Crown Media

FAMILY NETWORKS

Third Quarter 2014

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 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

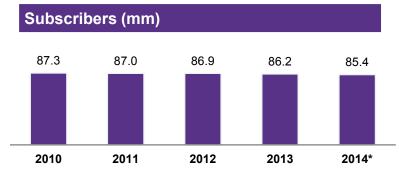


Crown Media Family Networks

We help celebrate life's special moments every day



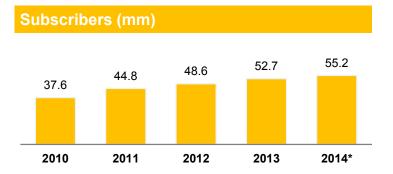
- High-quality family programming channel
- A leader in original programming hours amongst cable networks
- Attractive slate of original movies and series
- Lifestyle and home programming blocks
- Significant audience delivery during holiday



* November 2014 Source: Nielsen UE



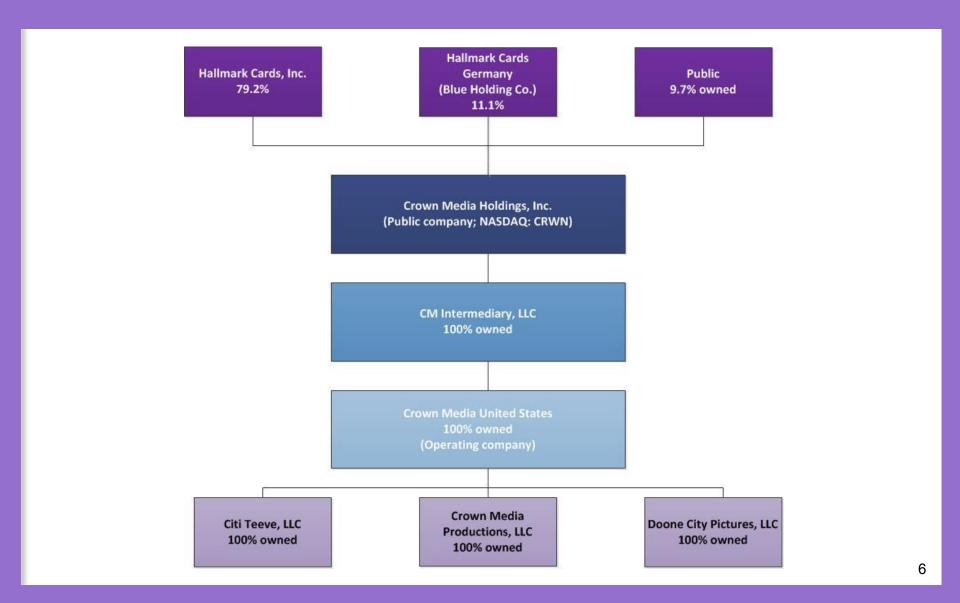
- Features a unique mix of original movies that are dramatic and cinematic, focusing on the lighter side of the suspense and mystery genres
- Home to the annual holiday programming franchise, the "Most Wonderful Movies of Christmas"
- Celebrates the heritage of Hallmark with presentations from the award-winning Hallmark Hall of Fame library





Legal Organization





Evolution of Crown Media



Crown re-launches Crown completes sale of Odyssey as Hallmark 600 television movies, mini-Crown acquires 22.5% of Channel series and series to RHI **Odyssey Network** Hallmark Movie Entertainment Channel re-branded **ODYSSEY** Lifestyle to Hallmark Movies programming block & Mysteries William Abbott re-launched named CEO HOME & FAMILY MOVIES (&) MYSTERIES 1998 2000 2001 2009 2014 2005 2006 2010 2008 2012 2013 First Original **Primetime Series** Hallmark Movie Initial public offering of Crown Cedar Cove Channel becomes Media: Sells Crown Media Hallmark Movie Nielsen rated Crown Media acquires Hallmark International Channel launched Cards' interest and other Recapitalization of Crown Media completed remaining interests in Odyssey

