

CrownMedia

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FAMILY NETWORKS

**Fourth Quarter 2015**

# Safe Harbor Statement

*Statements contained in this presentation may contain forward-looking statements as contemplated by the 1995 Private Securities Litigation Reform Act that are based on management's current expectations, estimates and projections. Words such as "expects," "anticipates," "intends," "plans," "believes," "estimates," variations of such words and similar expressions are intended to identify such forward-looking statements. Forward-looking statements are subject to risks and uncertainties, which could cause actual results to differ materially from those projected or implied in the forward-looking statements. Such risks and uncertainties include: competition for distribution of channels, viewers, advertisers, and the acquisition of programming; fluctuations in the availability of programming; fluctuations in demand for the programming Crown Media Holdings airs on its channels; our ability to address our liquidity needs; our incurrence of losses; our substantial indebtedness affecting our financial condition and results; and other risks detailed in the Company's filings with the Securities and Exchange Commission, including the Risk Factors stated in the Company's most recent 10-K and 10-Q Reports. Crown Media Holdings is not undertaking any obligation to release publicly any updates to any forward-looking statements to reflect events or circumstances after the date of this release or to reflect the occurrence of unanticipated events.*

# Contents

- **Company Overview**
- **Network Highlights**
- **Financial Information**

# Company Overview





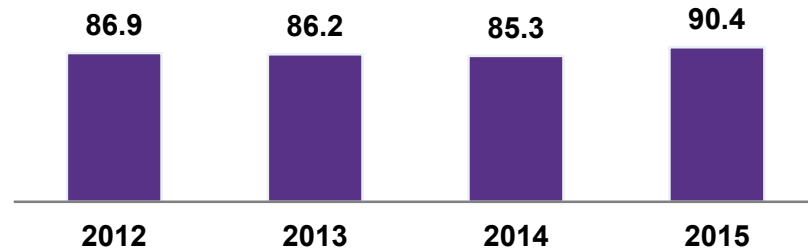
# Crown Media Family Networks

We help celebrate life's special moments every day



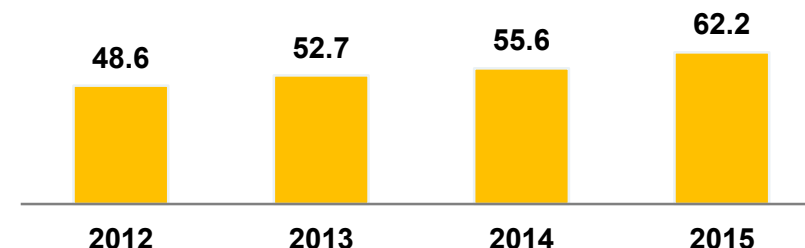
- High-quality family programming channel
- Leader in original programming hours amongst cable networks
- Attractive slate of original movies and series
- Lifestyle and home programming blocks
- Significant audience delivery during holiday

## Subscribers (mm)



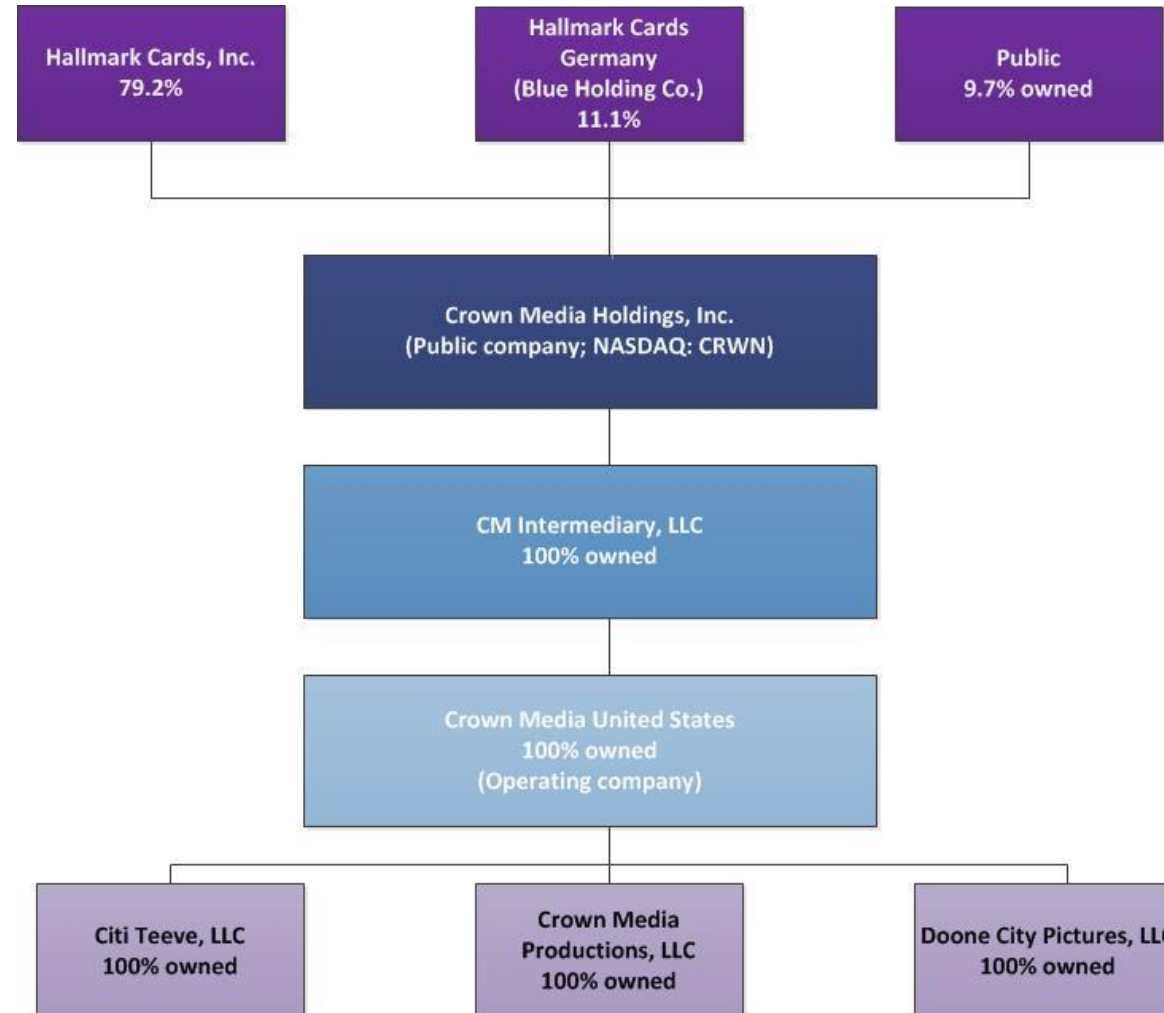
- Unique mix of dramatic and cinematic original movies, focusing on suspense and mystery
- Home to the annual holiday programming franchise, the ***“Most Wonderful Movies of Christmas”***
- Celebration of the heritage of Hallmark with presentations from the award-winning *Hallmark Hall of Fame* library

