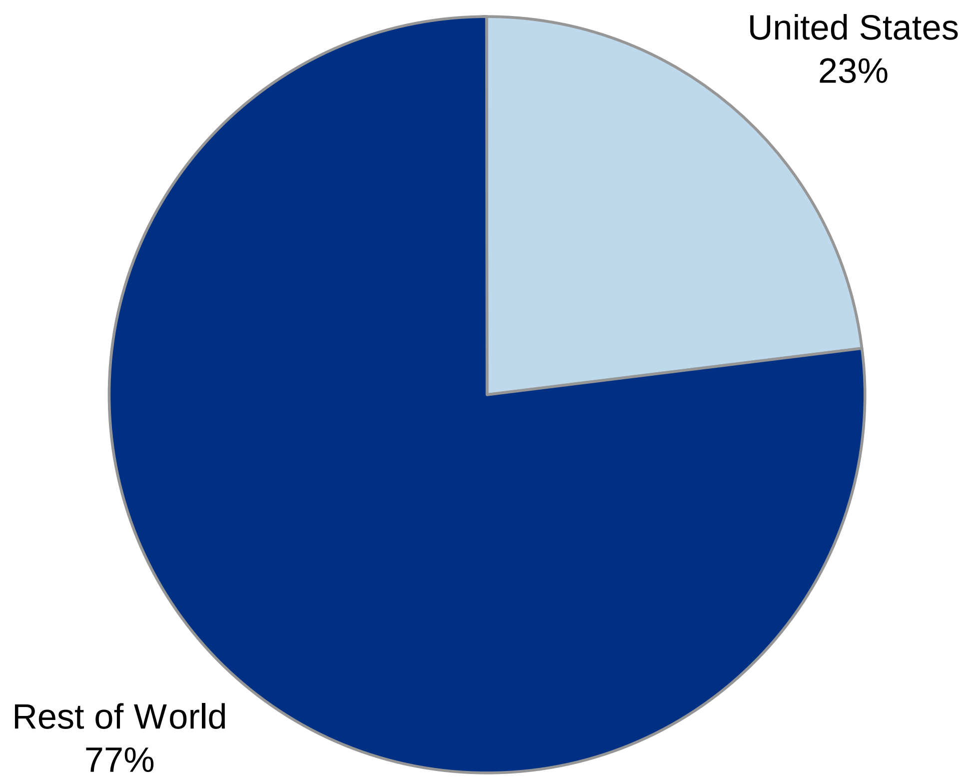
Percentage Loss in Market Capitalization



Source: Bloomberg World Market Cap Data as of 6/1/2009.

U.S. GDP vs. Global GDP

2008 U.S. vs. Global GDP
(% of Global GDP)

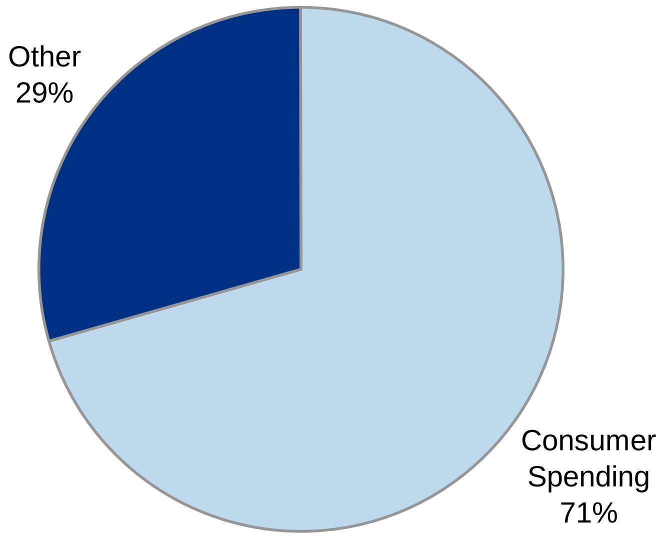


2008 Global GDP estimated to be $62.3 trillion

Source: CIA World Factbook.

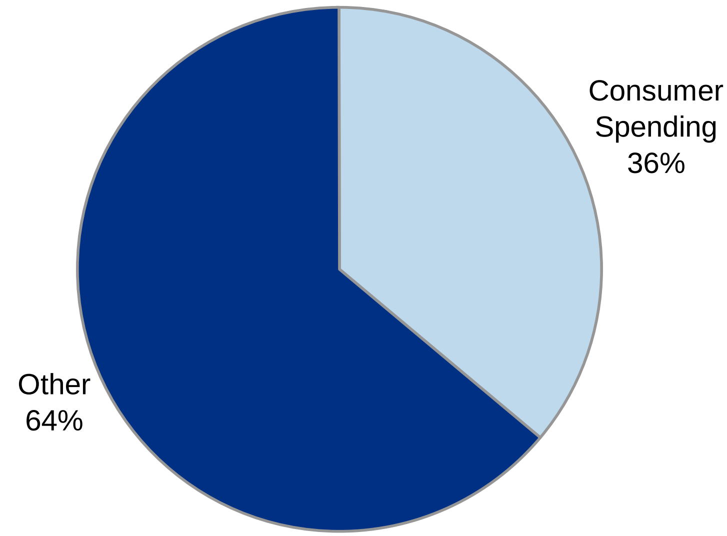
Consumer Spending

2008 Consumer Spending in the U.S. (% of Total GDP)



2008 Consumer Spending in the U.S.: $10.1 trillion

2008 Consumer Spending in China (% of Total GDP)



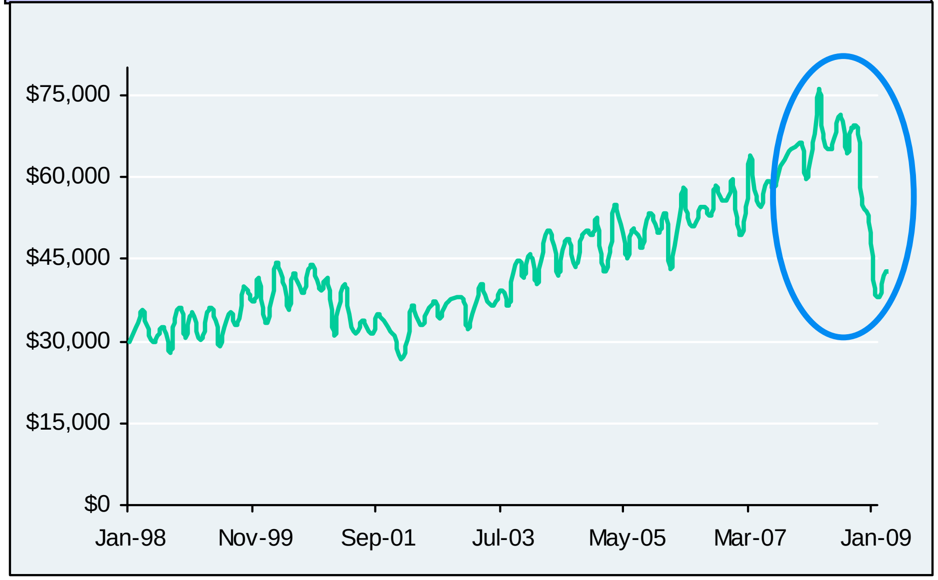
2008 Consumer Spending in China: $1.5 trillion

Source: The Economist Intelligence Unit.

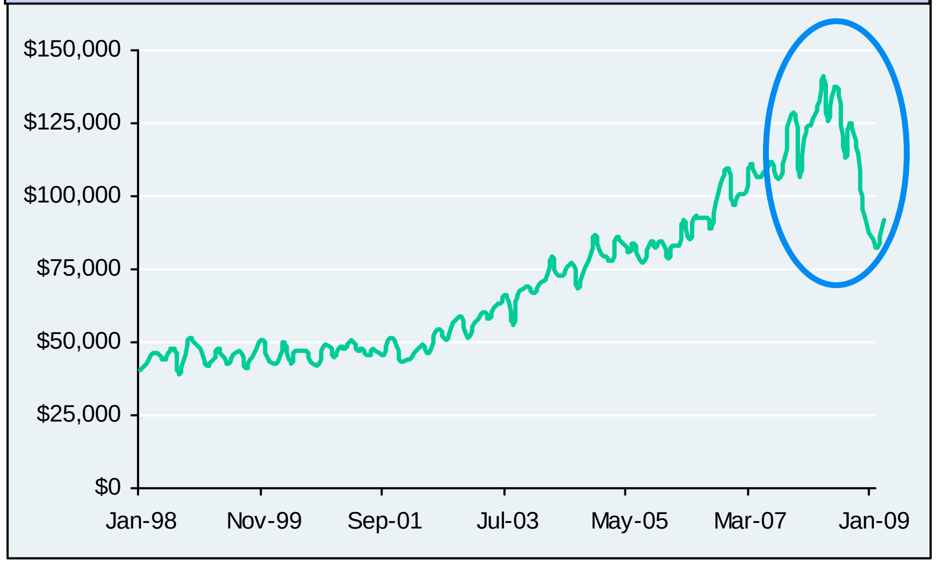
Export Activity Has Significantly Declined

China

Japan



Germany



Taiwan

Source: JP Morgan Economic Research 5/21/2009.

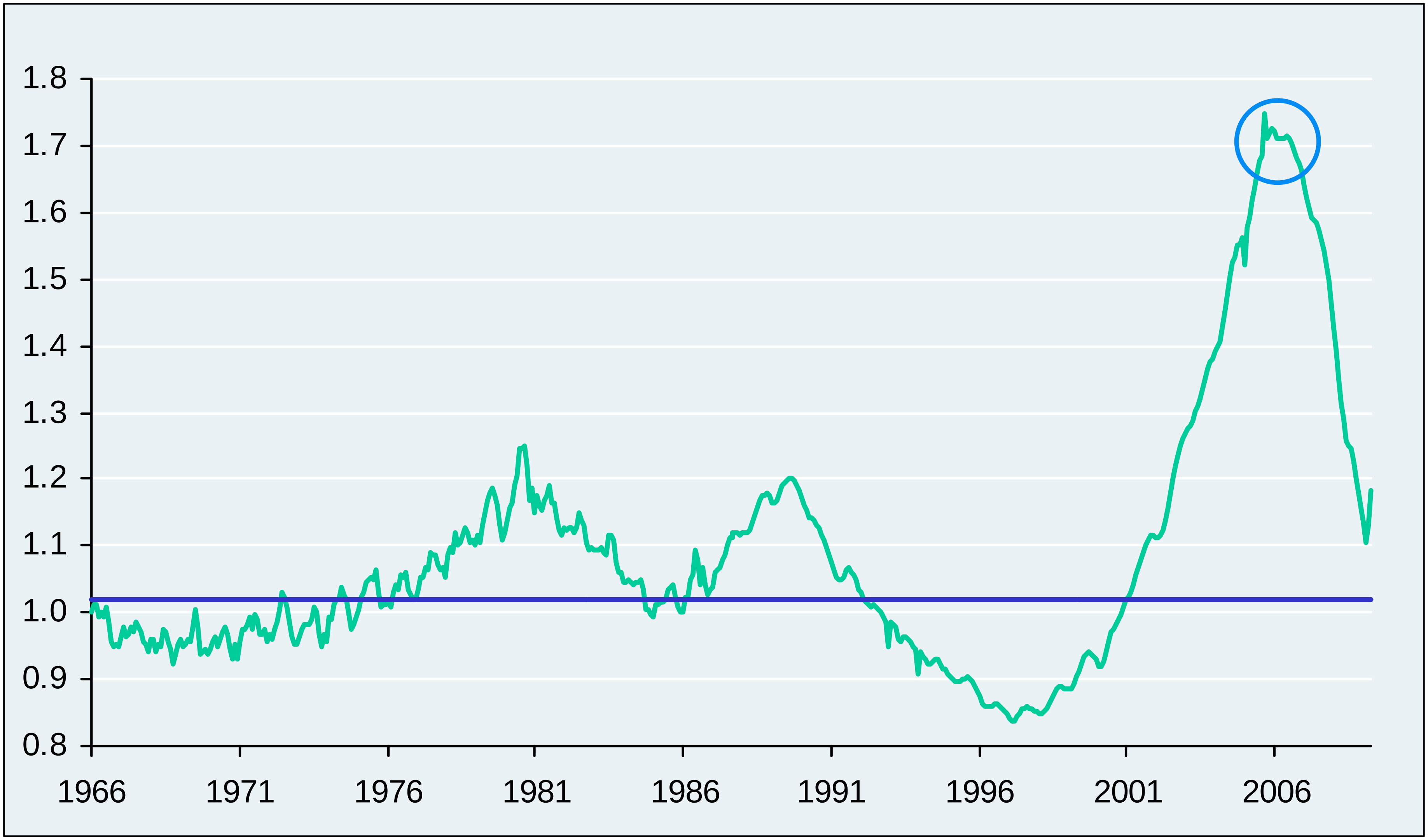
Current Financial Weakness

Why?