Management Team



Name/Title	Tenure	Background			
William Abbott	14 years	Executive Vice President, National Advertising Sales at Hallmark Channel			
President and CEO		 Senior Vice President, Advertising Sales, Fox Family Worldwide 			
		■ Vice President, Eastern Sales at Fox Family Worldwide			
Andrew Rooke	3 years	■ Chief Financial Officer of News Corporation's Twentieth Television			
Executive Vice President and CFO		■ Executive finance roles within Fox Interactive, Fox Entertainment and Warner Bros.			
		Deloitte & Touche in Los Angeles and London			
Charles L. Stanford Executive Vice President, Business	15 years	Senior Vice President, Business Affairs and General Counsel of Crown Media Holdings			
		 Senior Vice President, Legal and Business Affairs of Crown Media International 			
and Legal Affairs & General Counsel		Vice President, Legal and Business Affairs of Cable and New Media of ABC, Inc.			
Ed Georger	14 years	Senior Vice President, Advertising Sales for Crown Media			
Executive Vice President, Advertising		■ Vice President of Eastern Sales, Family Channel and Fox Family Channel			
Sales and Digital Media		■ Network buyer at Backer Spielvogel Bates, Inc.			
Laura Lee 12 years		■ Vice President, Network Distribution & Service			
Executive Vice President, Distribution		Regional Manager of Affiliate Sales for E! Entertainment Television			
Susanne McAvoy	8 years	■ EVP, Marketing			
Executive Vice President, Marketing,		■ Vice President, Ad Sales Marketing, Crown Media			
Creative & Communications		Consultant, Ad Sales Marketing for Bravo			
Kristen Roberts	14 years	SVP, Advertising Pricing & Planning, Crown Media			
Executive Vice President, Pricing, Planning, & Revenue Management		■ Account Executive at A&E Television Networks			
Michelle Vicary 15 years		■ EVP, Programming			
Executive Vice President, Programming & Network Publicity	-	Senior Vice President, Acquisitions & Scheduling for Crown Media			
		■ Vice President of Marketing for Evening Star Music Group			

Strategy



High-quality, family friendly programming	 Offer 24/7 family programming that is trusted by our audience and highly desirable to our advertisers; Hallmark Movies & Mysteries focusing on suspense and drama, and Hallmark Channel highlighting lighter, romantic, and comedic fare.
Hallmark Channel lifestyle programming block	Provide program offerings with content that is consistent with our core values of family, home, and celebration.
Original movies and series	Develop original movies and series uniquely identified with the Networks.
Distribution	 Secure new distributors and encourage existing distributors to place our Networks in packages with greater numbers of subscribers.
Advertising	 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.
Content provider	 Position ourselves for future growth as a content provider for new technologies by building our library of programming and exploring collaborations in emerging media.
Profitability	 Increase our profitability by paying down debt, achieving further cost efficiencies, increasing distribution and focusing on advertising revenue growth.



The Heart of TV

Hallmark Channel



700+ Hours of Original Programming*





42 HOURS

WEEKDAY ORIGINAL LIFESTYLE PROGRAMMING

HOME & FAMILY

600+ HOURS

HOLIDAY ORIGINAL MOVIES

Countdown to Christmas

24 HOURS

ORIGINAL EVENT SPECIALS



ORIGINAL PRIME TIME SERIES





When Calls

** the **

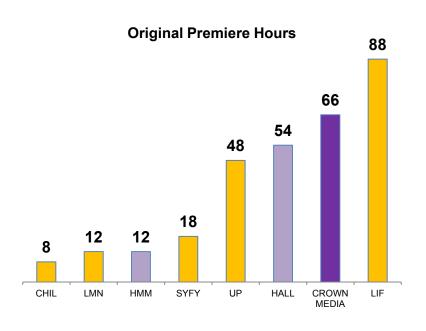
HEART

30+ HOURS

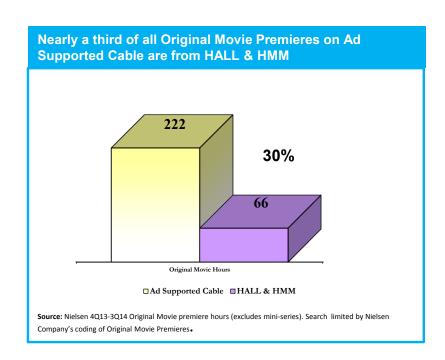
Original Movies



Hallmark Channel & Hallmark Movies & Mysteries combined for 66 hours of original movie premiere hours on ad supported cable



