WWE

First Quarter – 2012

Conference Call

May 3, 2012

Forward Looking Statements

This presentation contains forward-looking statements pursuant to the safe harbor provisions of the Securities Litigation Reform Act of 1995, which are subject to various risks and uncertainties. These risks and uncertainties include, without limitation, risks relating to maintaining and renewing key agreements, including television and pay-per-view programming distribution agreements; the need for continually developing creative and entertaining programming; the continued importance of key performers and the services of Vincent McMahon; the conditions of the markets in which we compete and acceptance of the Company's brands, media and merchandise within those markets; our exposure to bad debt risk; uncertainties relating to regulatory and litigation matters; risks resulting from the highly competitive nature of our markets; uncertainties associated with international markets; the importance of protecting our intellectual property and complying with the intellectual property rights of others; risks associated with producing and travelling to and from our large live events, both domestically and internationally; the risk of accidents or injuries during our physically demanding events; risks relating to our film business; risks relating to increasing content production for distribution on various platforms, including the potential creation of a WWE Network; risks relating to our computer systems and online operations; risks relating to the large number of shares of common stock controlled by members of the McMahon family and the possibility of the sale of their stock by the McMahons or the perception of the possibility of such sales; the relatively small public float of our stock; and other risks and factors set forth from time to time in Company filings with the Securities and Exchange Commission. Actual results could differ materially from those currently expected or anticipated. In addition, our dividend is dependent on a number of factors, including, among other things, our liquidity and historical and projected cash flow, strategic plan (including alternative uses of capital), our financial results and condition, contractual and legal restrictions on the payment of dividends, general economic and competitive conditions and such other factors as our Board of Directors may consider relevant.

Agenda

- **Overview**
- **Operational Highlights**
- **Financial Review**
- **Appendix**

Overview - Summary Income Statement
($s in millions, except per share amounts)

	As Reported			Adjusted*		
	Three Months Ended March 31,			Three Months Ended March 31,		
	2012	2011	%	2012	2011	%
Revenue	$123.1	$119.9	3%	$123.1	$119.9	3%
Operating income	$16.0	$13.2	21%	$18.9	$16.0	18%
Net income	$15.3	$8.6	78%	$13.1	$10.3	27%
Earnings Per Share (diluted)	$0.20	$0.11	82%	$0.18	$0.14	29%
Memo:						
EBITDA	$20.0	$16.8	19%	$22.9	$19.6	17%

***Adjusted financial results shown above exclude the impact of film impairment charges, operating expenses related to the creation of a potential network as well as the recognition of previously unrecognized tax benefits. Reconciliations of Adjusted results to reported GAAP measures are shown in supplemental schedules on pages 10 and 11.**

- Q1 2012 results (as reported) reflect $2.1 million in network related SG&A expenses, a $0.8 million impairment charge for our film, *Bending the Rules,* and $4.1 million in previously unrecognized tax benefits. In aggregate, the impact of these items reduced EBITDA and Operating income by $2.9 million, and increased Net income and EPS by $2.2 million and $0.02 million, respectively. The impact of these items is excluded in our calculation of Adjusted results.
- Q1 2011 results (as reported) reflect a $2.8 million impairment charge for our film, *12 Rounds,* and a $0.1 million tax benefit. In aggregate, the impact of these items reduced EBITDA and Operating income by $2.8 million, and decreased Net income and EPS by $1.7 million and $0.03, respectively. The impact of these items is excluded in our calculation of Adjusted results.

Operational Highlights - First Quarter

- **Q1 2012 reported Operating income increased 21% and EBITDA increased 19% from the prior year quarter**
  - Performance highlighted by better results across all of WWE's business units. The three primary drivers of EBITDA profit were:
    - Reduced losses from movie business
    - Increased revenue from home entertainment (higher than anticipated sell-through rates of prior period releases)
    - Increased profits from live events (strong profit from inaugural tour in Abu Dhabi)
- **Important progress on key goals: Growth Initiatives and Brand Strength**
  - **Network Launch:** Made key hires; Continued development, implementation of critical systems and negotiations with key constituents
  - **Content Expansion:** Continued to develop television/digital licensing opportunities
    - Launched FanNation (YouTube channel)
    - Delivered 9 new original short-form programs such as *Santino's Foreign Exchange* exclusively to YouTube
    - Entered movie deals Fox (*Marine: Homefront*), Lionsgate (*Leprechaun: Origins*) & in April: IM Global (*Dead Man Down*)
  - **Brand Strength:**
    - Maintained strong relative position of *Raw* (on USA) and *SmackDown* (on Syfy)
    - Social media presence continued rapid growth (now: **67M Facebook** friends; **25M Twitter** followers)
    - YouTube "WWE homepage spotlight" during *WrestleMania* had more video views than *The Oscars*
  - **International growth:**
    - Expanded TV footprint in China by 10M to 140M homes
    - Live event tour in UAE attracted more than 5,000 fans/event

*Excluding the impact of network related expenses, film impairment charges and the recognition of previously unrecognized tax benefits, Adjusted EBITDA increased 17% to$22.9 million. Reconciliation of Adjusted results to reported U.S. GAAP measures are shown in Schedule of Adjustments on pages 10.