## Subscribers (mm)

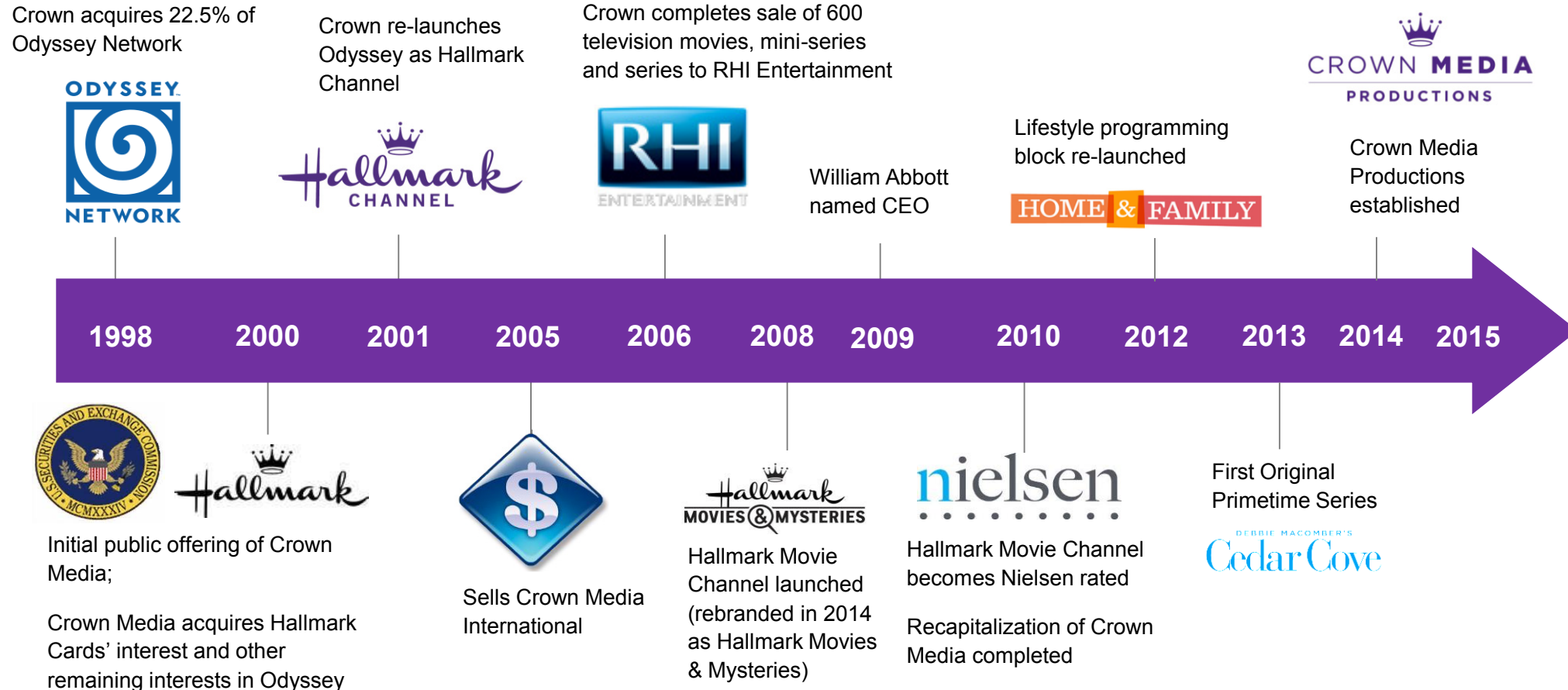


December 2015  
Source: Nielsen UE

# Legal Organization



# Evolution of Crown Media



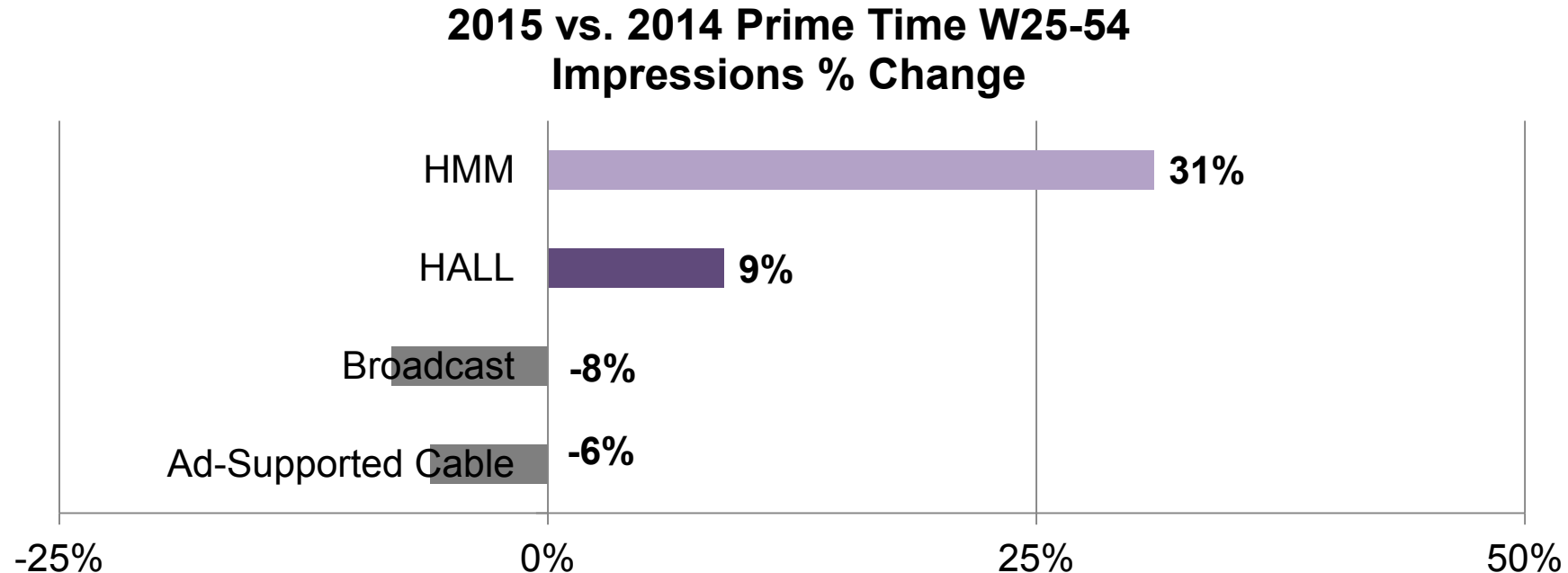
# Management Team

Name/Title	Tenure	Background
<b>William Abbott</b> <i>President and CEO</i>	16 years	<ul style="list-style-type: none"> <li>Executive Vice President, National Advertising Sales at Hallmark Channel</li> <li>Senior Vice President, Advertising Sales, Fox Family Worldwide</li> <li>Vice President, Eastern Sales at Fox Family Worldwide</li> </ul>
<b>Andrew Rooke</b> <i>Executive Vice President and CFO</i>	4 years	<ul style="list-style-type: none"> <li>Chief Financial Officer of News Corporation's Twentieth Television</li> <li>Executive finance roles within Fox Interactive, Fox Entertainment and Warner Bros.</li> <li>Deloitte &amp; Touche in Los Angeles and London</li> </ul>
<b>Charles Stanford</b> <i>Executive Vice President, Business and Legal Affairs &amp; General Counsel</i>	17 years	<ul style="list-style-type: none"> <li>Senior Vice President, Business Affairs and General Counsel of Crown Media Holdings</li> <li>Senior Vice President, Legal and Business Affairs of Crown Media International</li> <li>Vice President, Legal and Business Affairs of Cable and New Media of ABC, Inc.</li> </ul>
<b>Ed Georger</b> <i>Executive Vice President, Advertising Sales and Digital Media</i>	15 years	<ul style="list-style-type: none"> <li>Senior Vice President, Advertising Sales for Crown Media</li> <li>Vice President of Eastern Sales, Family Channel and Fox Family Channel</li> <li>Network buyer at Backer Spielvogel Bates, Inc.</li> </ul>
<b>Laura Lee</b> <i>Executive Vice President, Distribution</i>	13 years	<ul style="list-style-type: none"> <li>Vice President, Network Distribution &amp; Service for Crown Media</li> <li>Regional Manager of Affiliate Sales for E! Entertainment Television</li> </ul>
<b>Susanne McAvoy</b> <i>Executive Vice President, Marketing, Creative &amp; Communications</i>	10 years	<ul style="list-style-type: none"> <li>EVP, Marketing for Crown Media</li> <li>Vice President, Ad Sales Marketing, Crown Media</li> <li>Consultant, Ad Sales Marketing for Bravo</li> </ul>
<b>Kristen Roberts</b> <i>Executive Vice President, Pricing, Planning, &amp; Revenue Management</i>	15 years	<ul style="list-style-type: none"> <li>SVP, Advertising Pricing &amp; Planning for Crown Media</li> <li>Account Executive at A&amp;E Television Networks</li> </ul>
<b>Michelle Vicary</b> <i>Executive Vice President, Programming &amp; Network Publicity</i>	16 years	<ul style="list-style-type: none"> <li>EVP, Programming for Crown Media</li> <li>Senior Vice President, Acquisitions &amp; Scheduling for Crown Media</li> <li>Vice President of Marketing for Evening Star Music Group</li> </ul>

High-quality, family friendly programming	<ul style="list-style-type: none"><li>▪ Offer 24/7 family programming that is trusted by our audience and highly desirable to our advertisers; Hallmark Movies &amp; Mysteries focusing on suspense and drama, and Hallmark Channel highlighting lighter, romantic, and comedic fare.</li></ul>
Hallmark Channel lifestyle programming block	<ul style="list-style-type: none"><li>▪ Provide program offerings with content that is consistent with our core values of family, home, and celebration.</li></ul>
Original movies and series	<ul style="list-style-type: none"><li>▪ Develop original movies and series uniquely identified with the Networks.</li></ul>
Distribution	<ul style="list-style-type: none"><li>▪ Encourage existing distributors to place our Networks in packages with greater numbers of subscribers.</li></ul>
Advertising	<ul style="list-style-type: none"><li>▪ Maintain strong relationships with a diverse group of high-quality, stable advertisers and achieve higher advertising rates through our trusted content, valuable target audience demographics and strong ratings.</li></ul>
Content provider	<ul style="list-style-type: none"><li>▪ Position ourselves for future growth as a content provider for new technologies by building our library of programming and exploring collaborations in emerging media.</li></ul>
Profitability	<ul style="list-style-type: none"><li>▪ Increase our profitability by increasing distribution and focusing on advertising revenue growth.</li></ul>

## Crown Media Family Networks Show Full Year Growth

*While Both Total Cable and Broadcast Are Down*





The Heart of TV

# Contents

## 600+ Hours of Original Programming\*

### ORIGINAL MOVIES



64 HOURS

### HOLIDAY ORIGINAL MOVIES

*Countdown to Christmas*

36 HOURS

### WEEKDAY ORIGINAL LIFESTYLE PROGRAMMING

HOME & FAMILY

500+ HOURS

### ORIGINAL EVENT SPECIALS



HERO  
DOG AWARDS  
★ ★ ★ ★ ★

12+ HOURS

### ORIGINAL PRIME TIME SERIES

CHESAPEAKE  
—C—SHORES—C—

*Good Witch*  
THERE'S A LITTLE MAGIC IN EVERYONE

WHEN CALLS  
*the*  
HEART

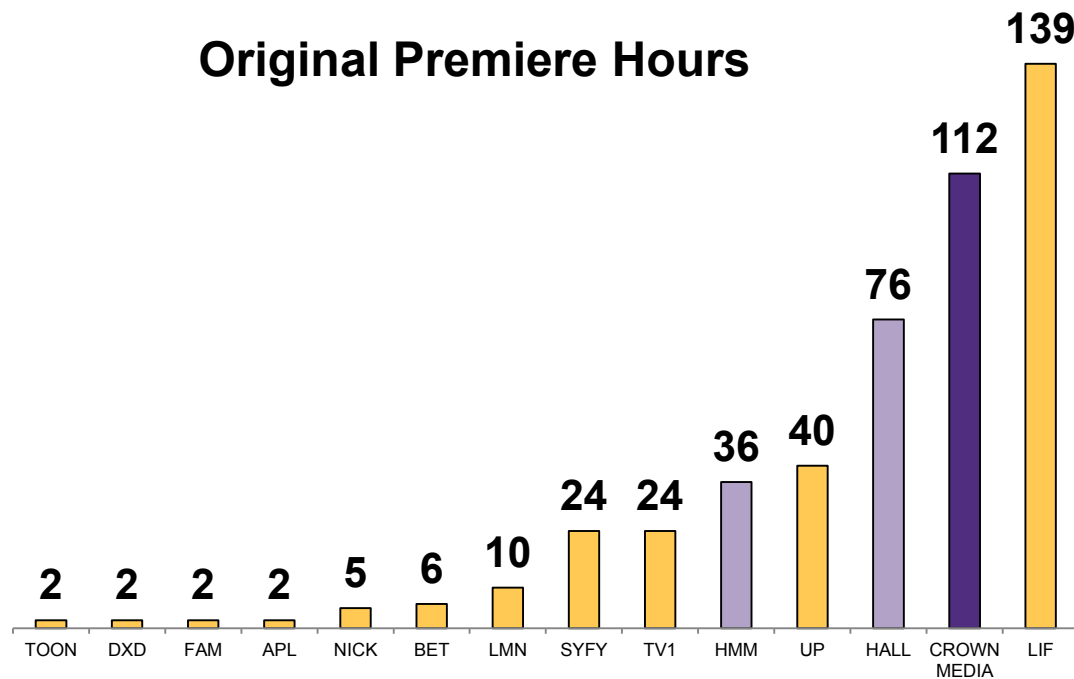
31+ HOURS



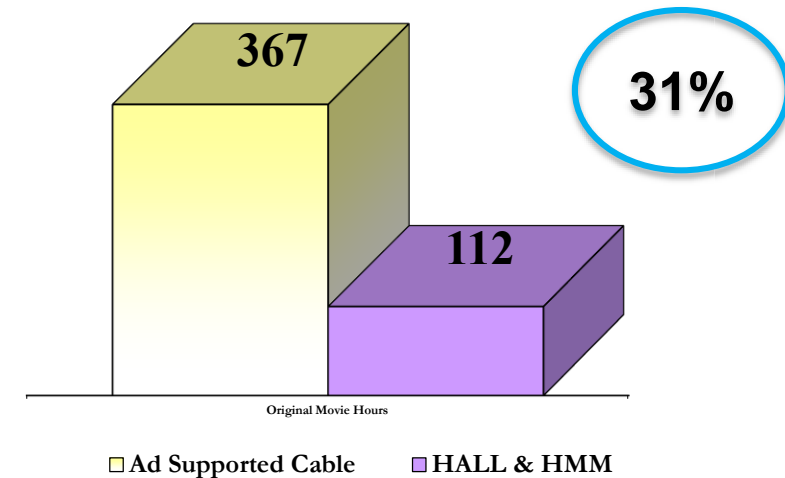
# Prolific Original Movie Production

Hallmark Channel & Hallmark Movies & Mysteries combined for **112 hours** of original movie premiere hours on ad supported cable.

Original Premiere Hours



Nearly one-third of all Original Movie Premieres on Ad Supported Cable are from HALL & HMM

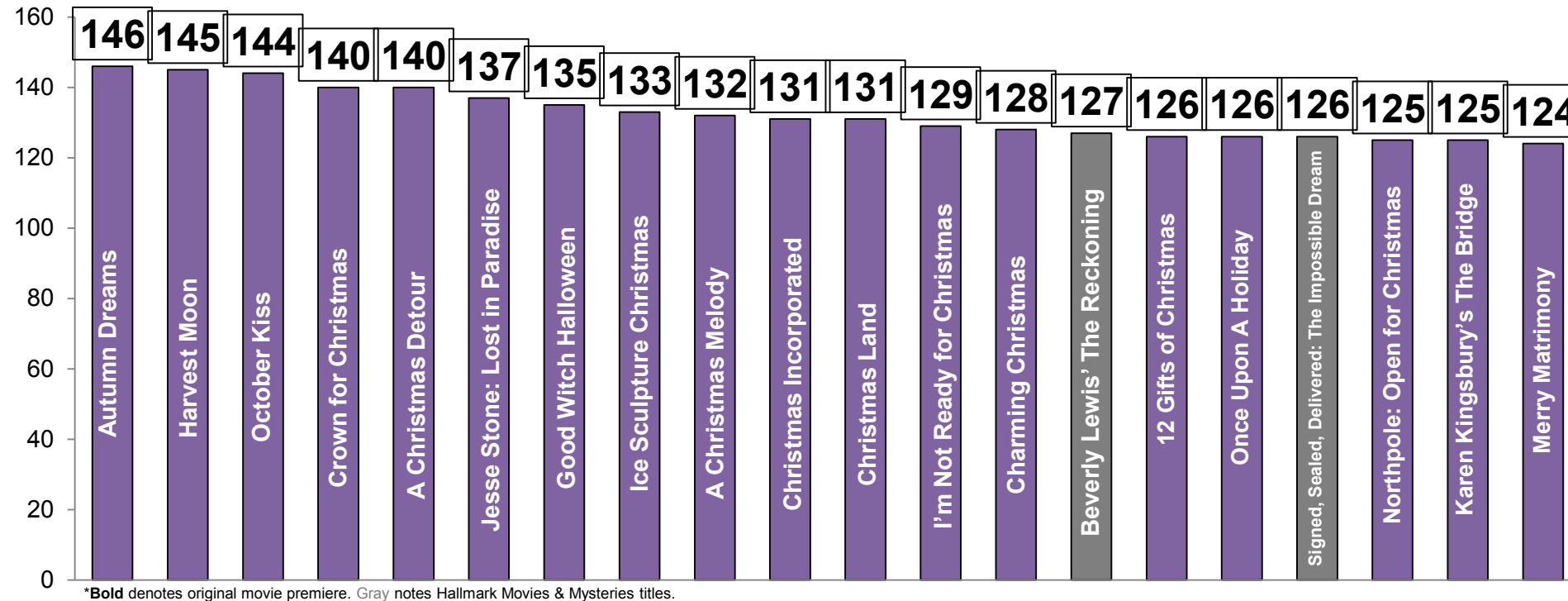


Source: Nielsen 1Q-4Q 2015 Original Movie premiere hours (excludes mini-series). Search limited by Nielsen Company's coding of Original Movie Premieres.