Source: The Nielsen Company 4Q13-3Q14 Original Movie premiere hours (excludes mini-series). Search limited by Nielsen Company's coding of Original Movie Premieres.



Original Movies 2014



15 Non-Holiday Original Movies including:

- June in January (1/18/14) averaged a 1.5 HH rating
- Chance at Romance (2/8/14) averaged a 1.5 HH rating
- A Ring by Spring (3/8/14) averaged a 1.7 HH rating
- Lucky in Love (4/5/14) averaged a 1.1 HH rating
- A Lesson in Romance (4/19/14) averaged a 1.4 HH rating
- Mom's Day Away (5/10/14) averaged a 1.3 HH rating
- Looking for Mr. Right (6/7/14) averaged a 1.3 HH rating
- When Sparks Fly (6/28/14) averaged a 1.4 HH rating
- For Better or Worse (7/19/14) averaged a 1.8 HH rating









- Stranded in Paradise (8/9/14) averaged a 1.9 HH rating
- Perfect on Paper (9/20/14) averaged a 1.5 HH rating
- Midnight Masquerade (09/27/14) averaged a 1.6 HH rating
- Recipe For Love (10/11/14) averaged a 1.4 HH rating
- My Boyfriends' Dogs (10/18/14) averaged a 1.8 HH rating
- The Good Witch's Wonder (10/25/14) averaged a 2.3 HH rating













2014: Top Original Premieres Year-to-date

Stranded in Paradise

- Premiered on August 9th 2014
- The Hallmark Channel original movie "Stranded in Paradise" (Sat 9-11p) averaged a 1.9 HH rating with 1,619,000 households
- Was seen by nearly 3.0 million unduplicated viewers (P2+)
- Highest rated and most watched original movie premiere of 2014 to-date*
- The #1 rated ad-supported cable movie of the day and week among households and women 25-54

Source: Nielsen Galaxy and NPower; All rankings based on Live+SD coverage area rating, ranked against all ad-supported cable networks. *At time of air.

My Boyfriends' Dogs

- Premiered on October 18th 2014
- The Hallmark Channel original movie "My Boyfriends' Dogs" (Sat 9-11p) averaged a 1.8 HH rating with 1,497,000 households
- Was seen by more than 2.8 million unduplicated viewers (P2+)
- Delivered 401k Women 25-54, making it the most watched original movie premiere of 2014 to-date* among women.
- The #1 rated ad-supported cable movie of the day and week among households

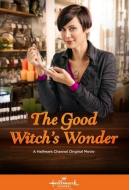
Source: Nielsen Galaxy and NPower; All rankings based on Live+SD coverage area rating, ranked against all ad-supported cable networks. *At time of air.

The Good Witch's Wonder

- Premiered on October 25th 2014
- The Hallmark Channel original movie "The Good Witch's Wonder" (Sat 9-11p) averaged a 2.3 HH rating with 1,963,000 households
- Was seen by 3.6 million unduplicated viewers (P2+)
- Ranked as the #1 rated ad-supported cable movie of the day and of the week among households and women 25-54

Source: Nielsen Galaxy and NPower; All rankings based on Live+SD coverage area rating, ranked against all ad-supported cable networks. *At time of air.