Financial Review – First Quarter
Summary of As Reported Results ($ millions)

	Three Months Ended March 31,		2012 B/(W) vs. 2011	
Revenue	**2012**	**2011**	**$**	**%**
Live Events/ Venue Merch.	$ 27.3	$ 24.1	$ 3.2	13%
Pay-Per-View	13.5	13.5	-	-
Television	32.5	31.6	0.9	3%
Digital Media	7.1	6.1	1.0	16%
Licensing	24.2	23.9	0.3	1%
Home Video	9.2	8.1	1.1	14%
WWE Studios	4.8	8.6	(3.8)	(44%)
Other[1]	4.5	4.0	0.5	13%
Total Revenue	$ 123.1	$ 119.9	$ 3.2	3%
Profit Contribution				
Live Events/ Venue Merch.	$ 7.4	$ 6.6	$ 0.8	12%
Pay-Per-View	8.1	7.8	0.3	4%
Television	13.8	13.1	0.7	5%
Digital Media	2.7	1.5	1.2	80%
Licensing	18.6	17.7	0.9	5%
Home Video	5.8	3.9	1.9	49%
WWE Studios	(1.0)	(3.6)	2.6	(72%)
Other[1]	(0.7)	(0.3)	(0.4)	(133%)
Total Profit Contribution	$ 54.7	$ 46.7	$ 8.0	17%
Profit Margin	*44%*	*39%*		
S,G & A	$ 34.7	$ 29.9	$ (4.8)	(16%)
Depreciation	4.0	3.6	(0.4)	(11%)
Operating income	$ 16.0	$ 13.2	$ 2.8	21%
Margin %	*13%*	*11%*		

Note:
[1] Other includes TV Advertising, Publishing, WWE Classics On Demand, Appearances and Other items

Financial Review – First Quarter
Summary of Adjusted Results ($ millions)

	Three Months Ended March 31,		2012 B/(W) vs. 2011	
Revenue	**2012**	**2011**	**$**	**%**
Live Events/ Venue Merch.	$ 27.3	$ 24.1	$ 3.2	13%
Pay-Per-View	13.5	13.5	-	-
Television	32.5	31.6	0.9	3%
Digital Media	7.1	6.1	1.0	16%
Licensing	24.2	23.9	0.3	1%
Home Video	9.2	8.1	1.1	14%
WWE Studios	4.8	8.6	(3.8)	(44%)
Other[1]	4.5	4.0	0.5	13%
Total Revenue	$ 123.1	$ 119.9	$ 3.2	3%
Profit Contribution				
Live Events/ Venue Merch.	$ 7.4	$ 6.6	$ 0.8	12%
Pay-Per-View	8.1	7.8	0.3	4%
Television	13.8	13.1	0.7	5%
Digital Media	2.7	1.5	1.2	80%
Licensing	18.6	17.7	0.9	5%
Home Video	5.8	3.9	1.9	49%
WWE Studios	(0.2)	(0.8)	0.6	(75%)
Other[1]	(0.7)	(0.3)	(0.4)	(133%)
Total Adjusted Profit Contribution	$ 55.5	$ 49.5	$ 6.0	12%
Profit Margin	*45%*	*41%*		
Adjusted S,G & A	$ 32.6	$ 29.9	$ (2.7)	(9%)
Depreciation	4.0	3.6	(0.4)	(11%)
Adjusted Operating income	$ 18.9	$ 16.0	$ 2.9	18%
Margin %	*15%*	*13%*		

Financial results shown here are presented on an Adjusted basis, excluding items that impact comparability on a year-over-year basis. Reconciliations of adjusted results to reported GAAP measures are shown in supplemental schedules on pages 10 and 11.