# Hallmark Channel Movies – Most Engaging in Cable

**Hallmark CHANNEL**  
The Heart of TV

In 4Q'15, Crown Media Family Networks delivered the **#1 movie** and the **Top 10 cable movies (and 18 of the top 20)** in Rentrak's "Stickiness" Index\*



\***Bold** denotes original movie premiere. *Gray* notes Hallmark Movies & Mysteries titles.

Hallmark Channel's original movie premiere,  
"Autumn Dreams" is #1 Overall

\*A Key engagement metric based on average percentage of program watched.

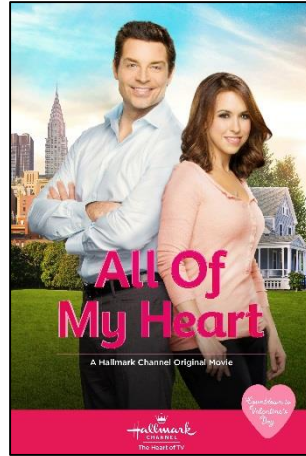
**Source:** Rentrak TV Essentials (9/28-12/27/15), "Stickiness" Index: avg % of movie viewed + avg % viewed for all movies of 120 min duration. Mon-Sat 8-11p/ Sun 7-11p, includes roll up of air times. Excludes local and premium non ad-supported channels. 100 index = ad-supported cable movie average.

# 2015: Top Non-Holiday Original Movie Premieriers

*Original Content every weekend all year long with movie titles such as:*

## All of My Heart (2/14/15)

- Starred Lacey Chabert and Brennan Elliott
- The **highest rated** Hallmark Channel non-holiday original movie premiere of 2015 with a 2.7 household rating and over 3 million total viewers.



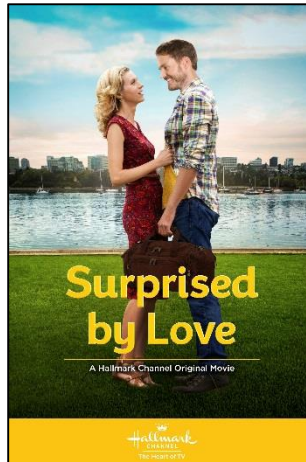
## Good Witch Halloween (10/24/15)

- Starred Catherine Bell and Bailee Madison
- Ranked #1 in the time period among households (2.5 rtg) and total viewers (2.7 million).



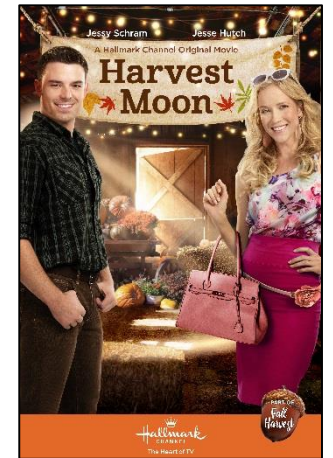
## Surprised by Love (1/3/15)

- Starred Hilarie Burton and Paul Campbell
- Ranked #1 in the time period among households (2.3 rtg) and total viewers (2.4 million).



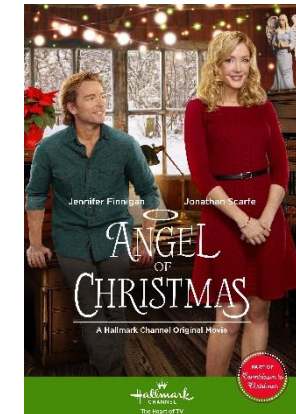
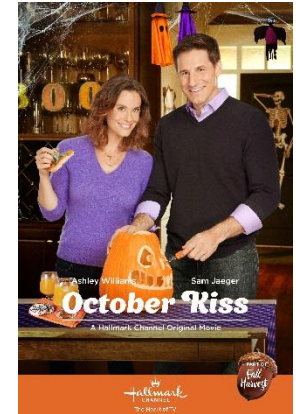
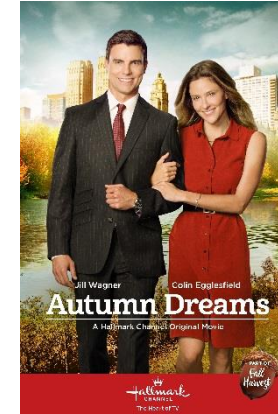
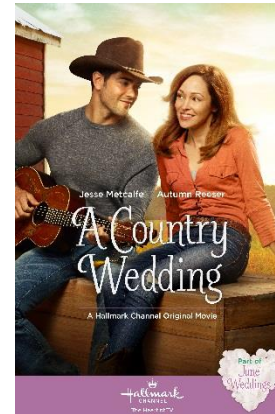
## Harvest Moon (10/10/15)

- Starred Jessy Schram and Jesse Hutch
- Highest rated and Most Watched Hallmark Channel October original movie premiere in network history** with a 2.6 household rating and 444,000 Women 25 to 54\*.



# Crown Media Productions

- In 2014, Crown Media launched its own in-house production company, **Crown Media Productions**
- The Company keeps ownership of all distribution rights and creative control
- In 2015, Hallmark Channel premiered seven Crown Media Productions produced films:
  - *A Country Wedding* – part of June Weddings
  - *Autumn Dreams* – part of Fall Harvest
  - *Harvest Moon* – part of Fall Harvest
  - *October Kiss* – part of Fall Harvest
  - *Northpole: Open for Christmas* – Countdown to Christmas
  - *Angel of Christmas* – Countdown to Christmas
  - *Once Upon a Holiday* – Countdown to Christmas
- In 2016, the Company is expected to premiere 18 self-produced movie titles



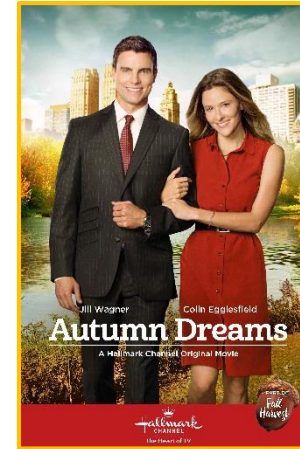


# Original Movies – Fourth Quarter 2015

## FALL HARVEST

- **Autumn Dreams** (10/3/15), Crown Media Productions – Averaged a 1.9 household rating and 410,000 Women 25 to 54
- **Harvest Moon** (10/10/15), Crown Media Productions – Averaged a 2.6 household rating and 2.9 million viewers to become the MOST WATCHED movie premiere of 2015 among Women 18 to 49\*
- **October Kiss** (10/17/15), Crown Media Productions – Averaged a 2.3 household rating and 2.6 million viewers
- **Good Witch Halloween** (10/24/15) – Averaged a 2.5 household rating and 383,000 Women 25 to 54

**Jesse Stone: Lost in Paradise\*** (10/18/15) – Averaged a 2.3 household rating, reaching 2.7 million viewers. Starring Tom Selleck and Luke Perry.



\* The movie premiered on Hallmark Movies & Mysteries on October 25<sup>th</sup>.

# Countdown to Christmas – Thanksgiving Week

- Hallmark Channel's **Thanksgiving Weekend Event** featured five new original movie premieres from November 25th through November 29th which together averaged a **3.2 household rating, 756,000 Women 25 to 54, and 3.9 million total viewers.**
- Leading the pack was ***A Christmas Detour***, starring Candace Cameron Bure, with a 3.9 household rating and 4.8 million viewers, becoming the second most watched telecast in Hallmark Channel history.



	Premiere Date	Household rating	Women 25 to 54 delivery
<i>Once Upon A Holiday</i>	11/25/15	2.6	562,000
<i>12 Gifts of Christmas</i>	11/26/15	2.5	524,000
<i>Crown for Christmas</i>	11/27/15	3.5	885,000
<i>A Christmas Detour</i>	11/28/15	3.9	915,000
<i>Angel of Christmas</i>	11/29/15	2.8	661,000





# Countdown to Christmas 2015

	Premiere Date	Household rating	Women 25 to 54 delivery
<i>'Tis the Season for Love</i>	11/1/15	2.1	472,000
<i>Ice Sculpture Christmas</i>	11/7/15	2.8	626,000
<i>Charming Christmas</i>	11/8/15	2.8	628,000
<i>I'm Not Ready for Christmas</i>	11/14/15	3.1	691,000
<i>Christmas Incorporated</i>	11/15/15	2.8	709,000
<i>Northpole: Open for Christmas</i>	11/21/15	3.0	718,000
<i>Merry Matrimony</i>	11/22/15	2.8	711,000
<i>Just in Time for Christmas (Hallmark Hall of Fame)</i>	12/5/15	3.1	634,000
<i>Karen Kingsbury's The Bridge</i>	12/6/15	2.8	585,000
<i>On the Twelfth Day of Christmas</i>	12/12/15	3.1	588,000
<i>A Christmas Melody</i>	12/19/15	3.3	726,000
<i>Christmas Land</i>	12/20/15	3.5	684,000



Hallmark Channel's **2015 Countdown to Christmas (10/30/15-1/1/16)**:

- Reached **64.8 million unduplicated viewers** and nearly 14 million Women 25 to 54.
- Elevated Hallmark Channel to average 244,000 Women 25 to 54, making it the **#1 watched ad-supported cable network** among Women 25 to 54.

# Countdown to Christmas - Specials

	Premiere Date	Household rating	Women 25 to 54 delivery
<b><i>Mariah Carey's Merriest Christmas</i></b>	12/19/16	1.9	352,000
<b><i>When Calls the Heart: New Year's Wish</i></b>	12/26/15	2.1	378,000

- ***Mariah Carey's Merriest Christmas*** becomes the most watched holiday special in Hallmark Channel network history among households, Women 25 to 54, Adults 25 to 54, and total viewers
- ***When Calls the Heart: New Year's Wish*** became the highest rated and most watched airing of any *When Calls the Heart* premiere in network history among households, Women 18 to 49, Women 25 to 54, Adults 18 to 49, Adults 25 to 54, and total viewers.

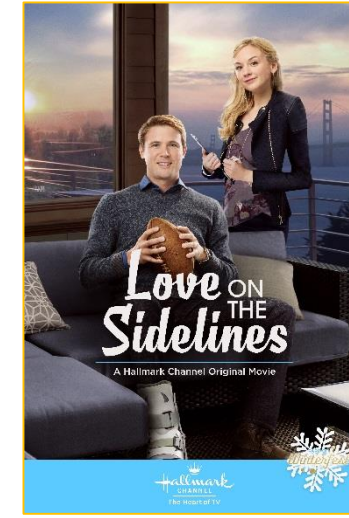
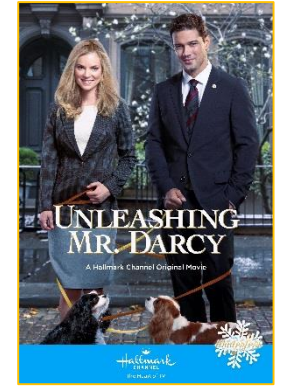
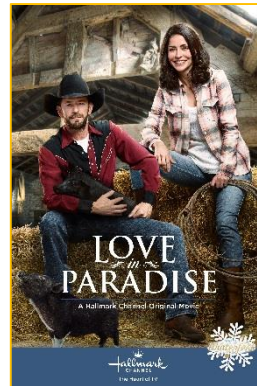




# Original Movies – First Quarter 2016 to-date

## WINTERFEST

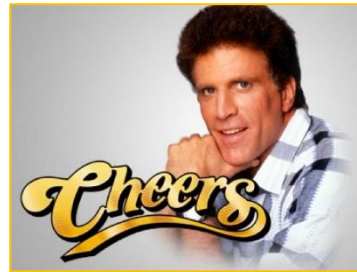
- Hallmark Channel commenced 2016 with the success of **Winterfest**, a special programming event featuring four new original premieres. The four movies averaged a **2.4 household rating** and **2.7 total viewers**.
- **Love in Paradise** (1/2/16) - Premiered to a 2.6 household rating and 547,000 Women 25 to 54.
- **Love's Complicated** (1/9/16) - Premiered to a 2.0 household rating and 362,000 Women 25 to 54.
- **Love on the Sidelines** (1/16/16) - Premiered to a 2.1 household rating and 453,000 Women 25 to 54.
- **Unleashing Mr. Darcy** (1/23/16) - Premiered to a 2.7 household rating and 591,000 Women 25 to 54.