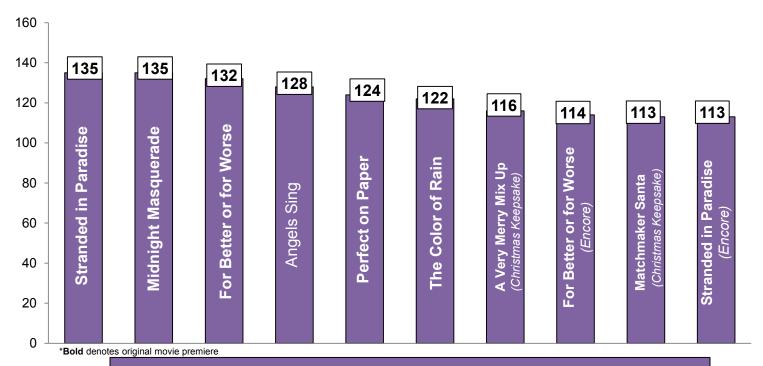




Most Engaging Movies on Cable



In 3Q'14, Hallmark Channel delivered **10 of the Top 20 cable movies** in Rentrak's "Stickiness" Index*



Hallmark Channel's original movie premieres, "Stranded in Paradise" and "Midnight Masquerade" tied for #1 Overall

^{*}A Key engagement metric based on average percentage of program watched

Hallmark Hall of Fame



2013/2014 Premieres

During the 2013/2014 season, Hallmark Channel hosted the U.S. cable premieres of the Hallmark Hall of Fame movies.

- In My Dreams (4/26/14) Delivered 257k W25-54
- Christmas in Conway (12/8/13) Delivered 670k W25-54

Source: The Nielsen Company

2014 Premieres

During the 2014/2015 season, Hallmark Channel will host the U.S. television premieres of the Hallmark Hall of Fame movies

- One Christmas Eve (11/30/14)* starring Anne Heche
- Away and Back (February 2015)*

Source: The Nielsen Company

*Titles and premiere dates are subject to change



Lifestyle Programming



Home & Family Gains Momentum in 2014

- Hosted by Emmy® Award nominee Mark Steines and TV personality and culinary expert, Cristina Ferrare, "Home & Family" emanates from a 2400 square foot working home on the backlot of Universal Studios California. From the home, Steines, Ferrare and their expert guests present the best in cooking, crafting, decorating, health, financial advice, pet care, lawn and garden tips, with musical and other live performances from some of Hollywood's biggest stars.
- "Home & Family" culminated its sophomore season on August 1st with a significant upswing, increasing over season one averages by double digits across multiple demographics, including 27% among women 25-54, 21% among households, and 13% among total viewers.
- Season three will span over 52-straight weeks, making it the only lifestyle program on cable to provide viewers with a new show every weekday throughout the year. Season 3 to-date*, is up 34% among Women 25-54, 23% among Adults 25-54, 17% among households, and 14% among total viewers over the Season 2 final average.





Source: The Nielsen Company. *(9/15/14-10/23/14)

Original Primetime Series 2014



When Calls The Heart, Season 1



- "When Calls The Heart" debuted January 11th 2014 and averaged a 1.6 HH rating making Hallmark Channel the # 3 rated cable network on Saturday's 9-10pm
- "When Calls The Heart" reached 13.7 million viewers including 2.6 million W25-54

Signed, Sealed, Delivered, Season 1



- "Signed, Sealed, Delivered" debuted April 20th 2014 and averaged a 1.4 **HH rating** making **Hallmark** Channel the # 5 rated cable network on Sunday's 8-9pm
- "Signed, Sealed, Delivered" reached over 10 million viewers including 1.8 million W25-54

Source: The Nielsen Company (4/20/14-6/22/14), Sat 8-9p Live+SD coverage area ratings.

Cedar Cove, Season 2



- "Cedar Cove", Season 2, debuted July 19th 2014 and culminated its twelve episode season averaging a 1.8 HH rating, once again making Hallmark Channel the #1 rated cable network on Saturday's 8-9pm
- "Cedar Cove", Season 2, reached over 10.5 million viewers including 2 million W25-54

Source: The Nielsen Company (7/19/14-10/5/14), Sat 8-9p Live+SD coverage area ratings.