Note:
[1] Other includes TV Advertising, Publishing, WWE Classics On Demand, Appearances and Other items

Financial Review – Profit Contribution Margins

- WWE's Profit Contribution margin increased to 44% from 39% reflecting reduced losses from our movie business, higher than anticipated sell-through rates in home video and incremental rights fees for our online programming content
- Excluding the impact of operating expenses related to a potential network, film impairment charges and previously unrecognized tax benefits the Adjusted Profit Contribution margin increased to 45% from 41%, driven the by the increased profitability of our WWE.com and Home Entertainment businesses

	As Reported			Adjusted		
	Three months ended March 31,			Three months ended March 31,		
	2012	2011	Growth (pts)	2012	2011	Growth (pts)
Live & Televised Entertainment	38%	39%	(1%)	38%	39%	(1%)
Consumer Products	69%	62%	7%	69%	62%	7%
Digital Media	38%	25%	13%	38%	25%	13%
WWE Studios	(21%)	(42%)	21%	(4%)	(9%)	5%
WWE	44%	39%	5%	45%	41%	4%

Financial Review – First Quarter Revenue ($ millions)

Q1 2012 Revenue	**$123.1**
vs. Q1 2011 $	**+$3.2**
%	***3%***

Live Event & Venue Merchandise (Primarily timing of FanAxxess events and strong performance of our inaugural tour in Abu Dhabi)	**+$3.2**
Home Video (Primarily higher than anticipated sell-through rates for releases in prior periods, partially offset by a 27% decline in average price and a 5% decrease in units shipped)	**+$1.1**
Digital Media (Increased rights fees driven by new content licensing agreement with YouTube and higher online advertising sales)	**+$1.0**
Television (Additional rights fees and contractual increases from existing programs partially offset by the absence of a rights fee for our *WWE Superstars* program)	**+$0.9**
WWE Studios (Primarily due to the relative performance and timing of releases from our movie portfolio)	**- $3.8**
All Other[1]	**+$0.8**
Total	**+$3.2**

Note:
[1] Other includes Pay-per-view, Licensing, WWE Shop, WWE Classics On Demand, and Appearances

Financial Review - First Quarter Operating Income ($ millions)

Q1 2012 Operating income	**$16.0**
vs. Q1 2011 $	**+$2.8**
%	***21%***
Items impacting comparability	
Q1 2012 SG&A adjustment - Expenses related to the potential creation of a network	**+$2.1**
Q1 2012 Film impairment - *Bending the Rules*	**+$0.8**
Q1 2011 Film impairment - *12 Rounds*	**- $2.8**
Subtotal	**+$0.1**
Adjusted Q1 2012 Operating income	**$18.9**
vs. Adjusted Q1 2011 Operating income	**+$2.9**
%	***18%***
Home Video (Primarily higher than anticipated sell-through rates for releases in prior periods and lower costs)	**+$1.9**
Digital Media (Primarily increased rights fees driven by new content licensing agreement with YouTube and higher online advertising sales)	**+$1.2**
Licensing (Primarily due to high margin of minimum guarantee revenue)	**+$0.9**
Live Event & Venue Merchandise (Driven by incremental profits from strong inaugural tour in Abu Dhabi)	**+$0.8**
Television (Additional rights fees and contractual increases from existing programs partially offset by the absence of a rights fee for our *WWE Superstars* program)	**+$0.7**
WWE Studios (Primarily due to lower period/marketing costs for our current period releases)	**+$0.6**
SG&A (Driven by a $1.4 million rise in bad debt expenses and increased staffing, professional and legal expenses)	**- $2.7**
All other[1] (Includes depreciation)	**- $0.5**
Total	**+$2.9**

Note:
[1] Other includes Pay-per-view, TV Advertising, WWE Shop, WWE Classics On Demand, and Appearances

Schedule of Adjustments
Profit Contribution, Operating income and EBITDA ($ millions)

	Three Months Ended March 31, 2012	Three Months Ended March 31, 2011
Profit contribution	$ 54.7	$ 46.7
Adjustments (Added back):		
Film impairment	0.8	2.8
Adjusted Profit contribution	**$ 55.5**	**$ 49.5**
Selling, general and administrative expenses	34.7	29.9
Adjustments (Added back):		
Network related expenses	(2.1)	-
Adjusted Selling, general and administrative expenses	**32.6**	**29.9**
Depreciation and amortization	4.0	3.6
Operating income	$ 16.0	$ 13.2
Adjusted Operating income	**$ 18.9**	**$ 16.0**
EBITDA	$ 20.0	$ 16.8
Adjusted EBITDA	**$ 22.9**	**$ 19.6**

Schedule of Adjustments
Operating income and Net income ($ millions, except per share data)