# Syndicated Series

## Family Programming

Hallmark Channel continues to deliver high-quality syndicated family friendly programming.



Commenced on January 4<sup>th</sup> 2016

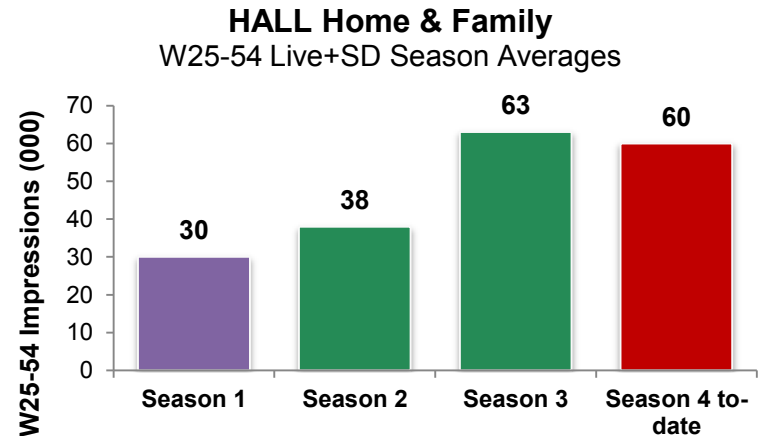


# Lifestyle Programming

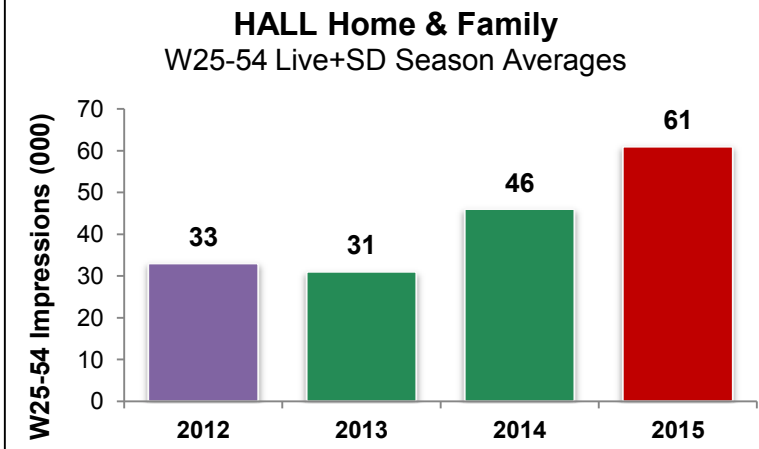
## Home & Family Gains Momentum in 4Q 2015

- **4Q'15 Final** deliveries (M-F 10am-12pm) were up versus the 4Q'14 program average among households (+4%) and total viewers P2+ (+4%).

Source: Nielsen. 4Q'15 (10/28/15-12/25/15) vs 4Q'14 (10/29-12/28/14). Live+SD.



Source: Nielsen Media Research, Live+SD Cvg Rtg / 000. Updated through 12/25/15.



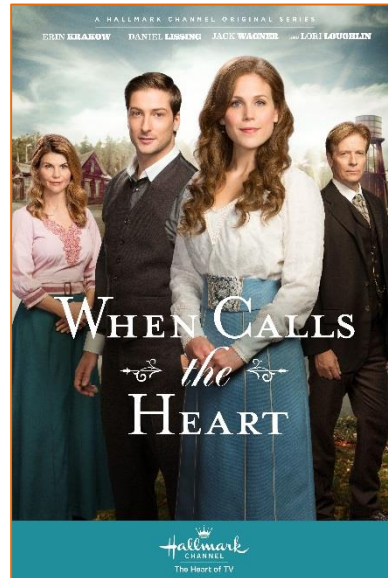
Source: Nielsen Media Research, Live+SD Cvg Rtg / 000. Updated through 12/25/15.



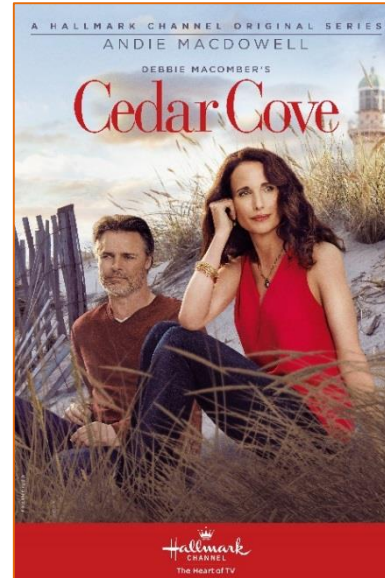
# Original Primetime Series 2015



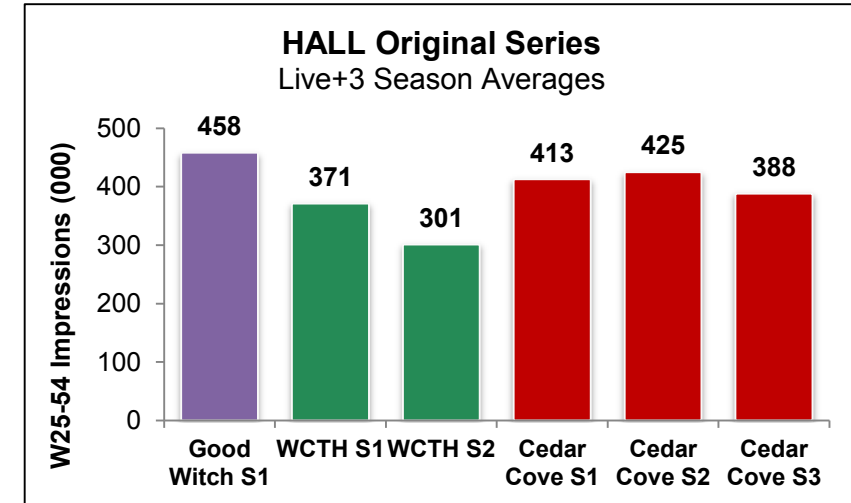
- Season 1 premiered February 28, 2015 to a **2.7 HH rating**
- Season 1 averaged a **2.1 HH rating and 2.2 million viewers**



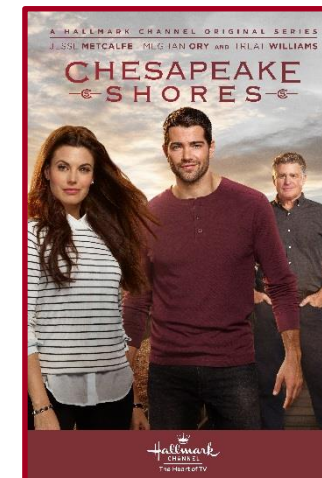
- Season 2 averaged a **1.6 HH rating** in 2015
- Season 1 averaged a **1.6 HH rating** in 2014
- Season 3** premieres in February 2016



- Season 3 culminated on September 26, 2015 averaging a **1.6 HH rating**
- Season 2 averaged a **1.8 HH rating** in 2014.



Source: Nielsen, Live+3 Impressions (000), Season Averages. Returning HALL series only. Updated through 9/29/15.