Original Primetime Series 2015



Good Witch, Season 1



- Based on Hallmark Channel's most successful original movie series,
 "Good Witch", scheduled to premiere in
 February 2015
- 10 premiere episodes
- Cast includes Catherine Bell, Bailee
 Madison, and James Denton

When Calls The Heart, Season 2



- After a successful first season,
 "When Calls The Heart" returns in May 2015
 with its sophomore season
- 10 premiere episodes
- Returning Cast includes Erin Krakow,
 Daniel Lissing, and Lori Loughlin

Cedar Cove, Season 3



- After a successful second season,
 "Cedar Cove" returns in Summer 2015 with its third season
- 12 premiere episodes
- Returning Cast includes Andie MacDowell and Dylan Neal

Specials & Holidays



Event Specials





AN AMERICAN TRADITION FOR OVER 80 YEARS!







Holiday Programming

Lountdown to Christmas







Christmas Keepsake 2014



Hallmark Channel celebrated Christmas in July with a weeklong event, *Christmas Keepsake*

- From July 4th through July 13th, Hallmark Channel presented 24/7
 Christmas programming.
- The Christmas Keepsake weeklong event averaged a 1.0 household rating, a 36% increase compared to the Primetime average of the Christmas Keepsake event last year.
- Angels Sing was the perfect close to a solid week, premiering to a 1.9 household rating and reaching nearly 3 million unduplicated viewers.
- Angels Sings escalated Hallmark Channel to the #1 rated adsupported cable movie of the day and week among households.

Source: Nielsen Galaxy Explorer (7/4-7/13/14 vs. 7/8-7/14/13), M-Th 8-10p/Fr-Su 8p-12m Live+SD program average for all holiday movie titles



Syndicated Series



Family Programming

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











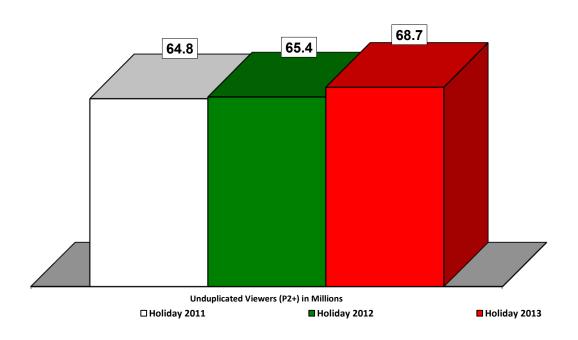




"The Heart of Christmas"

Hallmark Channel Reached All Time High Hallmark The Heart of TV.

From the launch of *Countdown to Christmas* on Nov. 1st 2013 through Jan. 1st 2014, including the 125th Tournament of Roses Parade, <u>Hallmark Channel reached more than 68.7 million viewers.</u>

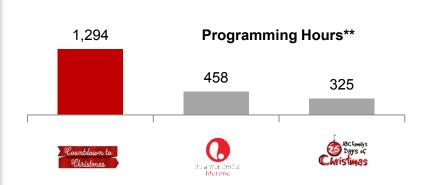


The Holiday Destination



Countdown to Christmas made
Hallmark Channel the #1 holiday
leader in 2013 –
delivering 1,250+ hours of Christmas
programming - for the 5th straight
year.

- Hallmark Channel averaged a 2.8 HH rtg and ranked #1 in Weekend Prime Time (Sa-Su 8-11p)
 - Hallmark Channel ranked #1 in Weekend Prime Time (Sa-Su 8-11p) among W25-54 rtg



Sa-Su 8-1	1 p	11/2-12/15/13
RANK	NET	HH RTG
1	HALL	2.8
2	AMC	2.0
3	TBSC	1.4
3	LIF	1.4
3	FAM	1.4
3	USA	1.4
7	ESPN	1.3
7	NICK	1.3
9	HIST	1.2
10	BRVO	1.1

Sa-Su 8-1	1 p	11/2-12/15/13
RANK	NET	W25-54 RTG
1	HALL	1.4
1	AMC	1.4
3	BRVO	1.2
4	TBSC	1.1
5	FAM	1.0
6	LIF	0.9
6	USA	0.9
8	TLC	0.7
8	DSE	0.7
8	BET	0.7

Holiday Original Movies



In Holiday 2013, Hallmark Channel premiered 12 new original holiday movies -

7 of which ranked as the #1 ad-supported cable PROGRAM of the day.