The Housing Bubble

Discovery Communications

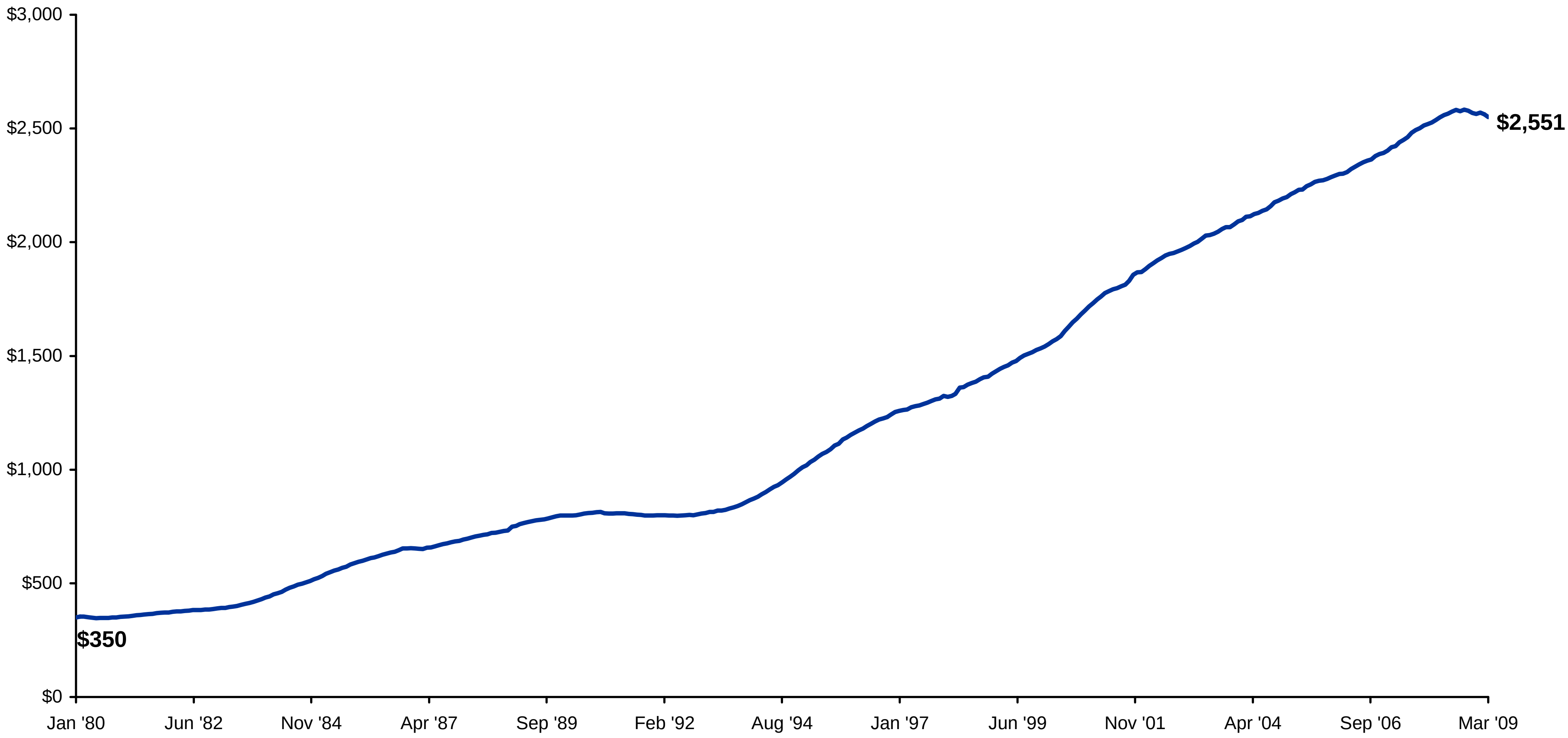
Ratio of Home Prices to Personal Income per Household



Source: J.P. Morgan Securities Inc., Bloomberg. Data as of 3/31/2009.
Personal Income is an individual's total earnings from wages, investment interest and dividends.
Home price is a composite of median sales price of existing homes prior to 1987 and the S&P Case-Shiller 10-City price index thereafter.

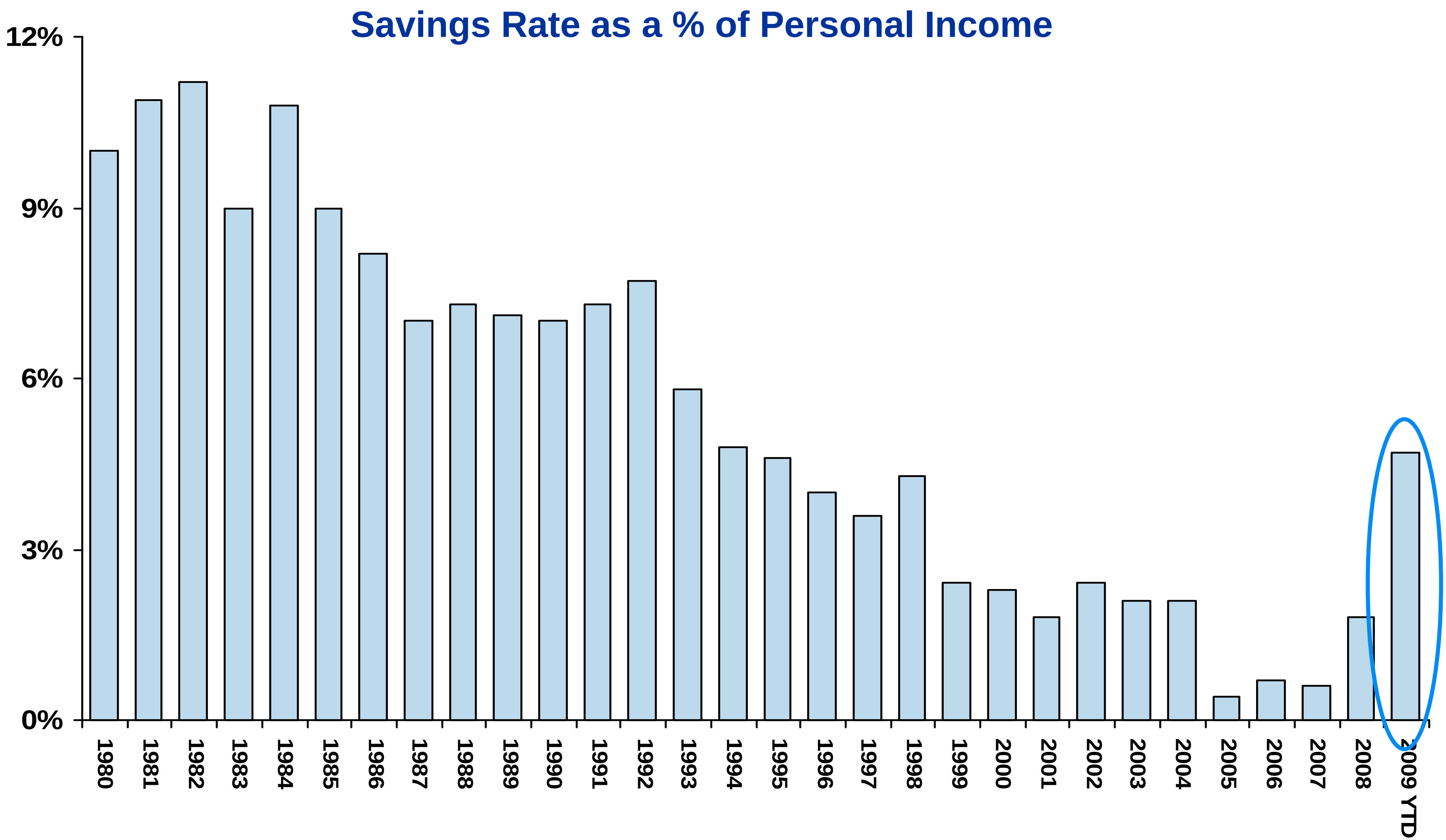
Consumers Are More Leveraged

Historical Consumer Credit Outstanding
($ in billions; Seasonally Adjusted)



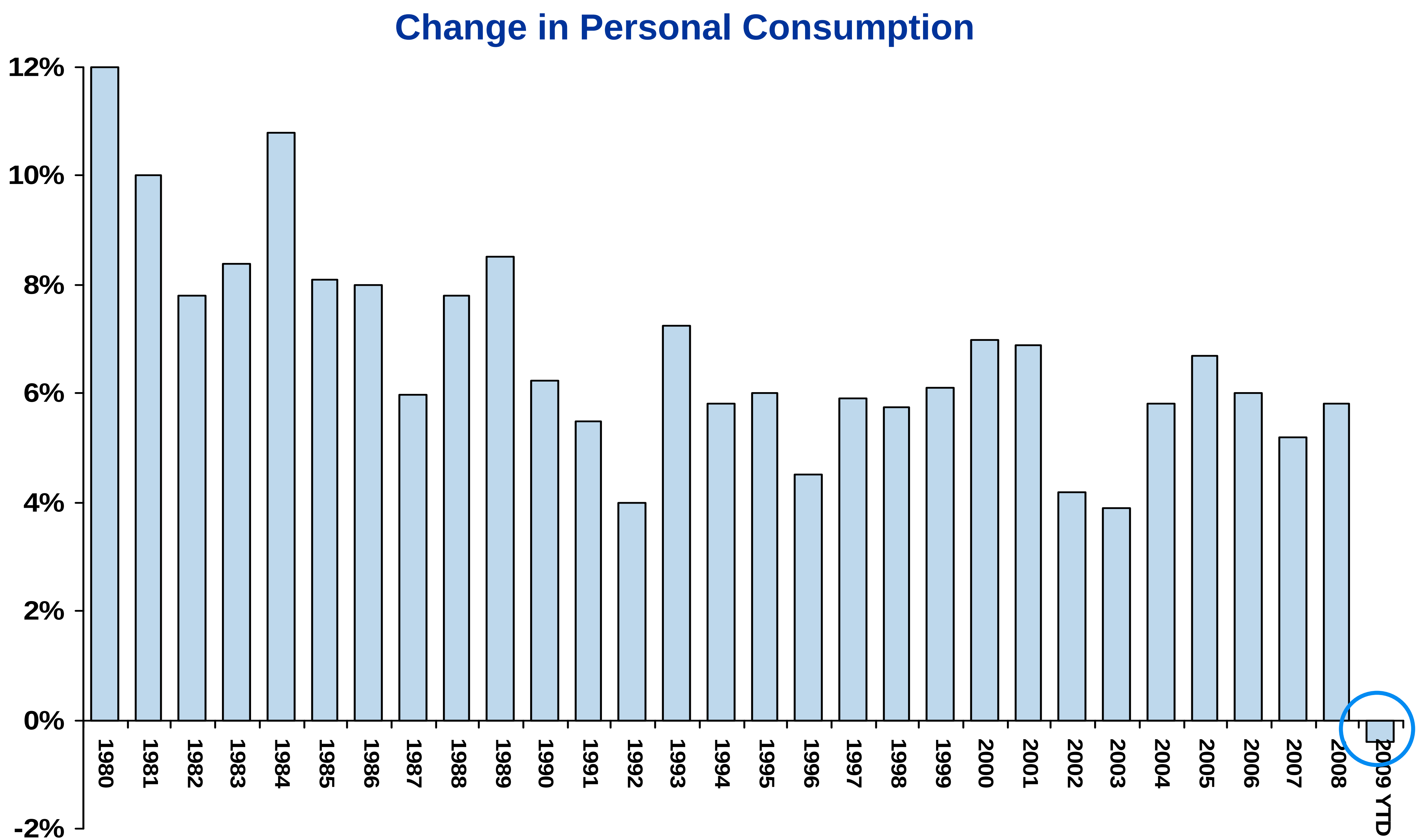
Source: Federal Reserve.