**Coming in 2016:**

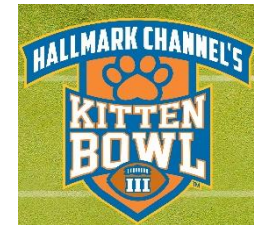
***Chesapeake Shores*\***

starring Jesse Metcalfe,  
Meghan Ory, and Treat  
Williams

Source: Nielsen. \*Title and premiere date are subject to change

# Specials

## Event Specials



## Seasonal Programming



Fall Harvest



SPRING FLING

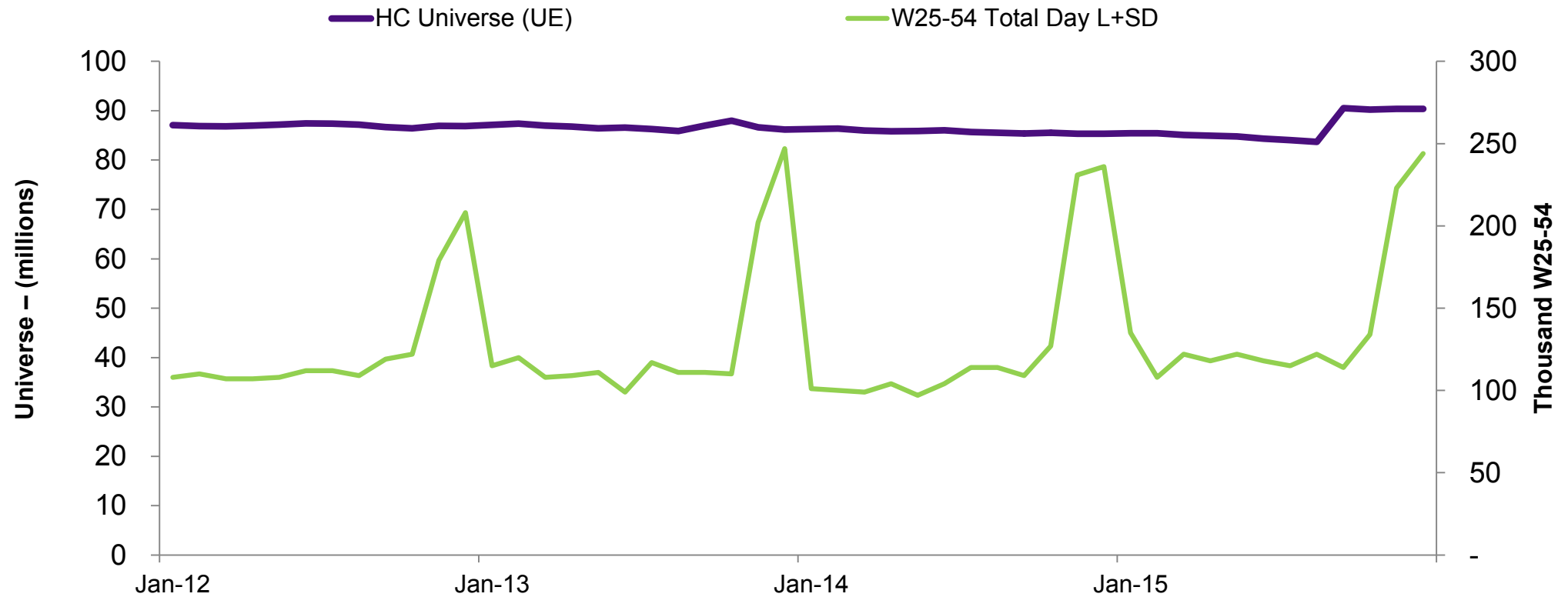


Winterfest



# Hallmark Channel

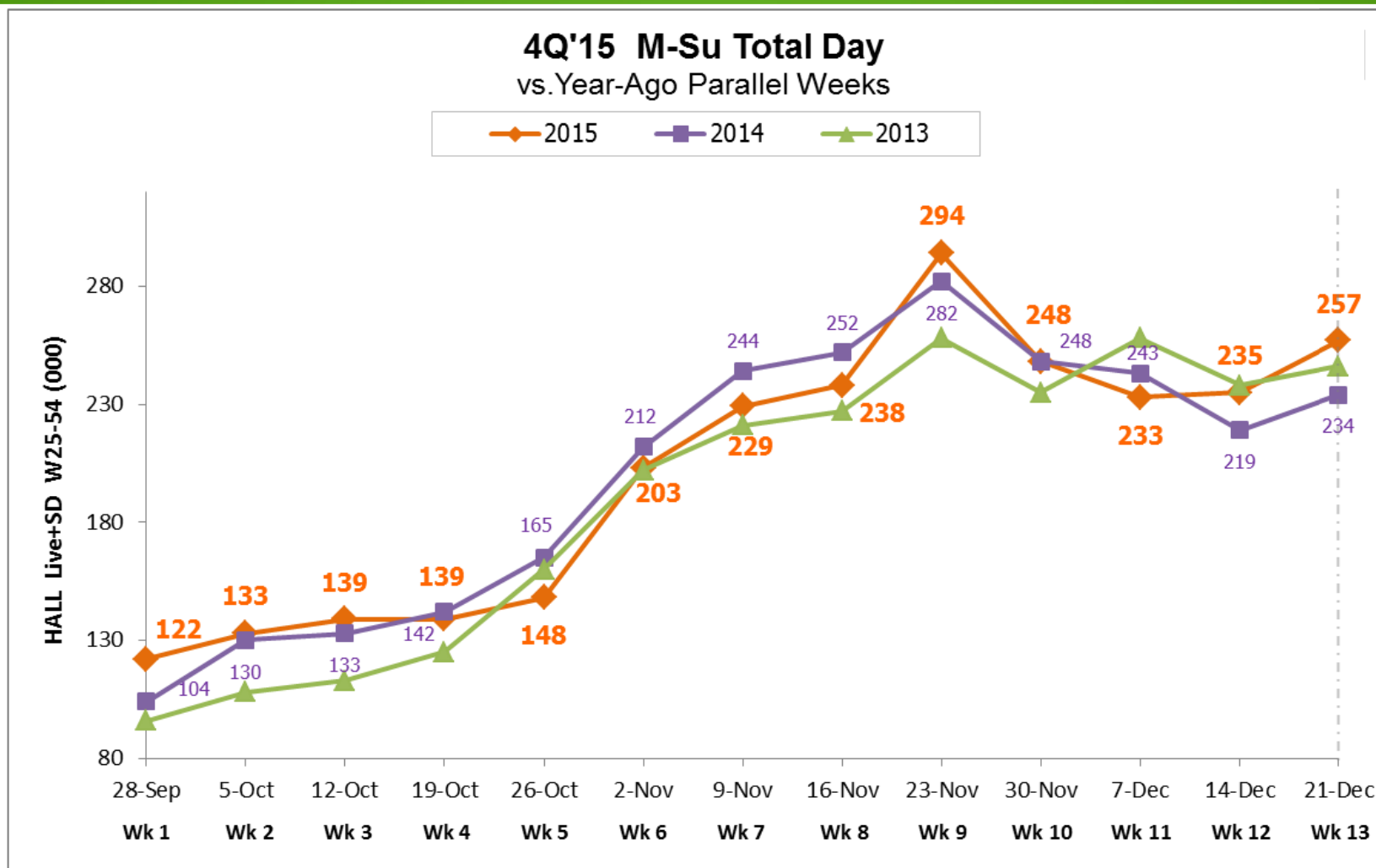
## Subscribers and Audience



Source: Nielsen, Actuals through December 2015

# Hallmark Channel

## Women 25-54 Q4 Ratings Trend vs. Prior Two Years



Source: Nielsen, 10/28-12/27/15, Live+SD





# Hallmark Movies & Mysteries in 2015



## Hallmark Movies & Mysteries continued to grow double digits in fourth quarter and 2015

- Hallmark Movies & Mysteries continued to display **solid** growth in 4Q' 2015 over 4Q' 2014, up **6%** and **1%** among Women 25 to 54 in Total Day and Prime Time, respectively.
- For full year 2015, Hallmark Movies & Mysteries reflected substantial audience **growth**, up 31% and 29% among Women 25 to 54 in Total Day and Prime Time, respectively.
- Hallmark Movies & Mysteries became the **MOST WATCHED** mid-sized cable network\* (62.2 million subscribers), with an average of 259,000 and 336,000 households in Total Day and Prime Time, respectively.

Source: Nielsen. 4Q15 Final vs 4Q14 Final. 2015 Final vs 2014 Final. Live +SD. \*12/29/14-12/27/15) Live+SD HH's (000), Total Day (M-Su 6a-6a) and Prime (M-Su 8-11p), ranked among all ad-supported cable networks in less than 75 million homes. Top 25 of 26 mid-sized networks shown.



# Original Movie Premieres – Fourth Quarter

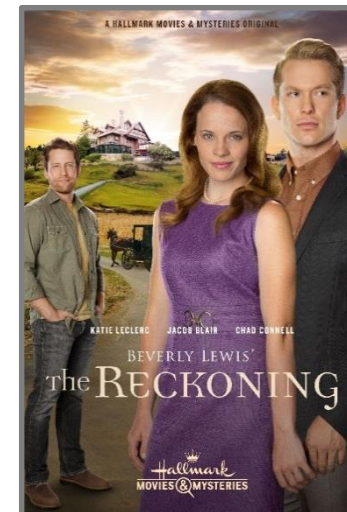
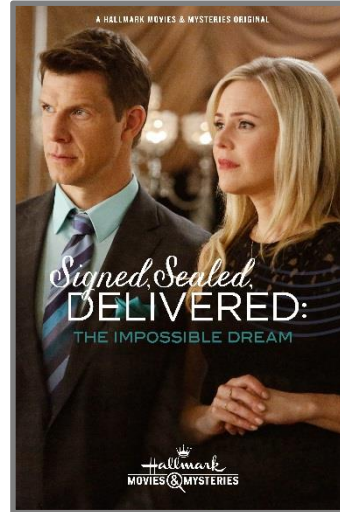


## Movie Mystery Series

- ***Signed, Sealed, Delivered: The Impossible Dream*** (10/4/15) – Starring Eric Mabius and Kristin Booth – Averaged a 1.1 household rating and 129,000 Women 25-54.

## Original Dramas

- ***Beverly Lewis: The Reckoning*** (10/11/15) – Starring Katie Leclerc and Jacob Blair and garnered a 1.1 household rating and averaged 107,000 Women 25-54.
- ***Jesse Stone: Lost in Paradise\**** (10/25/15) – Starring Tom Selleck and Luke Perry and garnered a 1.3 household rating, delivering over one million viewers.



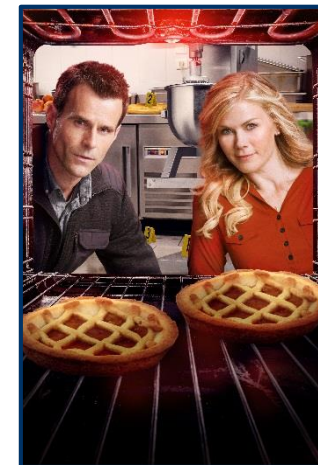
\* The movie premiered first on Hallmark Channel on October 18, 2015.

# Movie Mysteries Series Success



## Hallmark Movies & Mysteries' Mystery Movie franchises:

Franchise	# of installments	Years Active	Highest rated installment*	Starring
<i>Garage Sale Mystery</i>	5	2	<i>The Deadly Room</i> (4/11/15) with a 1.4 HH rating	Lori Loughlin
<i>Signed, Sealed, Delivered</i>	4	2	<i>With Paris With Love</i> (6/6/15) with a 1.2 HH rating	Eric Mabius, Kristin Booth
<i>Gourmet Detective</i>	2	1	<i>Gourmet Detective</i> (5/16/15) with a 1.1 HH rating	Dylan Neal and Brooke Burns
<i>Aurora Teagarden</i>	2	1	<i>Real Murders</i> (7/26/15) with a 1.1 HH rating	Candace Cameron Bure
<i>Murder She Baked</i>	3	1	<i>A Chocolate Chip Cookie Mystery</i> (5/2/15) with a 1.6 HH rating	Alison Sweeney and Cameron Mathison



\*Source: Nielsen.

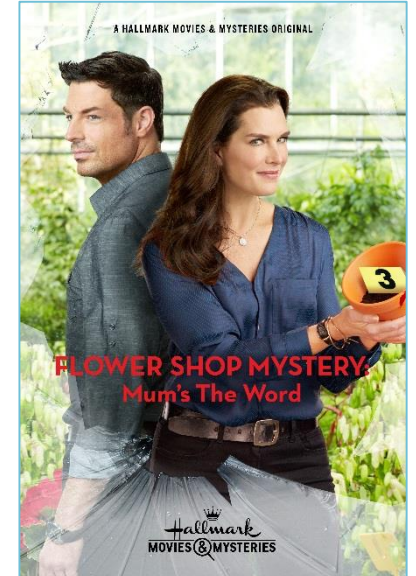
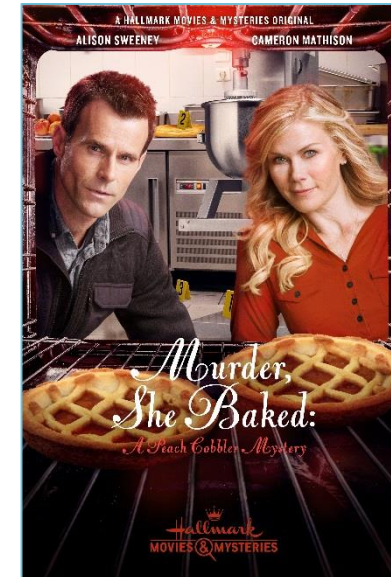
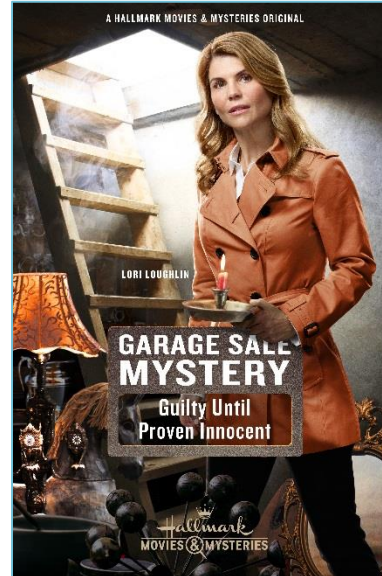


# Original Movie Premieres – First Quarter 2016 to-date



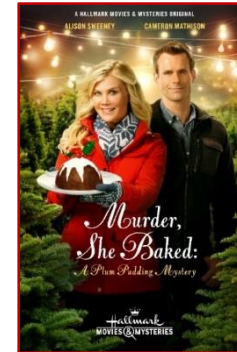
## Movie Mystery Series

- ***Garage Sale Mystery: Guilty Until Proven Innocent*** — Starring Lori Loughlin premiered on January 3rd to 1.2 household rating and 167,000 Women 25 to 54, making it the second most watched original premiere in network history among Women 25 to 54\*.
- ***Murder She Baked: A Peach Cobbler Mystery*** — Starring Alison Sweeney premiered on January 10th to a 1.1 household rating and 861,000 total viewers.
- ***Flower Shop Mystery: Mum's The Word*** — Starring Brooke Shields premiered on January 17th to a 1.2 household rating and 738,000 households becoming the most watched January original movie premiere in network history\*



# Most Wonderful Movies of Christmas 2015

- ***Murder She Baked: A Plum Pudding Mystery* (11/22/15)**  
starring Alison Sweeney and Cameron Matheson, premiered to a 1.3 household rating
- ***The Christmas Note* (11/29/15)**  
starring Jamie-Lynn Sigler, premiered to a 1.3 household rating
- ***Magic Stocking* (12/6/15)**  
starring Bridget Regan, premiered to a 1.2 household rating
- ***Debbie Macomber's Dashing Through The Snow* (12/13/15)**  
starring Meghan Ory premiered to a 1.4 household rating and 209,000 Women 25 to 54, becoming the **Most watched telecast in network history\***.



- Hallmark Movies & Mysteries' ***2015 Most Wonderful Movies of Christmas*** reached 33.3 million unduplicated viewers and over 6.8 million Women 25 to 54.
- Compared to last year's ***Most Wonderful Movies of Christmas***, Hallmark Movies & Mysteries reflected growth over the same period a year ago, up 13% in households, 12% among Women 18 to 49, 12% among Women 25 to 54, 13% among Adults 18 to 49, 14% among Adults 25 to 54, and 15% among total viewers\*.
- Delivered the **HIGHEST** month (December), week (11/16-22/15), and day (12/13/15) in network history among Women 25 to 54 and Adults 25 to 54\*.

# Hallmark Movies & Mysteries Reaches New Audiences

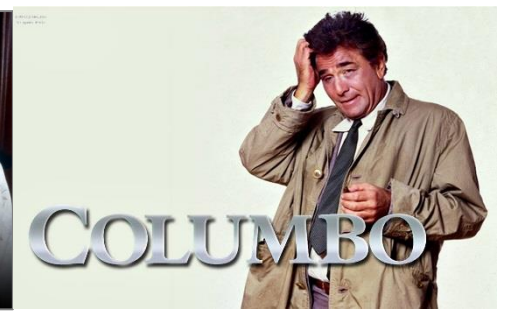
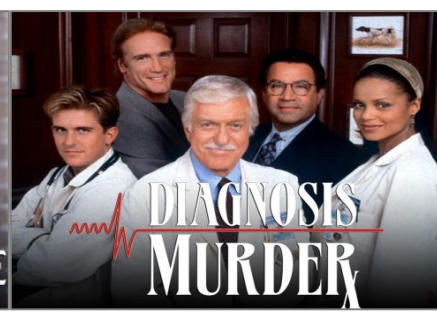
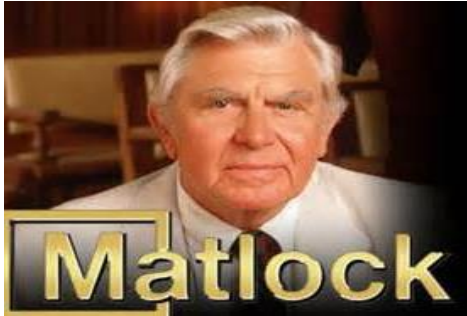


Since launching, Hallmark Movies & Mysteries has added over 28 million new subscriber homes (+82%), the **3<sup>rd</sup> largest subscriber increase** of any cable network in the same time frame.