Sat - Nov 2nd 2.9 HH Rtg



#1 movie of Week #1 program of Day

Sun – Nov 24th 3.3 HH Rtg



#1 movie of Week #2 program of Day

Sat - Nov 9th 3.0 HH Rtg



#2 movie of Week #1 program of Day

Sat - Nov 30th 3.9 HH Rtg



#1 movie of Week #2 program of Day

Sun – Nov 10th 3.9 HH Rtg



#1 movie of Week #2 program of Day

Sun – Dec 1st 3.1 HH Rtg



#2 movie of Week #3 program of Day

Sat - Nov 16th 3.8 HH Rtg



#1 movie of Week #1 program of Day

Sat - Dec 7th 2.7 HH Rtg



#1 movie of Week #1 program of Day

Sun - Nov 17th 3.3 HH Rtg



#2 movie of Week #1 movie of Day





#2 movie of Week #1 program of Day

Sat – Nov 23rd 3.3 HH Rtg



#1 movie of Week #1 program of Day

Sun – Dec 15th 3.4 HH Rtg



#1 movie of Week #1 program of Day

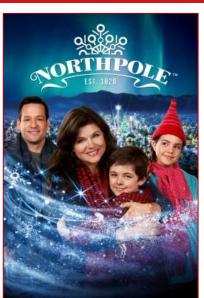
In aggregate the 12 premieres touched 22.9 million unduplicated viewers.

Countdown to Christmas 2014



Lountdown to Ehristmas

12 All New Premieres! Every Sat & Sun 8/7c Starts October 31















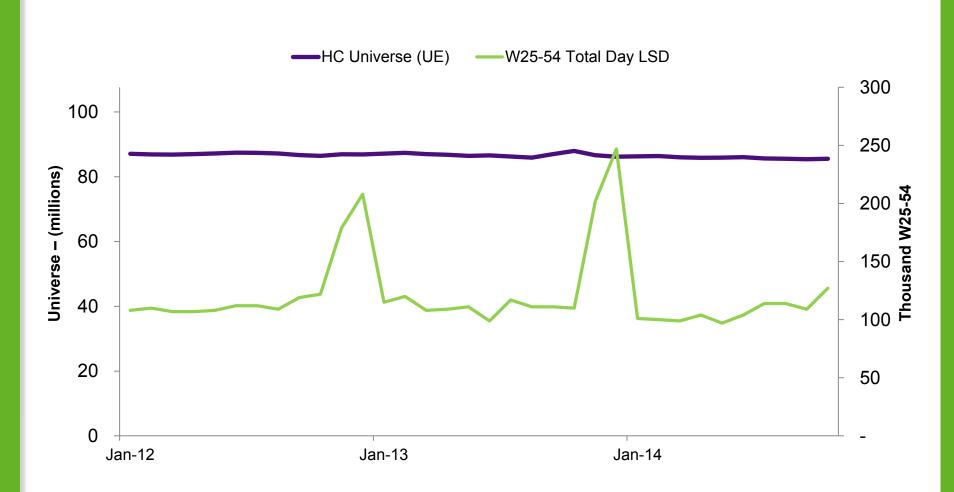
Chaos

Including a Hallmark Hall of Fame presentation **One Christmas Eve**, starring Anne Heche, exclusively on Hallmark Channel



Hallmark Channel Subscribers and Audience







Rebrand to Hallmark Movies & Mysteries



Successful Launch for Hallmark Movies & Mysteries

- On September 29th, Hallmark Movie Channel rebranded to Hallmark Movies & Mysteries.
- Featuring a unique mix of content, including all new original movies that are dramatic, cinematic and thought-provoking.
- New original mystery series of movies that focus on the lighter side of the suspense genre.
- Classic acquired series such as "Murder She Wrote", "Matlock", and "Perry Mason".