Consumers Saving Less



Source: Bureau e of Economic Analysis

Now Consumers Spending Less

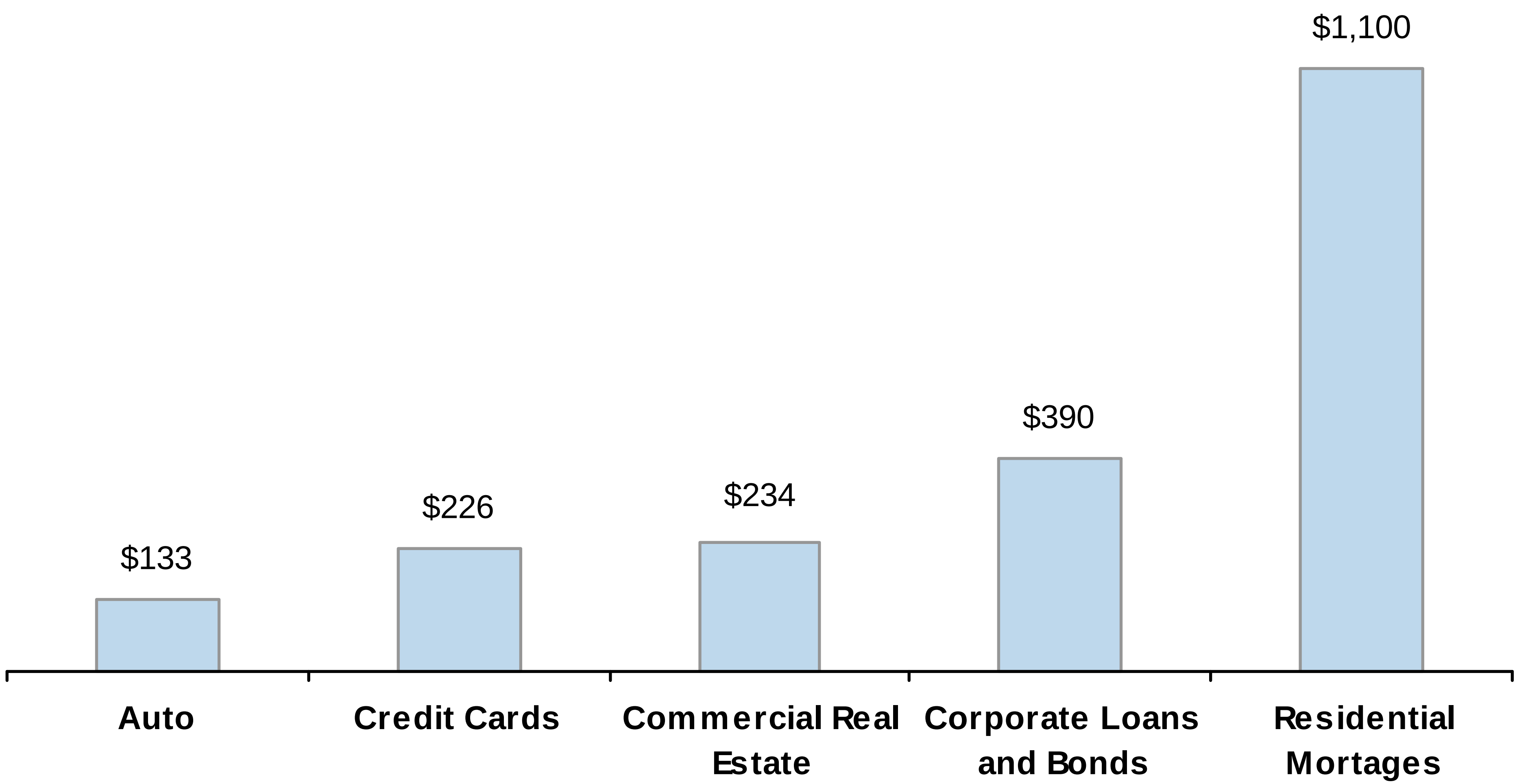


Source: Bureau e of Economic Analysis

Losses on U.S. Loans Will Surpass $2 trillion

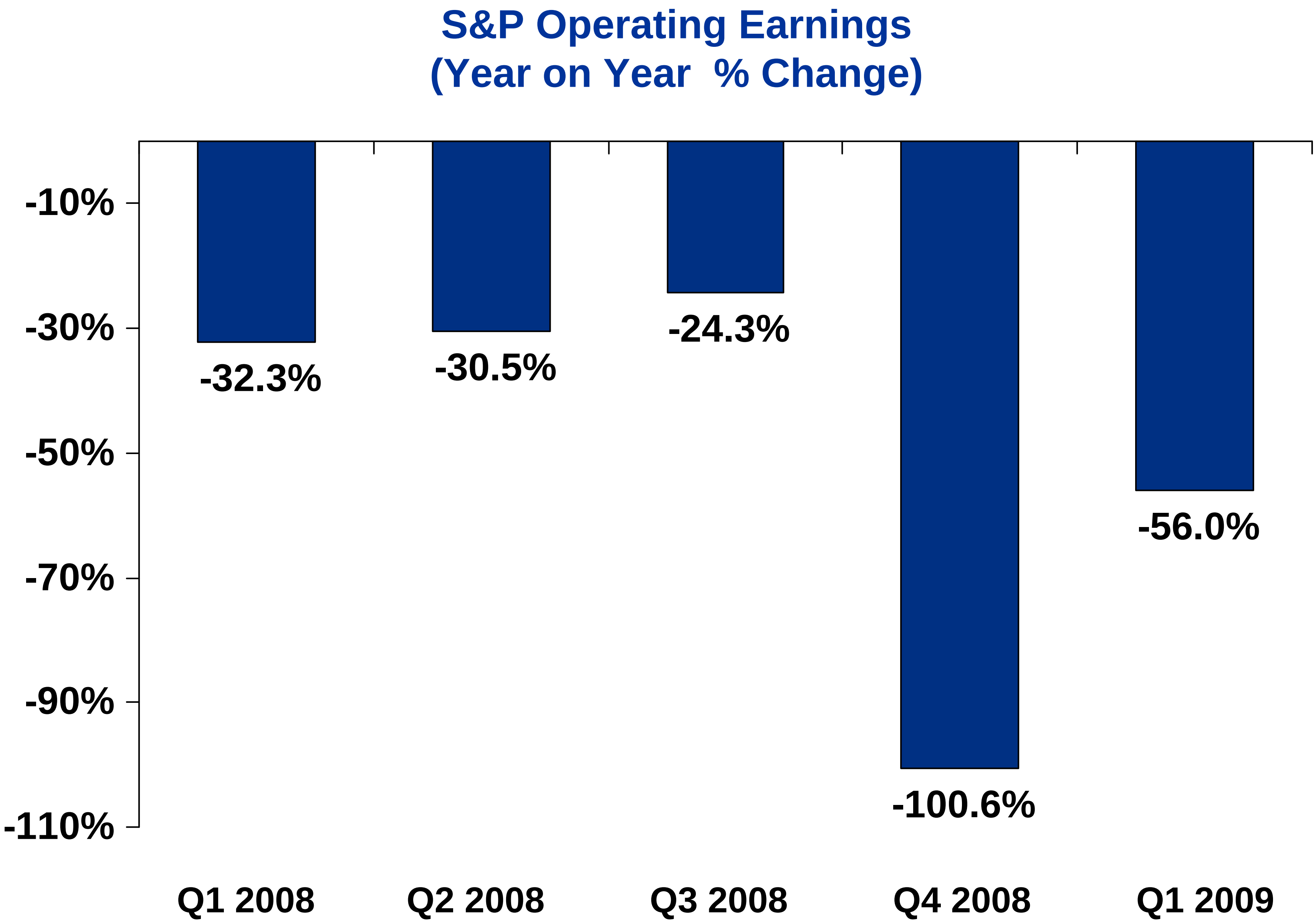
Discovery COMMUNICATIONS

Projected Losses on U.S. Loans Held by Investors and Banks World-Wide (in billions)