RANK	CABLE NETWORK	APR-10	DEC-15	APR10 – DEC15 % CHANGE	APR10 – DEC15 SUB+/- (000s)
1	FXX (formerly FOX SOCCER)	36,233	78,989	118.00%	42,756
2	VELOCITY (formerly DISC HD THTR)*	32,445	65,740	102.62%	33,295
<b>3</b>	<b>HALL MOV</b>	<b>34,178</b>	<b>62,210</b>	<b>82.02%</b>	<b>28,032</b>
4	FBN	56,029	83,107	48.33%	27,078
5	InvDISC (DTMS)	62,721	84,981	35.49%	22,260
6	DSNY JR*	53,477	74,166	38.69%	20,689
7	UNIVISION DEPORTES*	26,680	47,233	77.04%	20,553
8	FOX Sports2 (FUEL)*	31,196	50,969	63.38%	19,773
9	UP (formerly GMC)	47,161	66,888	41.83%	19,727
10	NBC SPORTS NET (formerly VS.)	63,793	83,356	30.67%	19,563



# Classic Films & Drama Series



Jesse Stone  
Movie Series



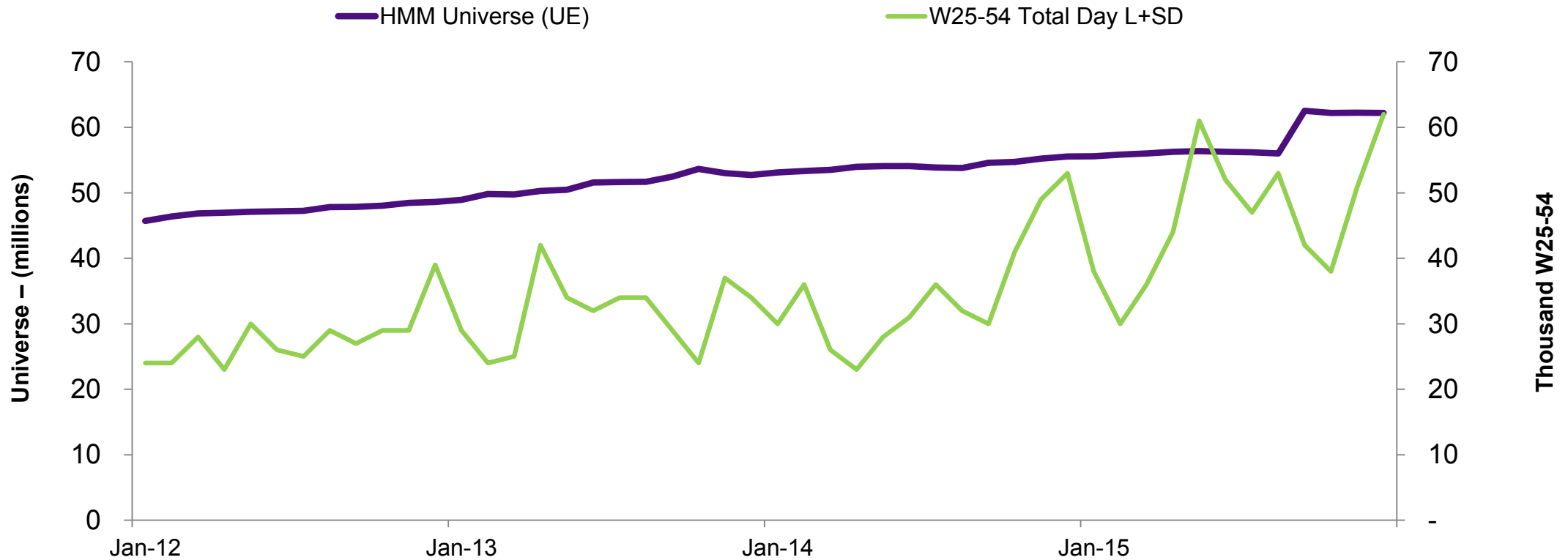
Original Movies



Original Movie Mystery  
Series

# Hallmark Movies & Mysteries

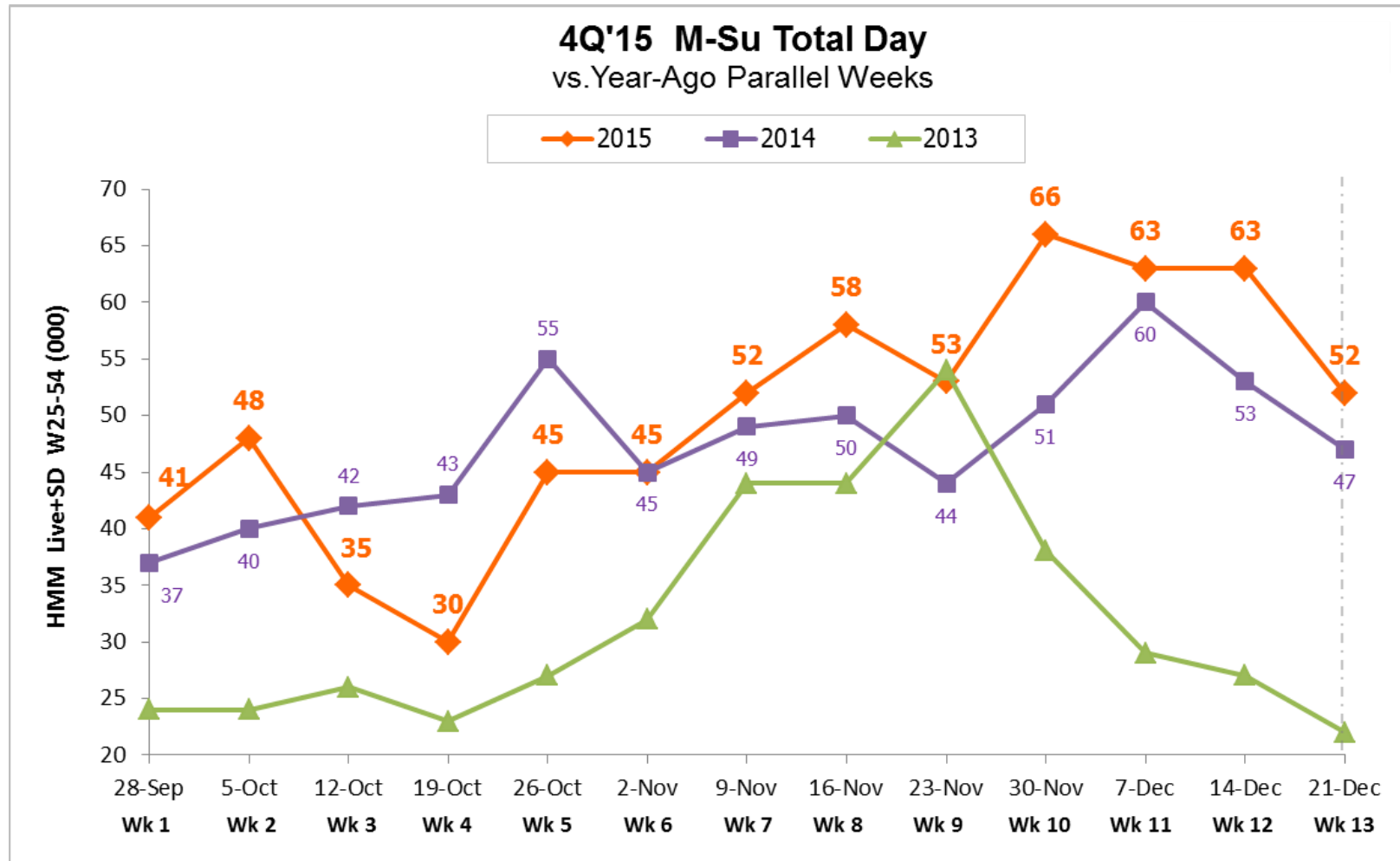
## Subscribers & Audience





# Hallmark Movies & Mysteries

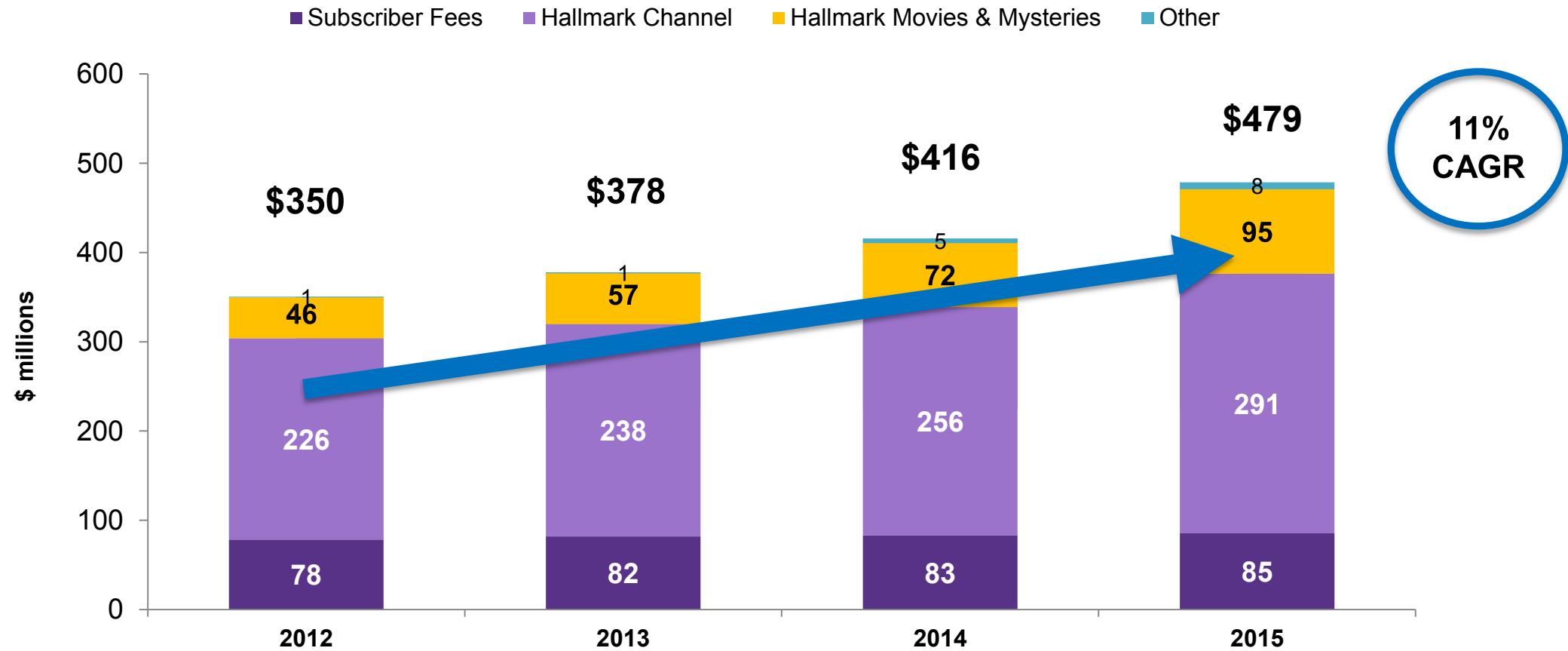
## Women 25-54 Q4 Ratings Trend vs. Prior Two Years