	Three Months Ended March 31, 2012	Three Months Ended March 31, 2011
Operating income	$ 16.0	$ 13.2
Adjustments (Added back):		
Film impairment	0.8	2.8
Network Operating expenses	2.1	-
Adjusted Operating income	**$ 18.9**	**$ 16.0**
Investment, interest and other (expense) income, net	0.5	0.4
Adjusted Income before taxes	**$ 19.4**	**$ 16.4**
Provision for taxes	(1.2)	(5.0)
Adjustments (Added back):		
Previously unrecognized tax benefits	(4.1)	(0.1)
Changes due to operating adjustments	(1.0)	(1.0)
Adjusted Provision for taxes	**(6.3)**	**(6.1)**
Adjusted Net income	**$ 13.1**	**$ 10.3**
Adjusted Earnings per share		
Basic	**$ 0.18**	**$ 0.14**
Diluted	**$ 0.18**	**$ 0.14**
Weighted average common shares outstanding:		
Basic	74,461	75,043
Diluted	74,815	75,727

Financial Review - Consolidated Balance Sheets ($ millions)

	As of March 31, 2012		As of December 31, 2011	
Assets				
Cash & short-term investments	$	165.9	$	155.8
Accounts receivable		50.1		56.7
Other current assets		29.3		27.2
Total current assets		245.3		239.7
Net fixed assets		102.0		96.6
Feature film production assets		19.8		23.6
Television production assets		3.3		0.3
Investment Securities		10.0		10.2
Other assets		8.3		8.3
Total Assets	**$**	**388.7**	**$**	**378.6**
Liabilities & Stockholders' Equity				
Current liabilities	$	74.4	$	69.3
Long-term debt		-		0.4
Other long-term liabilities		11.4		13.9
Total liabilities		85.8		83.5
Total stockholders' equity		302.9		295.1
Total Equity & Liabilities	**$**	**388.7**	**$**	**378.6**

Financial Review – Free Cash Flow

	Three Months Ended March 31,		Increase/Decrease	
	2012	2011	$	%
Free Cash Flow	$ 19.2	$ 24.8	$ (5.6)	(23%)

- Free Cash Flow declined 23% to $19.2 million driven by an approximate $6 million increase in capital expenditures for assets that support our emerging content and distribution strategy, including a potential network

APPENDIX

Appendix - Definition of Non-GAAP Financial Measures

Non-GAAP Measure: EBITDA

EBITDA is defined as net income before investment, interest and other expense/income, income taxes, depreciation and amortization. The Company's definition of EBITDA does not adjust its U.S. GAAP basis earnings for the amortization of Feature Film production assets. Although it is not a recognized measure of performance under U.S. GAAP, EBITDA is presented because it is a widely accepted financial indicator of a company's performance. The Company uses EBITDA to measure its own performance and to set goals for operating managers. EBITDA should not be considered as an alternative to net income, cash flows from operations or any other indicator of WWE's performance or liquidity, determined in accordance with U.S. GAAP.

Non-GAAP Measures: Adjusted Profit Contribution, Adjusted Selling, general and administrative expenses, Adjusted Operating income, Adjusted EBITDA, Adjusted Income before taxes, Adjusted Provision for taxes, Adjusted Net income and Adjusted Earnings per share

Adjusted Profit Contribution, Adjusted Selling, general and administrative expenses, Adjusted Operating income, Adjusted EBITDA, Adjusted Income before taxes, Adjusted Provision for taxes, Adjusted Net income and Adjusted Earnings per share exclude certain material items, which otherwise would impact the comparability of results between periods. These should not be considered as an alternative to net income, cash flows from operations or any other indicator of WWE's performance or liquidity, determined in accordance with U.S. GAAP.

Non-GAAP Measure: Free Cash Flow

We define Free Cash Flow as net cash provided by operating activities less cash used for capital expenditures. Although it is not a recognized measure of liquidity under U.S. GAAP, Free Cash Flow provides useful information regarding the amount of cash our continuing business is generating after capital expenditures, available for reinvesting in the business and for payment of dividends.

Appendix ($ millions)

Reconciliation of Net income to EBITDA

	Three Months Ended March 31,	
	2012	2011
Net income reported on GAAP basis	$ 15.3	$ 8.6
Add back:		
Provision for income taxes	1.2	5.0
Depreciation and amortization	4.0	3.6
Less:		
Interest income and other, net	0.5	0.4
EBITDA	$ 20.0	$ 16.8

Appendix ($ millions)

Reconciliation of net cash provided by operating activities to free cash flow

	Three Months Ended March 31,	
	2012	2011
Net cash provided by operating activities	$ 27.2	$ 28.9
Less cash used for:		
Purchase of property and equipment	(8.0)	(2.4)
Purchase of other assets	-	(1.7)
Free Cash Flow	$ 19.2	$ 24.8