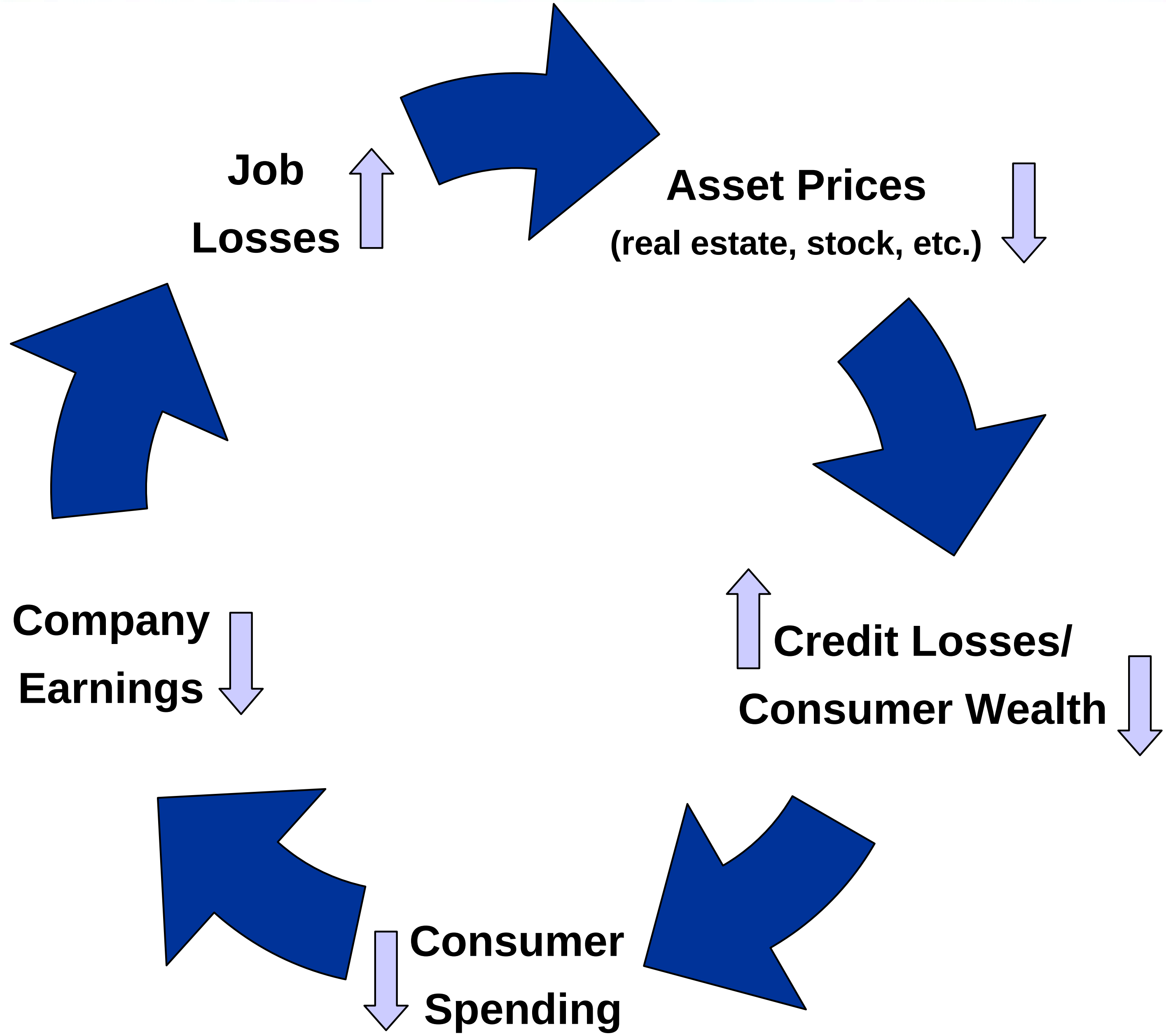
Source: Goldman Sachs per WSJ

S&P Earnings Declines



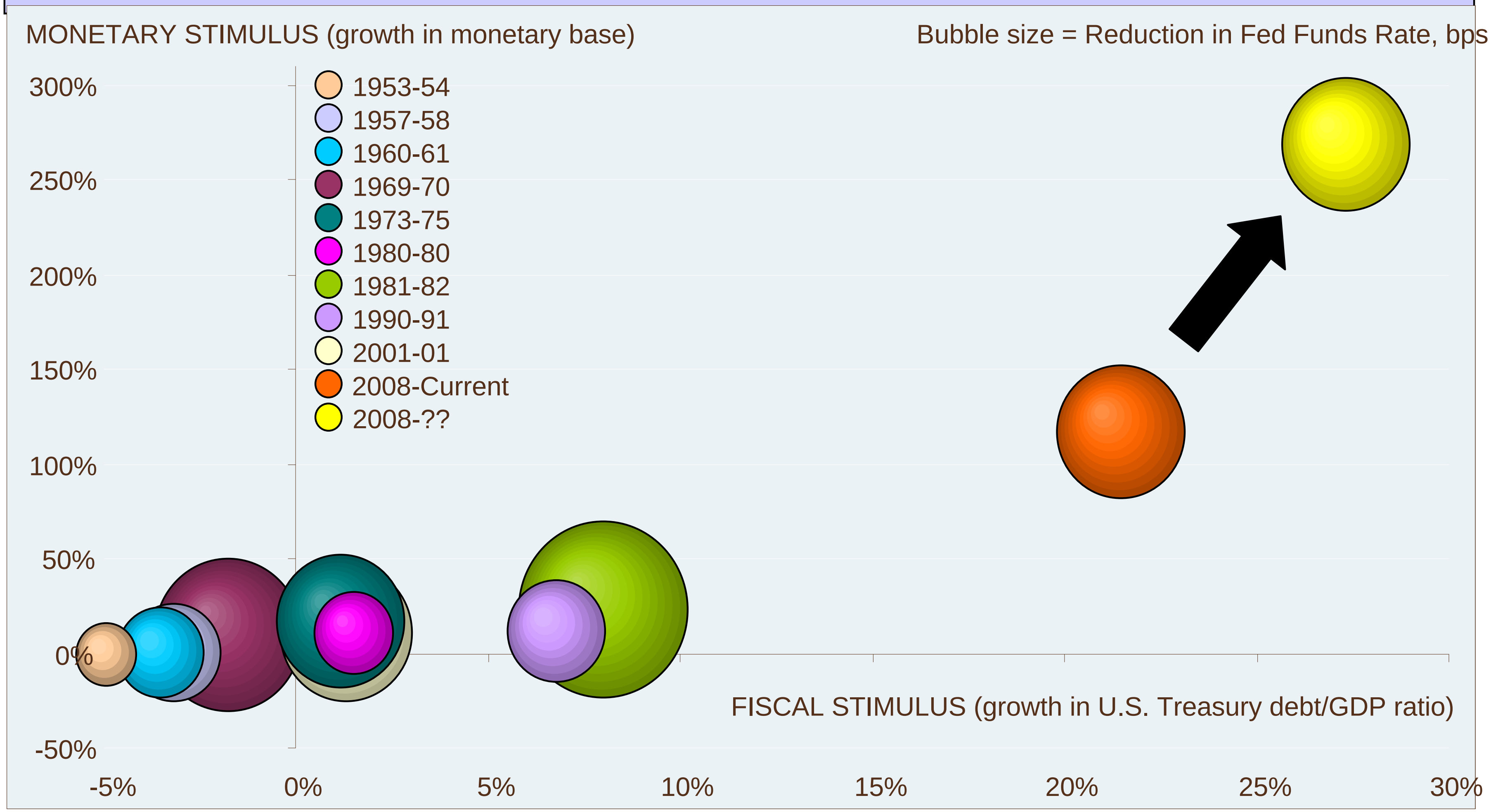
Source: Standard & Poor's Index Services.

Stuck in a Potential Negative Feedback Loop



Unprecedented U.S. Government Stimulus

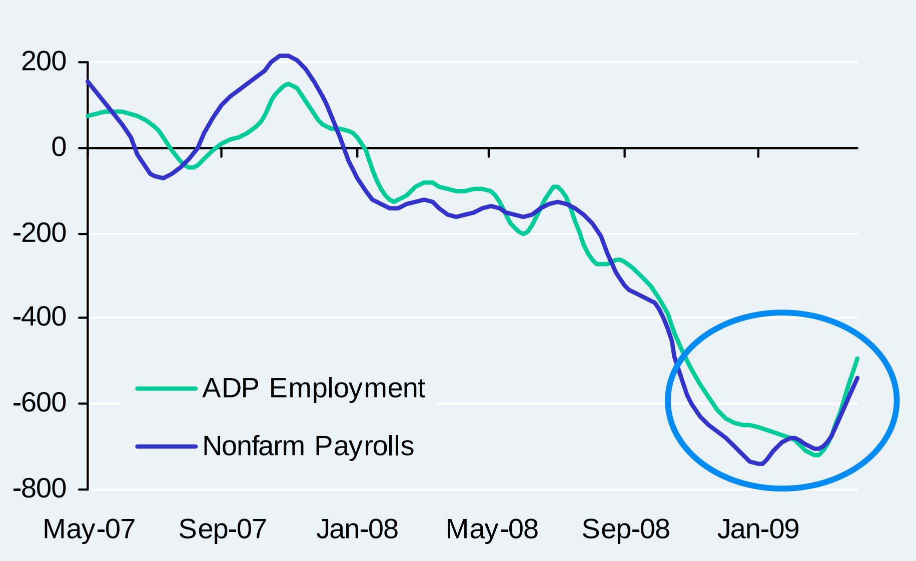
Public sector response to recessions since 1952



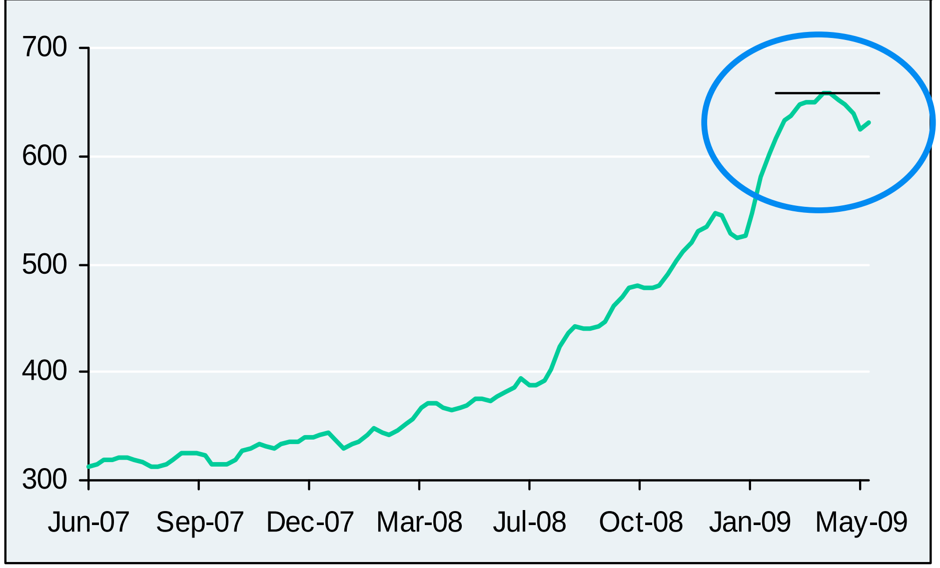
Source: J.P. Morgan Securities Inc., Federal Reserve, OMB, BEA. Data as of 4/22/2009, with FY 2010 estimate.

U.S. Labor Markets

Payroll employment



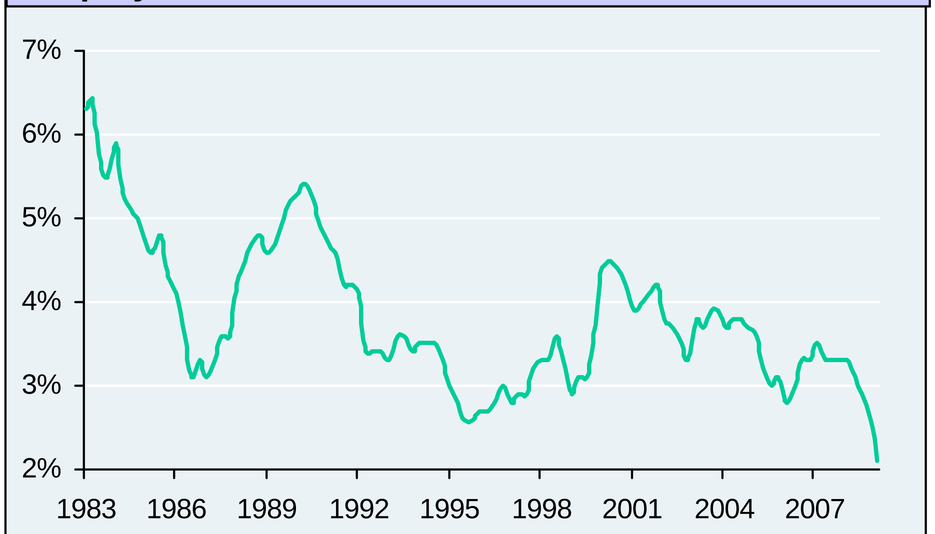
Initial jobless claims



ISM Non-Manufacturing employment

Source: Bloomberg. Data as of 4/30/2009.