# Network Highlights



# Revenue



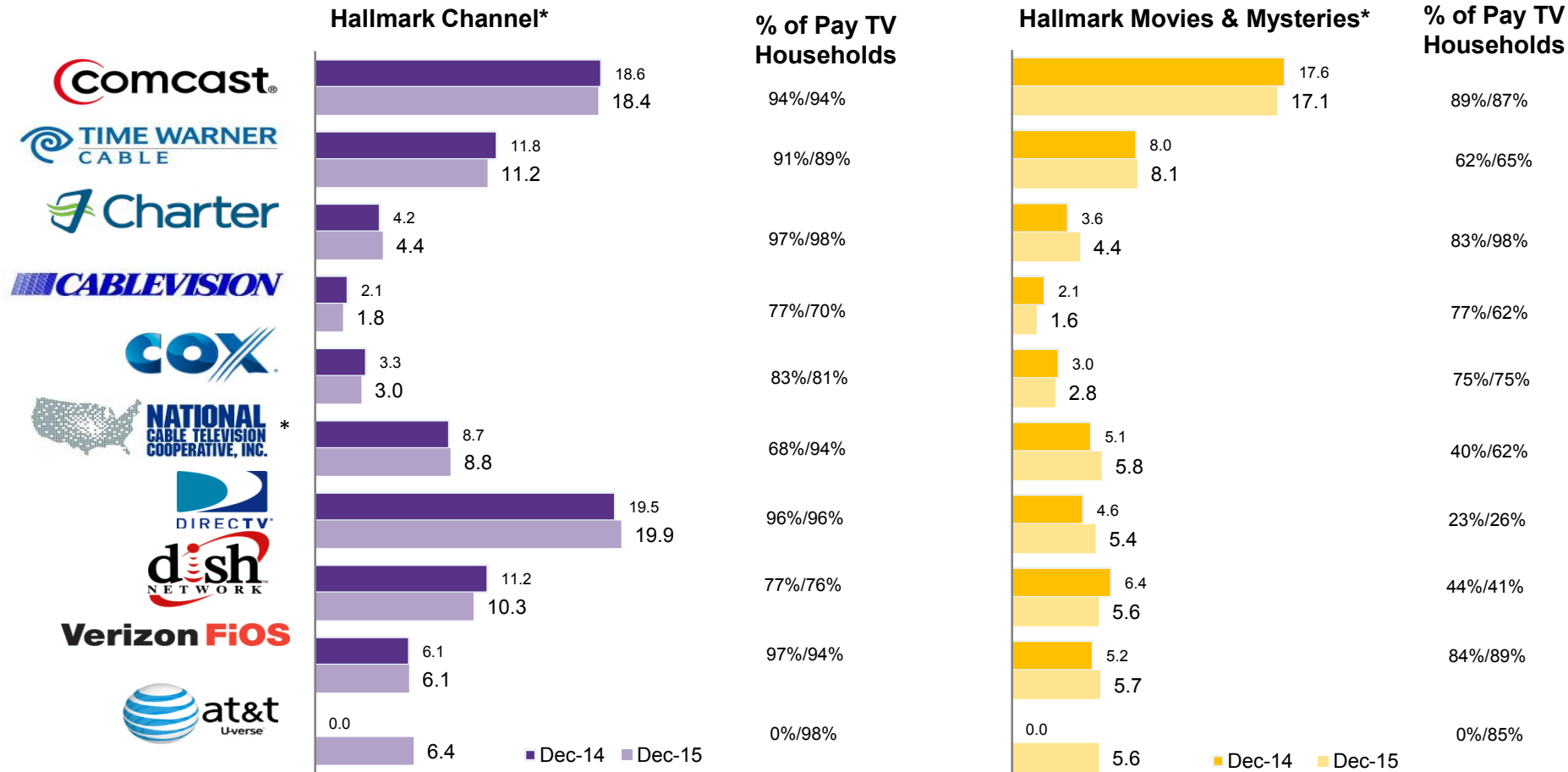
# Distribution – Nielsen Subscriber Counts

Subscribers 90.4 Million

91%

62.2 million

62%

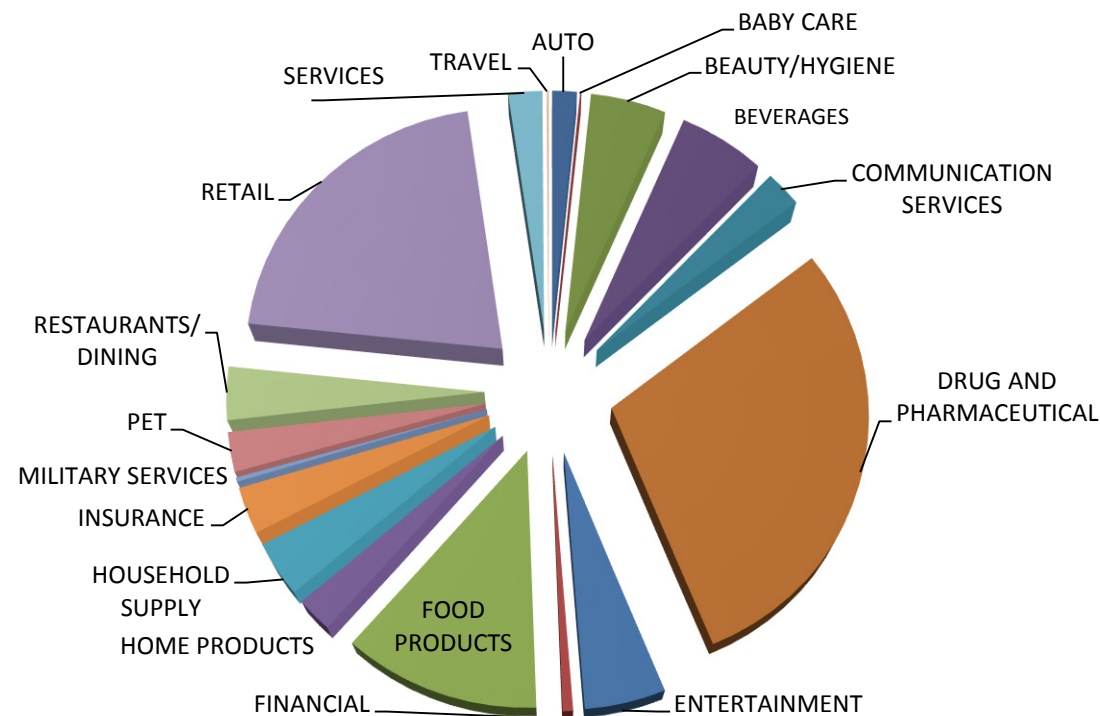


\*The Nielsen Company Npower; December 2014 and 2015

# Diverse Advertiser Base

## Hallmark Channel

### Advertising revenue by category (2015)



Source: December 2015, Company estimates

Focused on categories that deliver consistent ad spend despite broader market conditions.

PRODUCT CATEGORY	% REVENUE
DRUG AND PHARMACEUTICAL	29%
RETAIL	21%
FOOD PRODUCTS	12%
BEVERAGES	6%
ENTERTAINMENT	5%
BEAUTY/HYGIENE	5%
HOUSEHOLD SUPPLY	4%
RESTAURANT/DINING	3%

**4Q'15 Scatter CPMs were up 38% over Upfront and down 1% from 4Q'14**

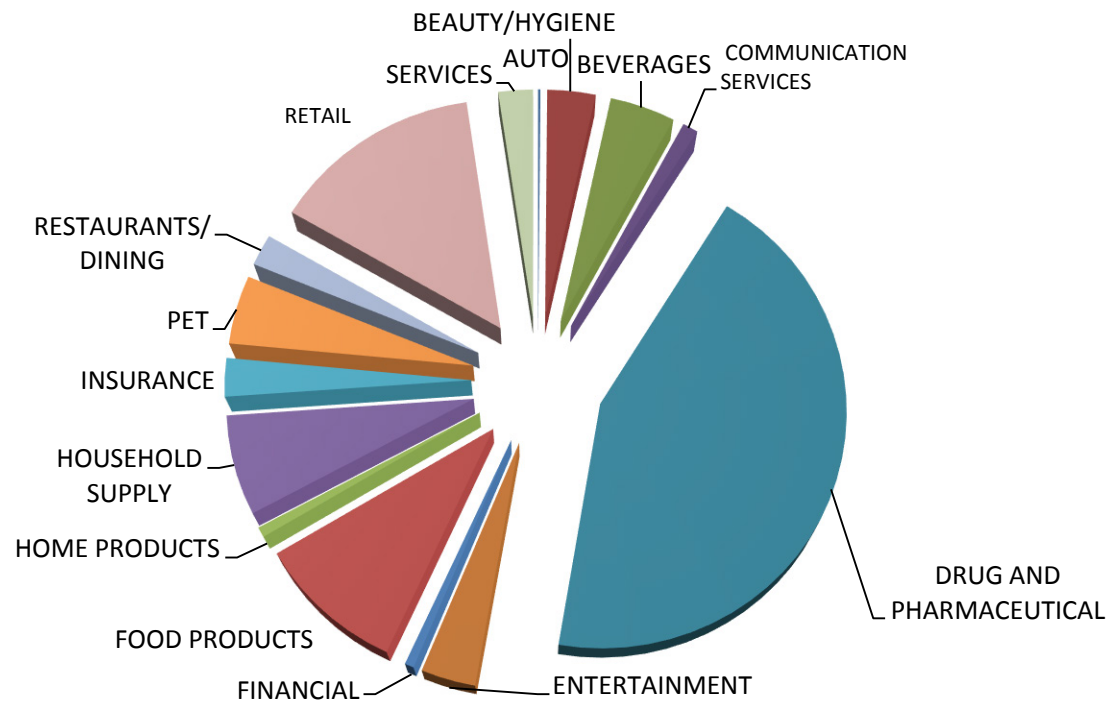


# Diverse Advertiser Base

## Hallmark Movies & Mysteries



### Advertising revenue by category (2015)



Focused on categories that deliver consistent ad spend despite broader market conditions.

PRODUCT CATEGORY	% REVENUE
DRUG AND PHARMACEUTICAL	44%
RETAIL	14%
FOOD PRODUCTS	10%
HOUSEHOLD SUPPLY	7%
PET	5%
BEVERAGES	4%
ENTERTAINMENT	3%
BEAUTY/HYGIENE	3%

**4Q'15 Scatter CPMs were up 31% over Upfront and 4% over 4Q'14**

# Digital

## Hallmarkchannel.com & Mobile

### Unique Visitors

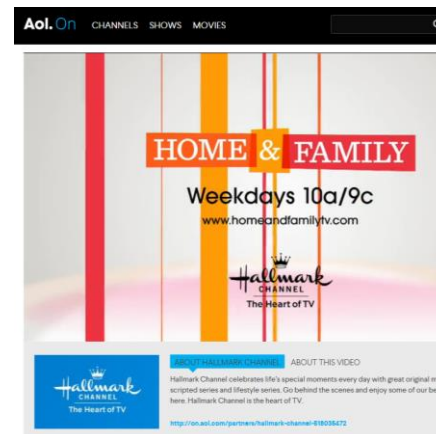
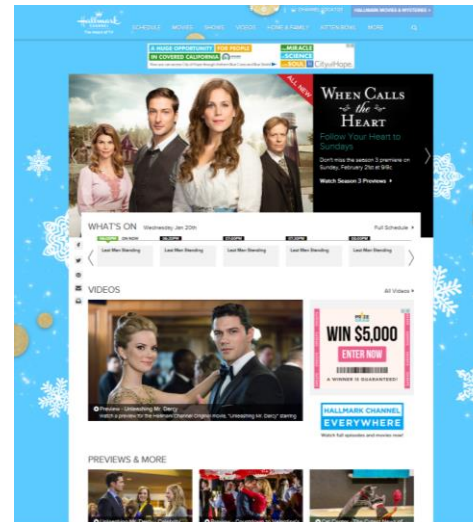
- Hallmarkchannel.com had **2.4 million unique visitors** in December 2015, up **37%** from December 2014.

### Page Views

- Hallmarkchannel.com had **13.7 million page views** in December 2015, up **35%** from December 2014.

### IOS and Android App:

- 350K Downloads in 2015



## TV Everywhere

### TV Everywhere App

- TVE Integrations:** 58 million subscribers
- DirectTV, Charter, Time Warner Cable, Bright House, Verizon, Cox, Cablevision, and NCTC members.