Source: *The Nielsen Company (9/29/14-10/5/14)



Original Movie Premieres 2014

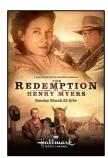


Four Original Movie Premieres on Hallmark Movie Channel

Prior to the rebrand to Hallmark Movies & Mysteries, Hallmark Movie Channel premiered:

- "My Gal Sunday" starring Cameron Mathison & Rachel Blanchard premiered January 25th 2014 with a 1.0 HH rating attracting nearly 1.1 million unduplicated viewers and ranked as the #6 adsupported cable movie in Prime Time for the day.
- "The Redemption of Henry Myers" starring Drew Waters and Erin Bethea premiered March 23rd with a 0.7 HH rating and attracted over a million viewers in its premiere and first encore combined.
- "The Color of Rain" starring Lacey Chabert and Warren Christie premiered on May 31st, earning a 1.6 HH rating with 848K households and reaching more than 1.4 million unduplicated viewers, dethroning "Christmas with Tucker" to become the highest rated and most watched original film in network history.
- "The Memory Book" starring Meghan Ory and Luke Macfarlane premiered on July 26th with a 1.1 HH rating, becoming the 3rd most watched HMC original movie premiere in network history among households at time of air. "The Memory Book" ranked as the #1 rated ad-supported cable movie of the day among households.









Source: The Nielsen Company

Hallmark Movies & Mysteries Original Movies 2014



Hallmark Movies & Mysteries Kicks Off with Three Original Premieres

- "Along Came A Nanny" starring Cameron Mathison & Sarah Lancaster premiered October 12th 2014 with a 0.8 HH rating attracting nearly one million unduplicated viewers and ranked as the #3 ad-supported cable movie of the day.
- "Wedding Planner Mystery" starring Erica Durance premiered October 19th 2014 with a **0.8 HH rating** attracting 1.2 million unduplicated viewers during its premiere and its first encore.
- "Garage Sale Mystery: All That Glitters", the first movie in the "Garage Sale Mystery" mystery wheel series, starring Lori Loughlin premiered on October 27th 2014 to a **1.0 HH rating** attracting more than 1.4 million unduplicated viewers.

All three original movie premieres ranked among the **Top 10** cable movies of the day among households in their respective premieres.

Source: The Nielsen Company



Classic Films & Drama Series









Hallmark Channel Original Movies



Jesse Stone Movie Series



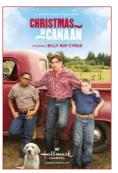
Mystery Wheel Movie Series

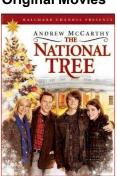
Hallmark Movie Channel Holiday 2013



Led by its "Most Wonderful Movies of Christmas" programming block, Hallmark Movie Channel delivered its highest week and most watched telecast in network history*.

Hallmark Channel Original Movies





Hallmark Hall of Fame





Hallmark Movie Channel Original Premiere

Warner Brothers Classics







- The November 25th premiere of the HMC original movie "Christmas with Tucker" delivered a 1.2 HH rating, with 615,000 households and 124,000 W25-54 - HMC's MOST WATCHED original movie premiere among HH's and W25-54 at the time of air.
- "Christmas with Tucker" was also the #1 rated adsupported cable movie of the day.

* At time of air

Hallmark Movies & Mysteries Holiday 2014



Hallmark Movies & Mysteries welcomes "Most Wonderful Movies of Christmas" this holiday season with 24/7 holiday programming including classic movies, and original movie premieres including "Signed, Sealed, Delivered For Christmas", premiering November 23rd and "The Christmas Secret", premiering December 7th.



Hallmark Movie Channel Reaches New Audiences



Since launching, Hallmark Movie Channel has added nearly 21 million new subscriber homes (+60%), the **3**rd largest % increase of any cable network in the same time frame.