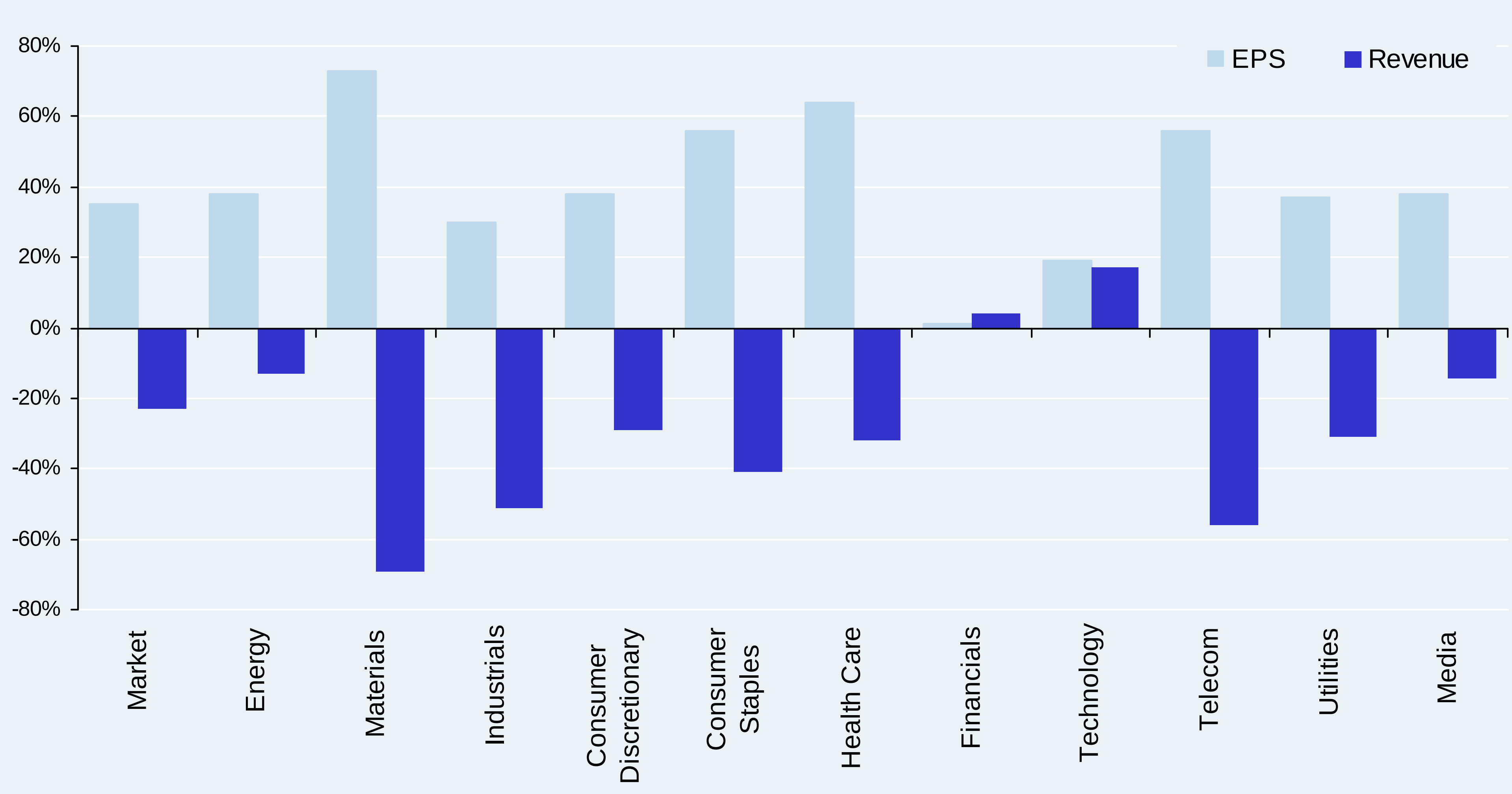
Hiring freezes and cost cutting driving down employment costs to record levels



Source: Bloomberg. Data as of Q1 2009.

Waiting to See if JP Morgan Can Add Media

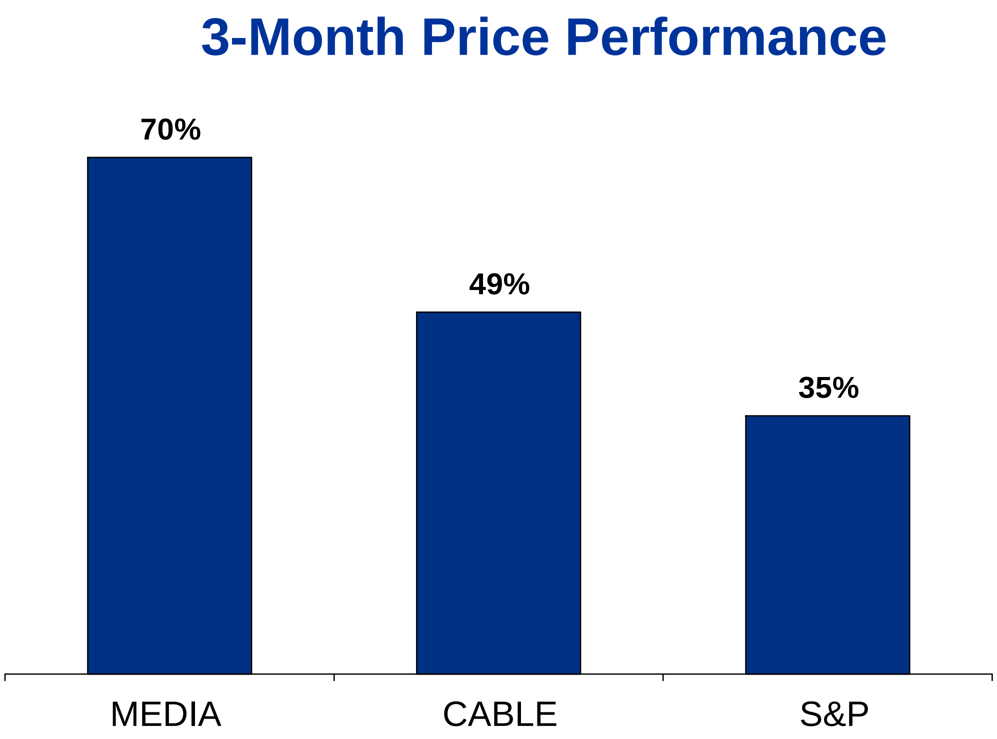
Net balance of U.S. companies "beating" consensus EPS and revenue expectations in Q1 2009

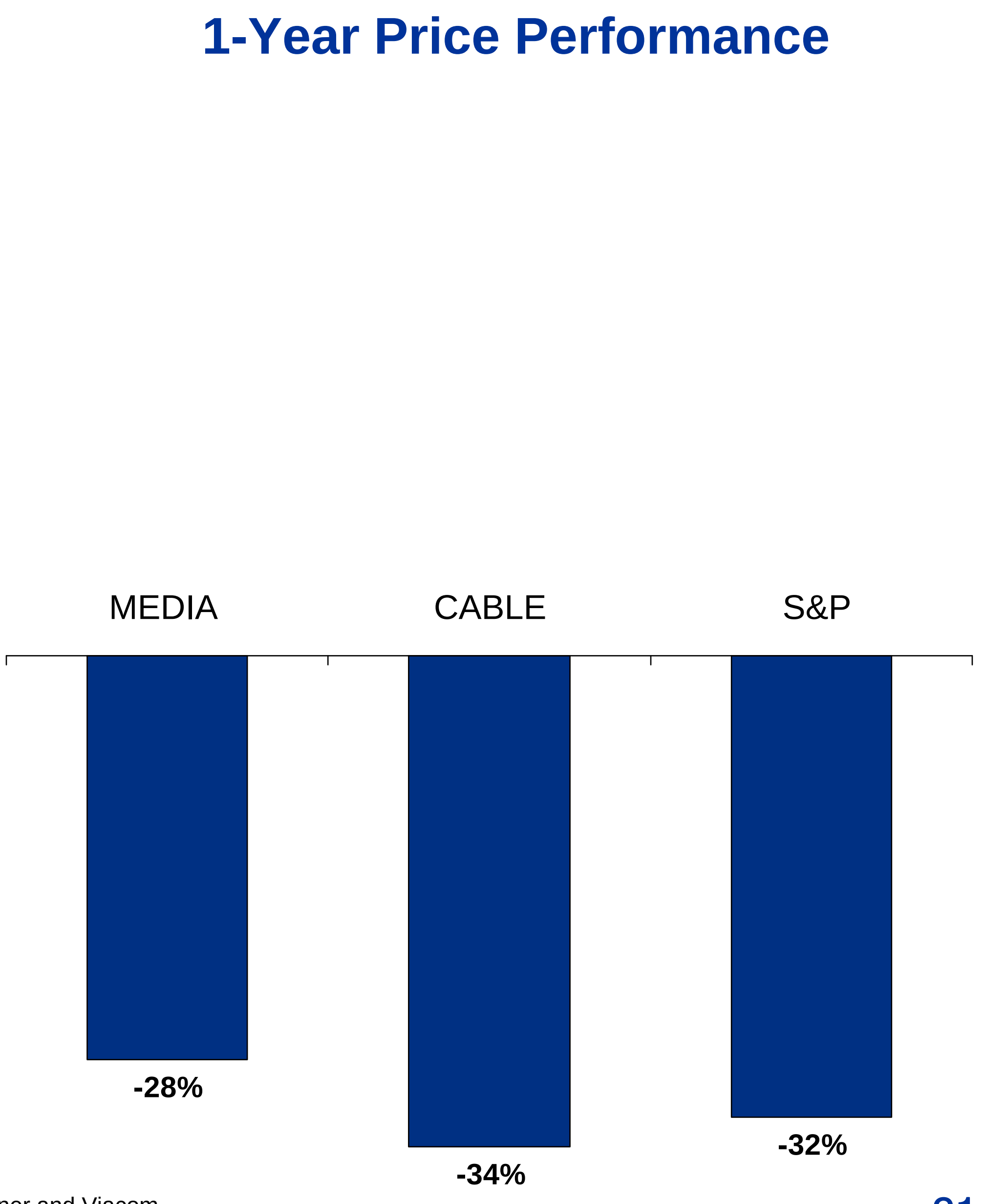


Source: Bloomberg. Data as of 5/8/2009.

How's Media Impacted?