### Multichannel Video Programming Distributors

- MVPD PCs: 55.6 million subscribers
- MVPD Apps: 69.7 million subscribers
- NCTC, Time Warner Cable, Bright House, Verizon, Cox, Dish Network, Comcast, and DirecTV
- C3 VOD on Primetime Series
- Live Linear Streaming Into Home via MVPD



## Transactional

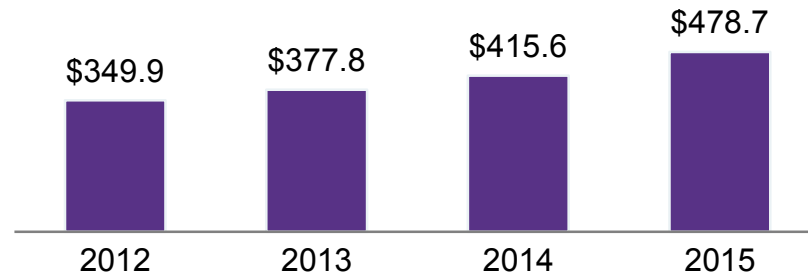
- Electronic Sell Through:** iTunes, Amazon Instant, Google Play, Vudu
- Subscription VOD (SVOD) - Netflix**
  - When Calls the Heart* - seasons 1 and 2
  - Cedar Cove* - seasons 1 and 2

# Financial Information



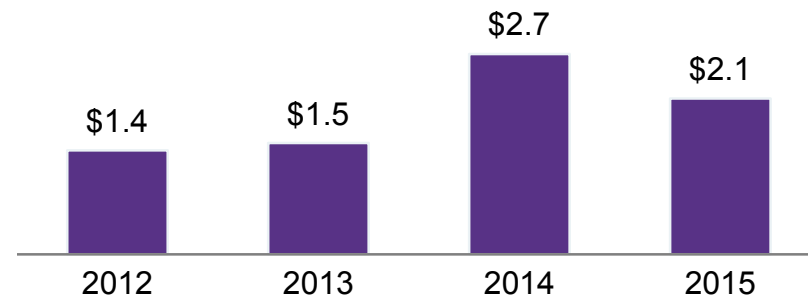
# Recent Financial Information

## Revenue (\$mm)



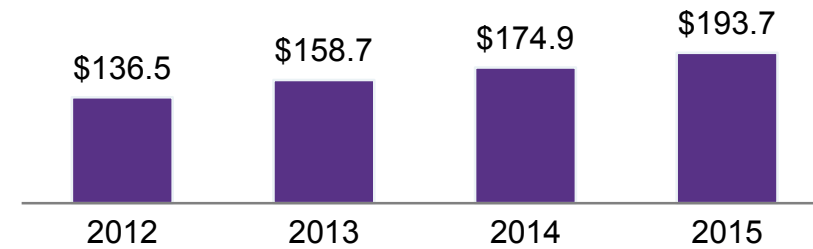
% growth	8%	8%	10%	15%
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## Capital Expenditures (\$mm)



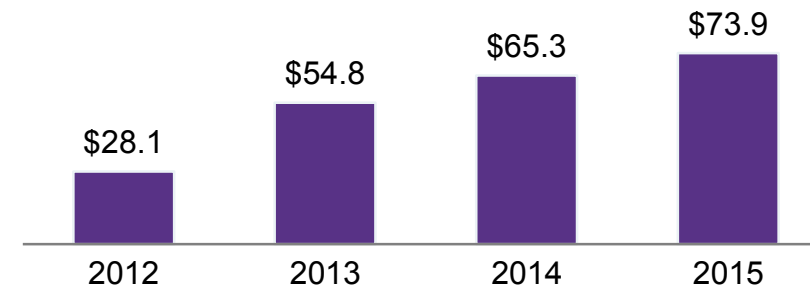
% revenue	0.4%	0.4%	0.6%	0.4%
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## Adjusted EBITDA <sup>1</sup> (\$mm)



% margin	39%	42%	42%	40%
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## Free cash flow <sup>2</sup> (\$mm)



% EBITDA Conversion	21%	35%	37%	38%
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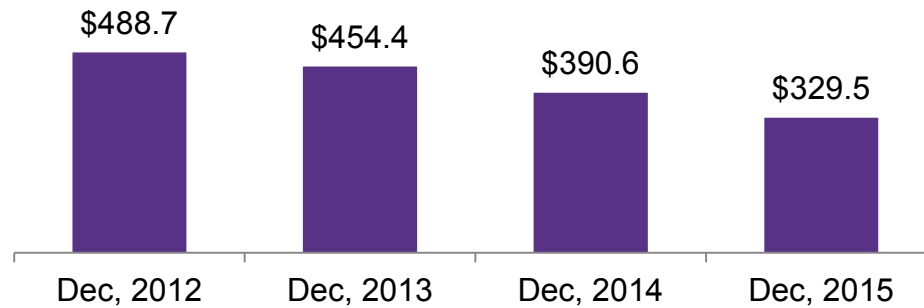
<sup>1</sup> Adjusted EBITDA includes add-back of long-term incentive compensation expense; please see page 48 for additional information

<sup>2</sup> Based on cash flow from operations less capital expenditures and capital lease payments; please see page 49 & 50 for additional information

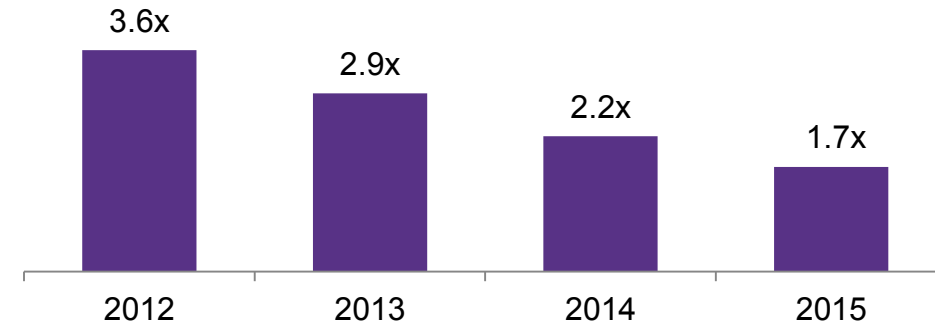


# Recent Financial Information

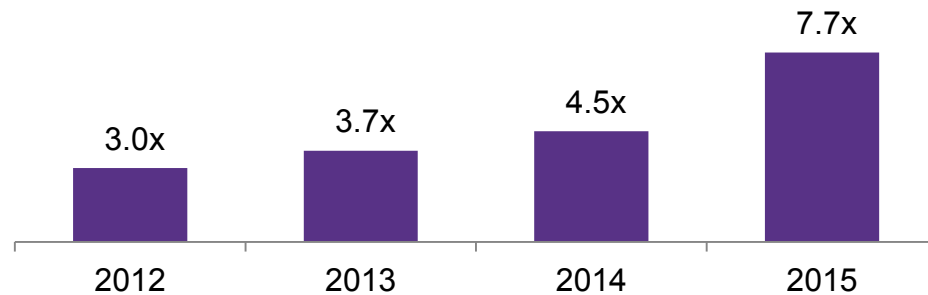
**Total debt <sup>1</sup> (\$mm)**



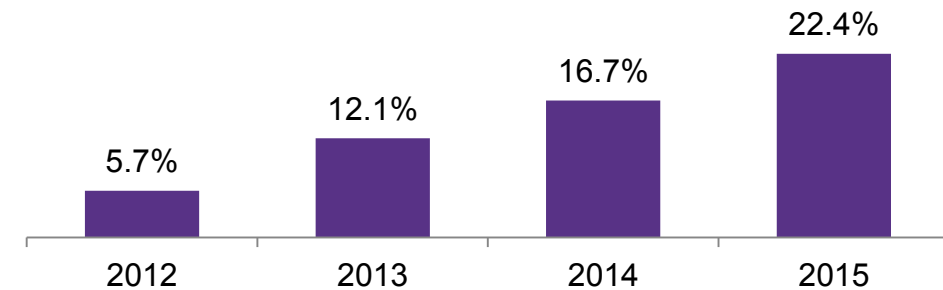
**Total debt / Adjusted EBITDA<sup>1</sup>**



**Adjusted EBITDA / Interest expense**



**FCF / Total Debt**



<sup>1</sup> Total debt includes capital leases

# Capitalization

(\$'millions)		December 31, 2013	December 31, 2014	December 31, 2015
Cash		\$ 63.7	\$ 60.8	\$50.6
2015 Term Loan	Nominal			325.0 <sup>3</sup>
Libor + 1.75% due 2020	Transaction Cost <sup>2</sup>	-	-	(2.6)
	<b>Net</b>			<b>322.4</b>
2011 Term Loan	Nominal	156.1	119.6	
Libor <sup>1</sup> + 3% due 2018	Transaction Cost <sup>2</sup>	(5.3)	(4.2)	-
	<b>Net</b>	<b>150.8</b>	<b>115.4</b>	
Senior Unsecured Notes	Nominal	300.0	271.5	-
10.5% due 2019	Transaction Cost <sup>2</sup>	(6.2)	(4.8)	
	<b>Net</b>	<b>293.8</b>	<b>266.7</b>	
Capital Leases & Other		9.8	8.6	7.1
<b>Total debt</b>		<b>\$454.4</b>	<b>\$390.6</b>	<b>\$329.5</b>

<sup>1</sup> Libor floor of 1

<sup>2</sup> The Company adopted ASU No. 2015-03, Interest — Imputation of Interest (Subtopic 835-30): Simplifying the Presentation of Debt Issuance Costs in conjunction with the 2015 Refinancing.

<sup>3</sup> Includes \$200 million swapped at a fixed rate of 3.4%.

# Financial Reconciliation

## US-GAAP Income to Adjusted EBITDA (\$000's)

	Fiscal Year Ended, December 31,			
	2012	2013	2014	2015
<b>Adjusted EBITDA reconciliation</b>				
Net income	\$107,353	\$67,715	\$94,497	\$86,083
Loss on sale of discontinued operations	-	-	629	-
(Gain)/loss on extinguishment of liabilities and debt	-	(121)	3,668	22,478
Depreciation and amortization	2,635	3,008	3,626	3,858
Interest expense	46,056	42,577	39,263	25,028
Income tax (benefit) expense	(22,604)	41,649	28,936	51,662
Restricted stock unit compensation	237	242	36	-
<b>Adjusted earnings before interest, taxes, depreciation and amortization</b>	<b>\$133,677</b>	<b>\$155,070</b>	<b>\$170,655</b>	<b>\$189,109</b>
Long term incentive expense	2,804	3,658	4,187	4,550
<b>Adjusted EBITDA</b>	<b>\$136,481</b>	<b>\$158,728</b>	<b>\$174,842</b>	<b>\$193,659</b>

# Financial Reconciliation

## US-GAAP Operating Cash Flow to Free Cash Flow Reconciliation (\$000's)

	Fiscal Year Ended December 31,			
	2012	2013	2014	2015
<b>Free cash flow reconciliation</b>				
Net cash provided by operating activities	\$30,680	\$57,578	\$69,310	\$77,470
Net cash used in investing activities	(1,376)	(1,511)	(2,719)	(2,115)
Principal payments on capital leases	(1,180)	(1,266)	(1,313)	(1,437)
<b>Free cash flow</b>	<b>\$28,124</b>	<b>\$54,801</b>	<b>\$65,278</b>	<b>\$73,918</b>



# Financial Reconciliation

## Adjusted EBITDA to US-GAAP Operating Cash Flow (\$000's)

	Fiscal Year Ended December 31,			
	2012	2013	2014	2015
Adjusted EBITDA	\$136,481	\$158,728	\$174,842	\$193,659
Programming and other amortization	130,536	136,872	151,663	179,172
Provision for allowance for doubtful accounts	39	875	187	483
<i>Changes in operating assets and liabilities</i>				
Change to programming rights	(131,964)	(146,560)	(182,733)	(248,594)
Change to prepaid programming rights	(16,035)	(9,076)	(3,138)	(15,835)
Change in programming rights payable	(1,033)	(12,334)	(16,472)	10,161
Interest paid	(46,909)	(40,414)	(38,464)	(34,837)
Changes in other operating assets and liabilities, net of adjustments above	(40,435)	(30,512)	(16,574)	(6,739)
<b>Net Cash provided by operating activities</b>	<b>\$30,680</b>	<b>\$57,579</b>	<b>\$69,310</b>	<b>\$77,470</b>

# Financial Reconciliation

## Key US-GAAP Measures Flow (\$000's)

	Fiscal Year Ended, December 31			
	2012	2013	2014	2015
Cash and cash equivalents	\$43,705	\$63,750	\$60,888	\$50,604
Accounts Receivable (net of doubtful accounts)	92,062	104,613	118,277	155,813
Programming Rights	288,485	310,120	307,614	380,016
<b>Total Assets</b>	<b>\$1,014,626</b>	<b>\$1,028,485</b>	<b>\$1,054,462</b>	<b>\$1,088,137</b>
Audience Deficiency Reserve	5,679	4,888	5,926	10,928
Programming Rights Payable	142,624	128,874	112,402	122,563
Interest Payable	14,468	14,455	13,079	1,266
Total Debt*	488,723	454,438	390,610	329,532
<b>Total Liabilities</b>	<b>\$683,267</b>	<b>\$629,345</b>	<b>\$560,824</b>	<b>\$508,574</b>
Paid in Capital	2,062,751	2,062,818	2,062,818	2,062,818
<b>Total Stockholders' Equity</b>	<b>\$331,359</b>	<b>\$399,140</b>	<b>\$493,638</b>	<b>\$579,563</b>

\* The Company adopted ASU No. 2015-03, *Interest — Imputation of Interest (Subtopic 835-30)*: Simplifying the Presentation of Debt Issuance Costs in conjunction with the 2015 Refinancing.

CrownMedia

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FAMILY NETWORKS

**Thank You**