Sector Share Price Performance

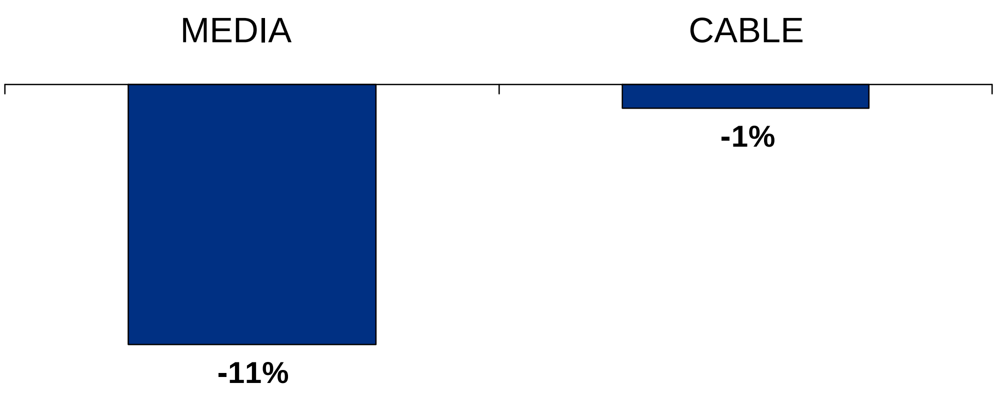




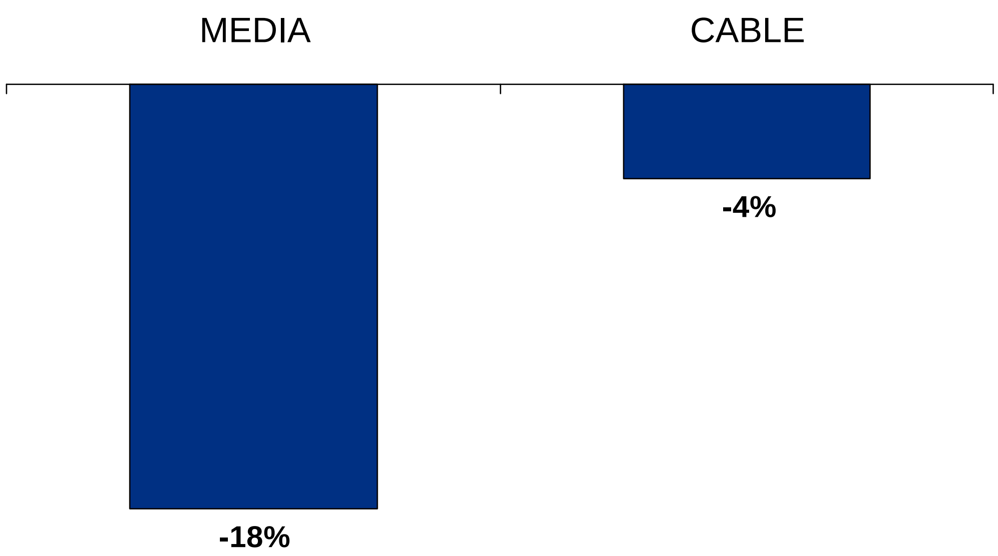
Source: FactSet data as of 6/2/2009.
Note: SNI as of 6/12//2008 and DISCA as of 9/18/2008.
Media Cos. are CBS, Discovery, Disney, News Corp., Scripps Networks Interactive, Time Warner and Viacom
Cable Cos. are Cablevision, Comcast, Dish Networks, DirectTV and Time Warner Cable

2009 Research Estimate Revisions for Media and Cable

2009e Revenue Forecast Revisions (Jan ’08 vs. Current)

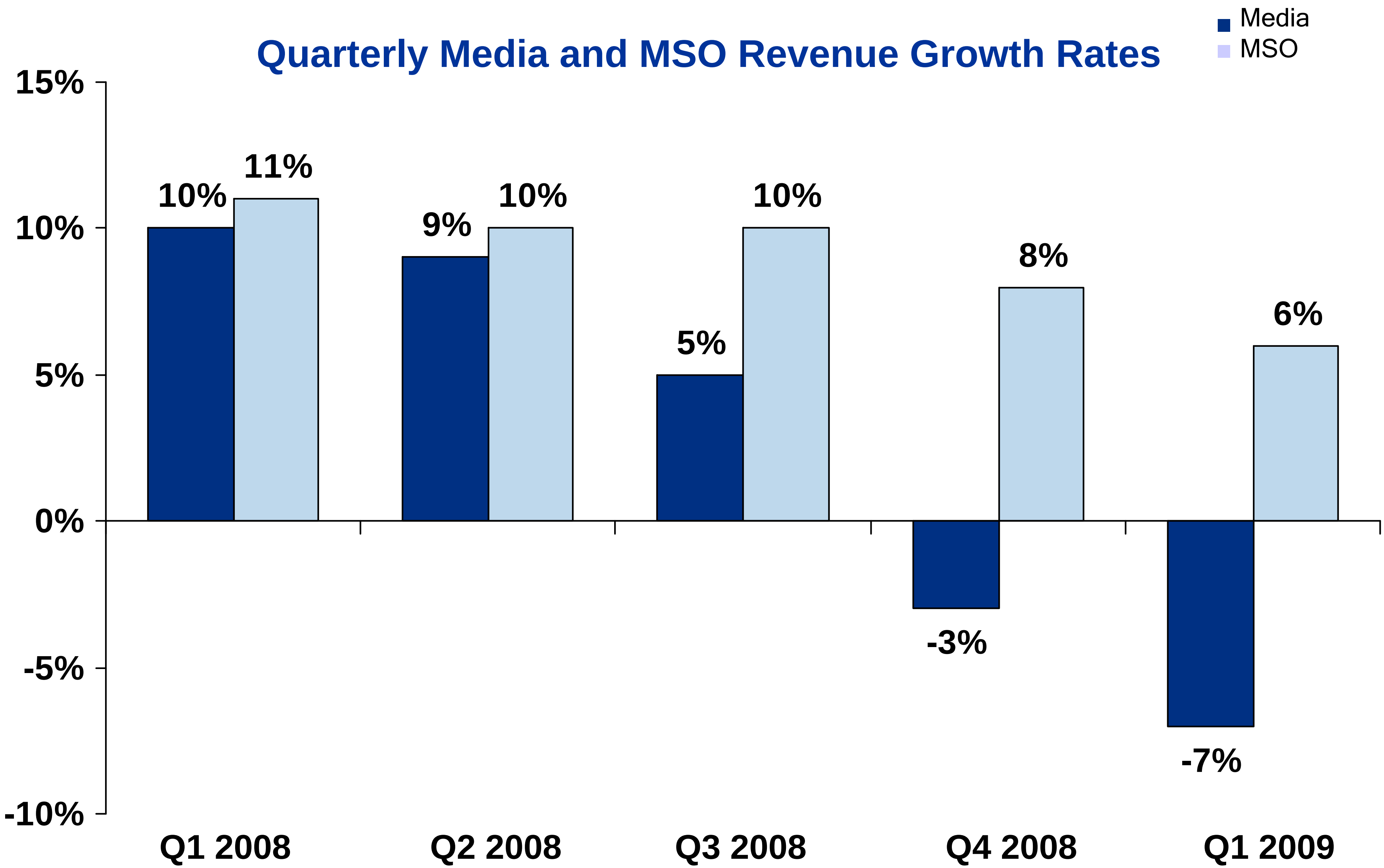


2009e OIBDA Forecast Revisions (Jan ’08 vs. Current)



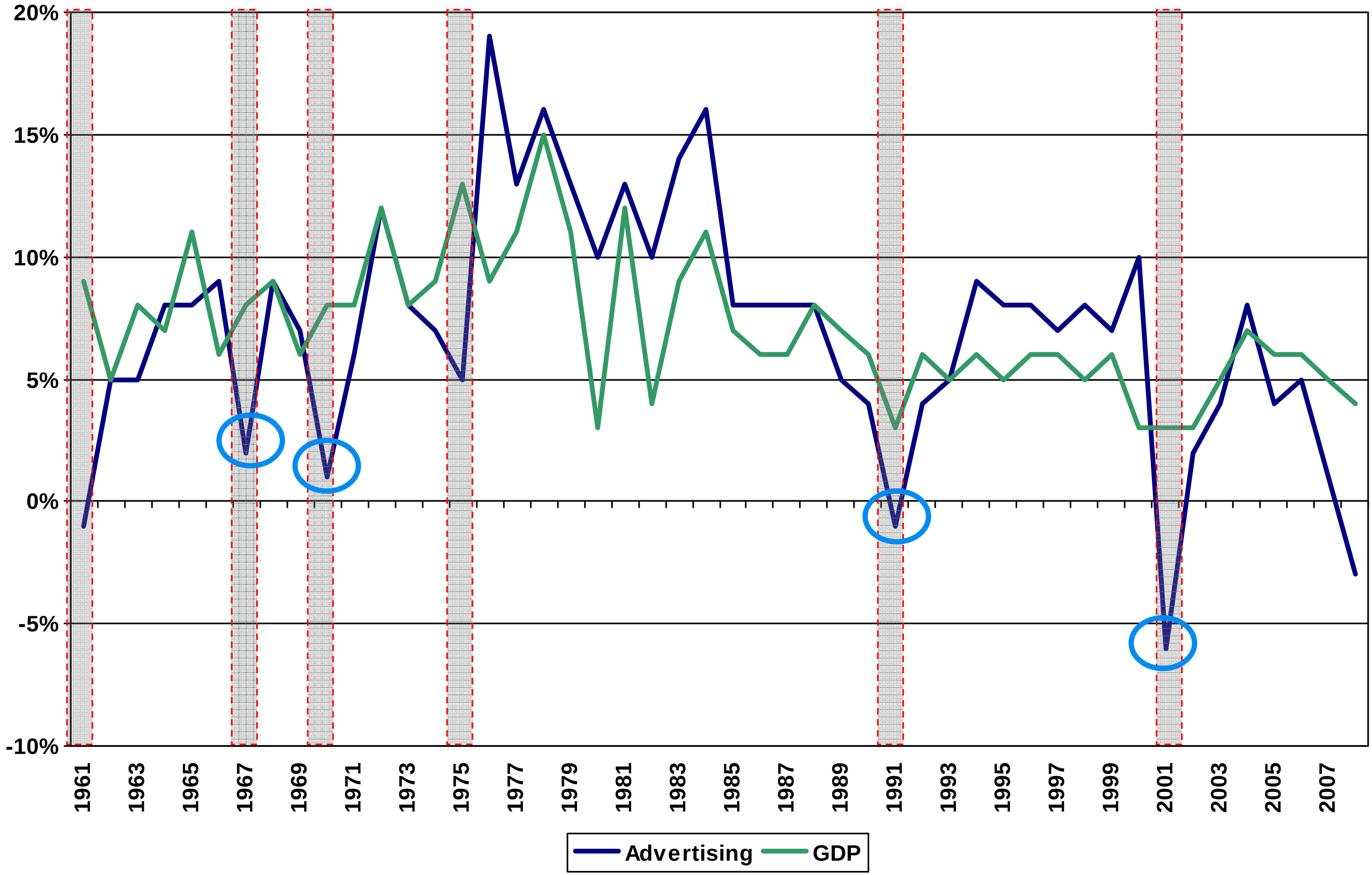
Source: Wall Street Research.
Note: Time Warner Pro Forma Cable transaction
Media Cos. are CBS, Discovery, Disney, News Corp., Scripps Networks Interactive, Time Warner and Viacom
Cable Cos. are Cablevision, Comcast, Dish Networks, DirectTV and Time Warner Cable

Media and Cable Relative Financial Performance



Note: News Corp and Disney are calendarized. SNE and TWX arePro forma

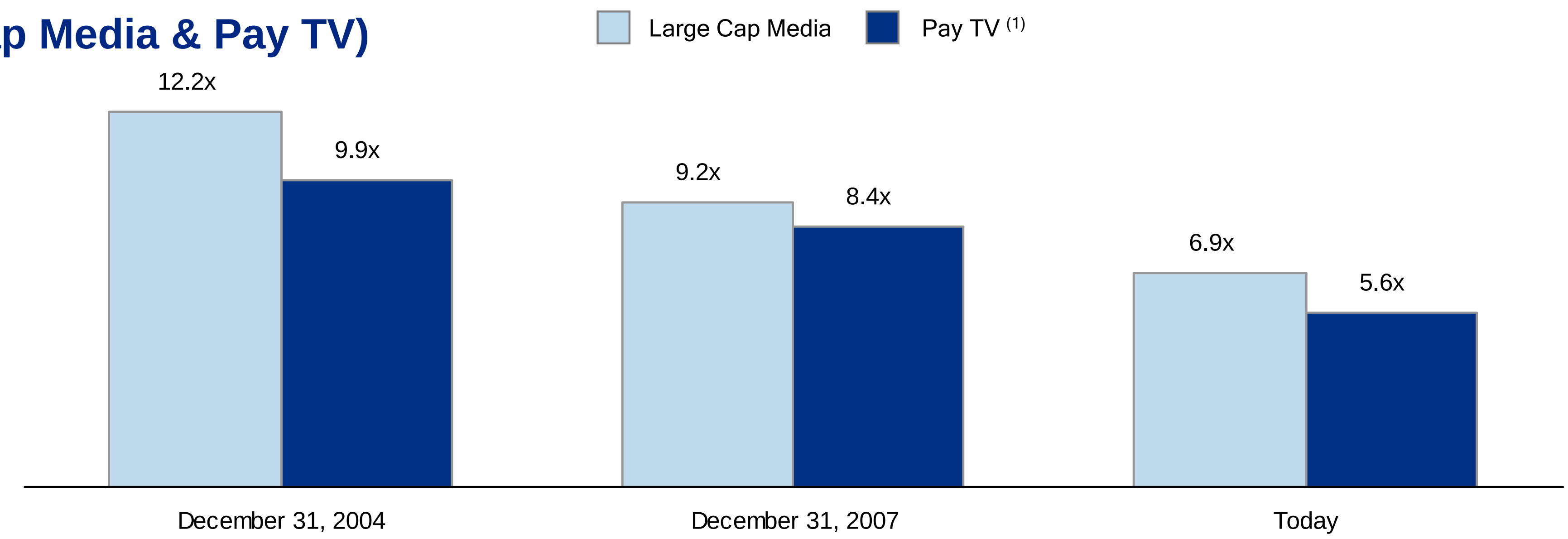
Cable Advertising in a Recession vs. GDP



Short Term vs. Long Term Considerations

Media Sector Revaluation

Mean Firm Value / EBITDA (Large Cap Media & Pay TV)

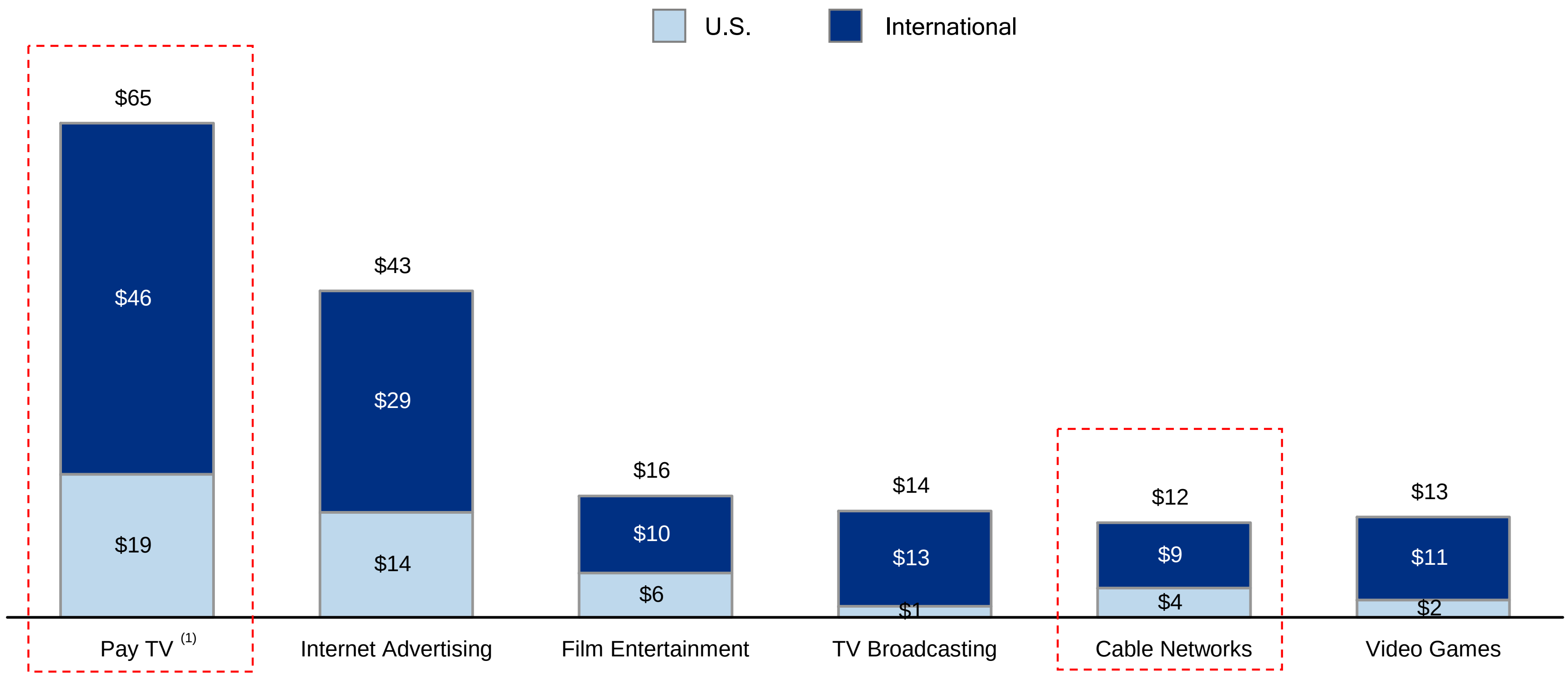


Mean FV / EBITDA	12.2x	9.9x	9.2x	8.4x	6.9x	5.6x
2-Year Forward EBITDA CAGR	9.9%	11.5%	7.2%	9.7%	5.8%	4.3%
Growth-Adjusted FV / EBITDA	1.3x	1.4x	1.5x	1.1x	1.3x	2.2x

Source: Company Filings and Wall Street estimates.
(1) Pay TV includes cable operators and satellite providers.

Revenue Growth Shifting Towards Online and Pay TV

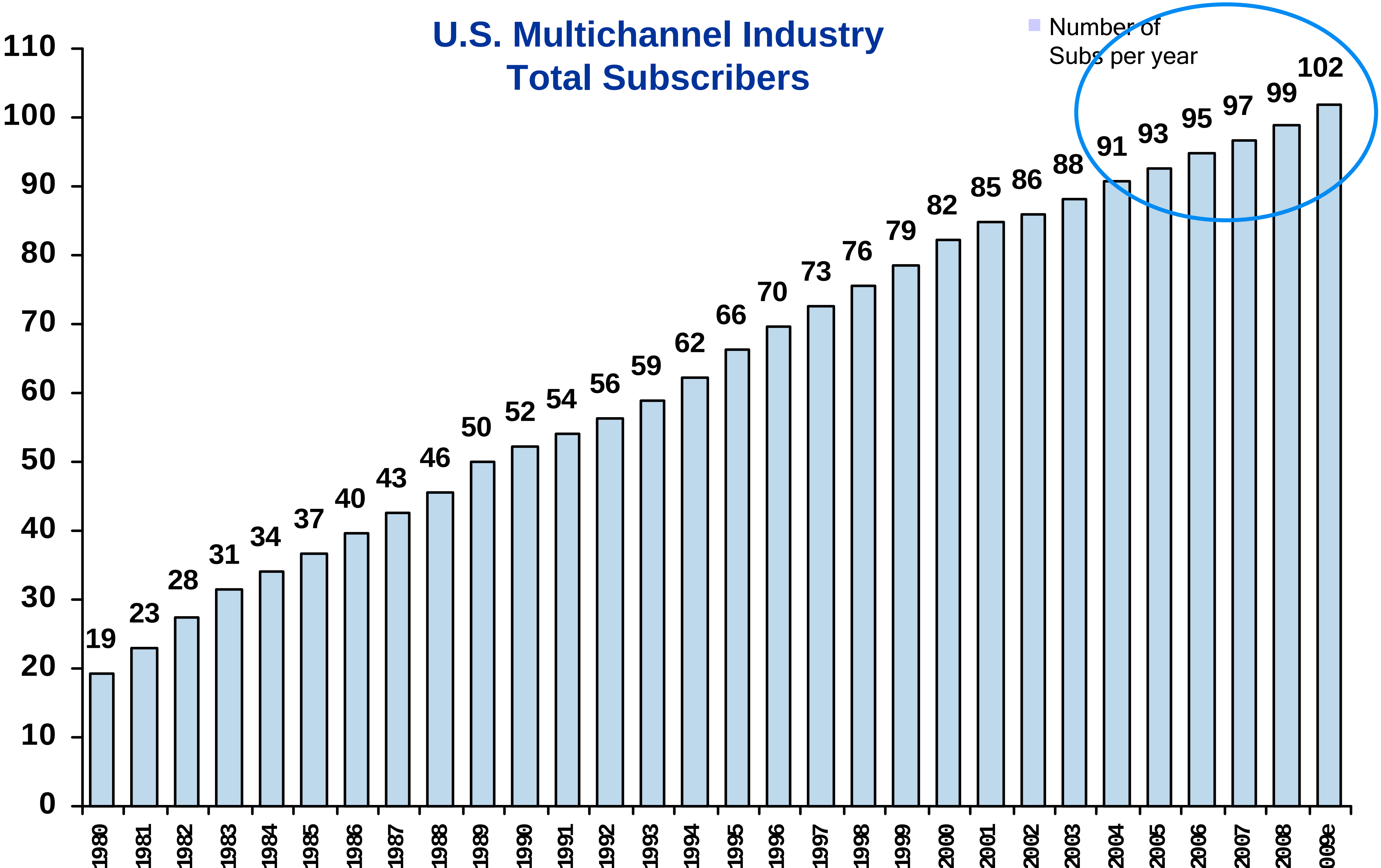
2008 – 2011 Change in Global Revenue
($ in billions)



	Pay TV	Internet Advertising	Film Entertainment	TV Broadcasting	Cable Networks	Video Games
'08 Market Size ($ bn)	$161	$63	$89	$132	$72	$48
'08 – '11 CAGR	12.0%	18.9%	5.7%	3.4%	5.8%	8.4%
US CAGR	4.7%	15.8%	5.1%	1.0%	4.4%	5.3%
International CAGR	14.8%	21.0%	6.1%	4.7%	6.8%	9.6%

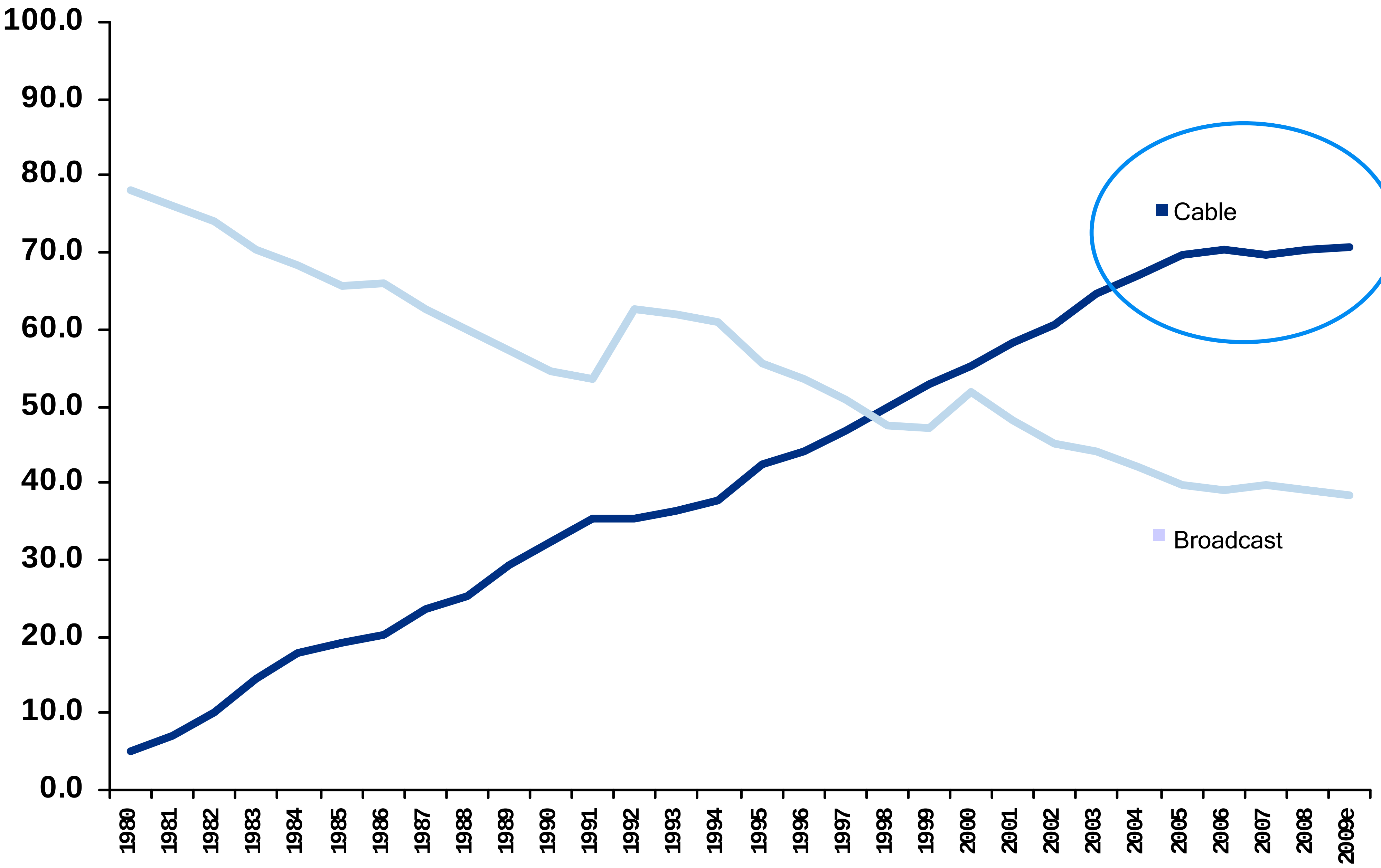
Source: Wall Street research.
(1) Pay TV includes TV subscriptions from cable operators and satellite providers, pay-per-view, VOD and mobile TV.

U.S. Cable Market Evolution



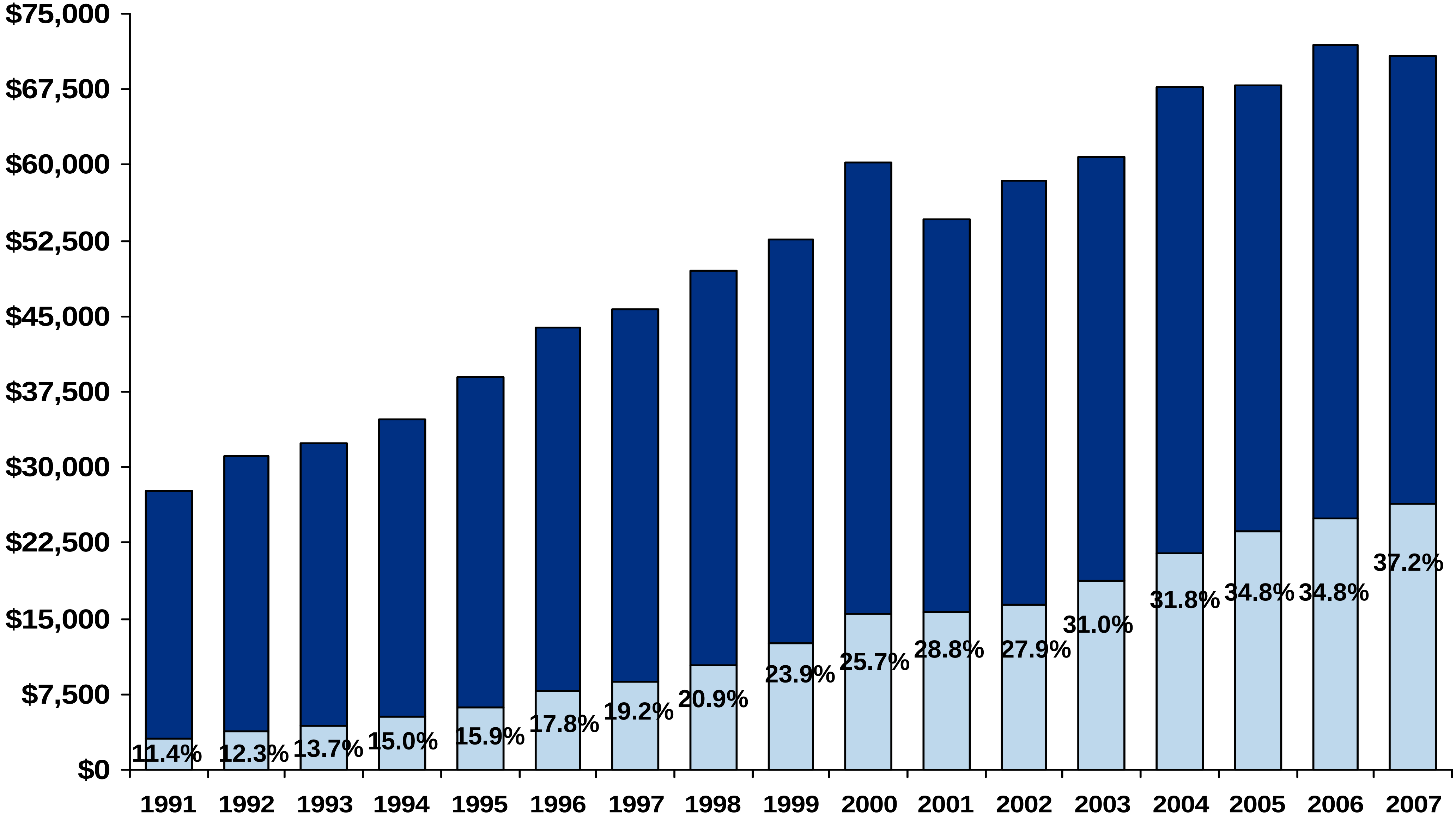
Note: includes DBS and C-band subscribers
Source: 2009 SNL Kagan

U.S. Cable Market Viewership Growth



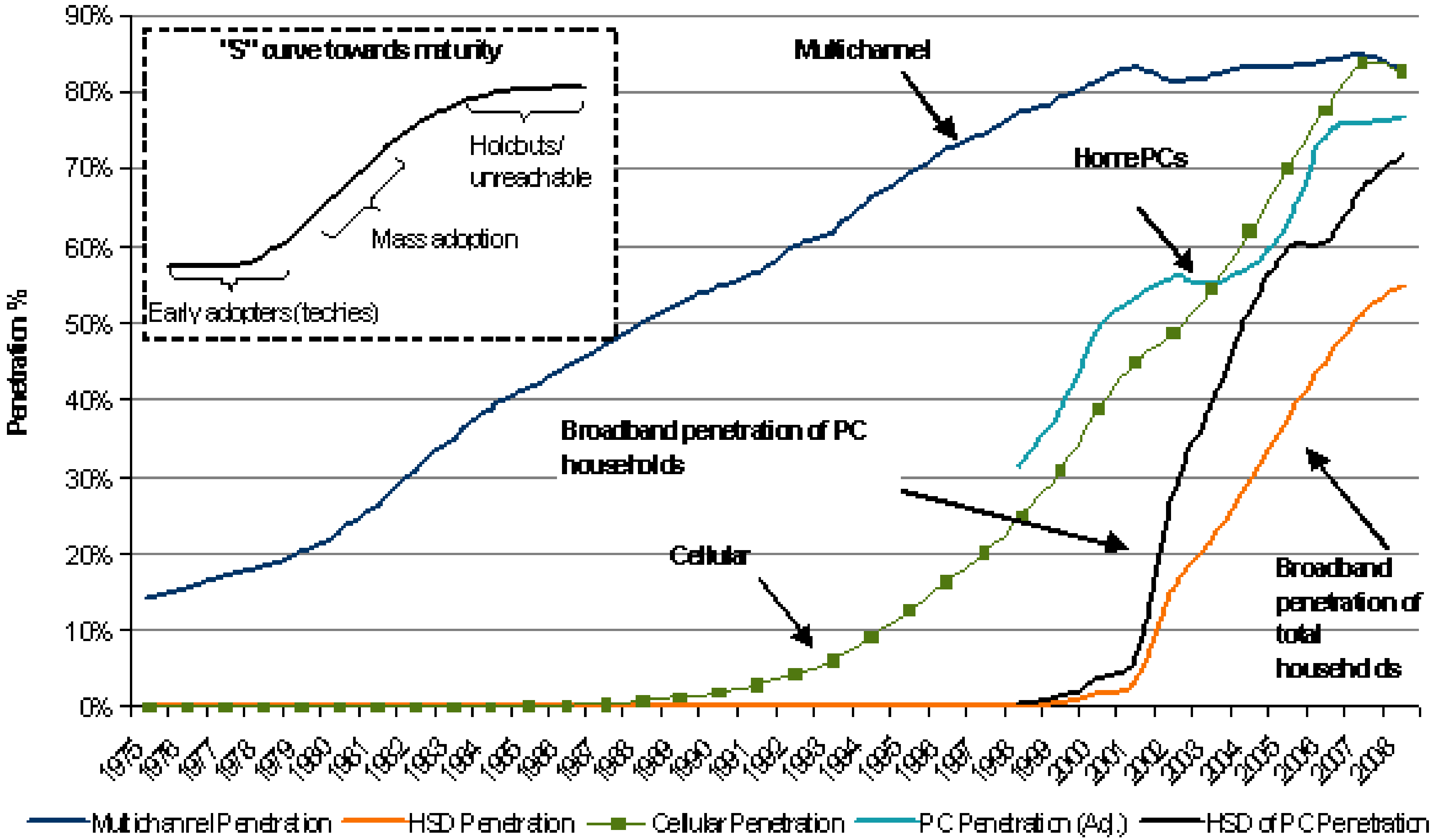
Source: 2009 SNL Kagan

Cable's Share of Cable and Broadcast Advertising



Broadband Penetration and Technology Adoption

Penetration Rates—Long Term



Source: Merrill Lynch Research

Considerations

- Organic growth becomes more difficult as subscriber growth slows.
- Technology change is a constant and its impact may disrupt or enhance current business models.
- Success may be determined by companies ability to incrementally refine or change their strategies and operations to meet the future operating environment.

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