RANK	CABLE NETWORK	APR-10	OCT-14	APR10 – OCT14 % CHANGE	APR10 – OCT14 SUB+/- (000s)
1	FXX (formerly FOX SOCCER)	36,233	75,874	109.41%	39,641
2	VELOCITY (formerly DISCHD)*	32,445	59,723	84.07%	27,278
3	HALL MOV	34,178	54,723	60.11%	20,545
4	BEIN SPORT*	9,294	14,071	51.40%	4,777
5	FOX Sports2 (FUEL)*	31,196	44,840	43.74%	13,644
6	FBN	56,029	80,028	42.83%	23,999
7	UNIVISION DEPORTES*	26,680	37,674	41.21%	10,994
8	UP (formerly GMC)	47,161	66,558	41.13%	19,397
9	DSNY JR*	53,477	74,262	38.87%	20,785
10	InvDISC (DTMS)	62,721	86,244	37.50%	23,523

Hallmark Movie Channel Displays Solid Year-to Year Growth



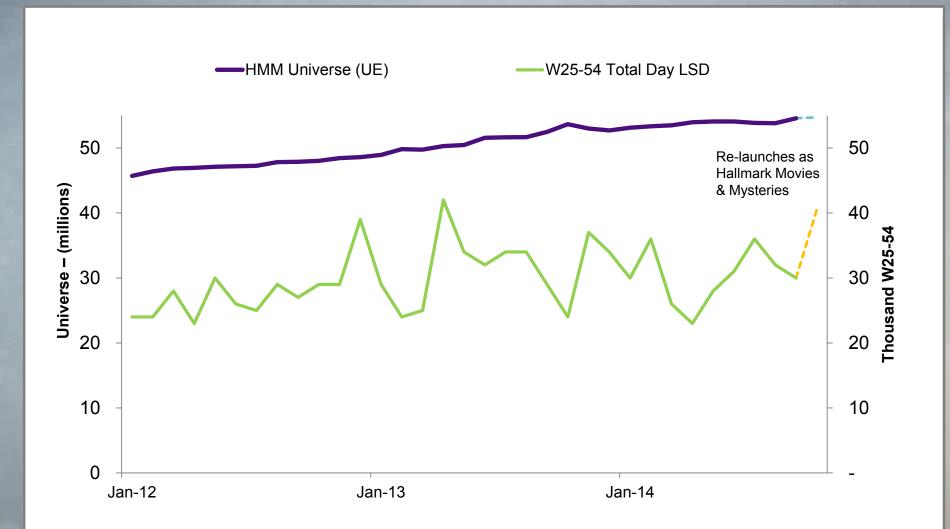
In 2014-to-date, Hallmark Movie Channel has increased year-to-year **+23%** in Total Day – **the 8th largest increase** among all Nielsen measured ad-supported cable networks, and **+30%** in Prime Time – **the 4th largest increase**.

Total Day	2014	2013	
	HHLD	HHLD	YRLY %
<u>NET</u>	LIVE+SD(000)	LIVE+SD(000)	<u>CHNG</u>
FXX	121	35	246%
NBCSN	126	74	70%
TNNK	172	126	37%
VEL	70	52	35%
LOGO	39	30	30%
WETV	211	168	26%
IFC	86	69	25%
HMM	192	156	23%
AHC	130	107	21%
GAC	36	31	16%
DISJR	315	275	15%
DAM	97	85	14%
TVGN	75	66	14%
H2	204	180	13%
DIY	100	89	12%

<u>Prime</u>	2014	2013	
	HHLD	HHLD	YRLY %
<u>NET</u>	LIVE+SD(000)	LIVE+SD(000)	<u>CHNG</u>
FXX	205	71	189%
TNNK	191	111	72%
WETV	357	247	45%
HMM	258	199	30%
GAC	54	42	29%
IFC	147	118	25%
DAM	162	131	24%
CNBC	199	163	22%
ID	672	569	18%
AHC	185	158	17%
FS1	183	159	15%
VEL	119	104	14%
NGWD	167	146	14%
DIY	139	122	14%
VH1	502	443	13%

Hallmark Movies & Mysteries Subscribers and Audience



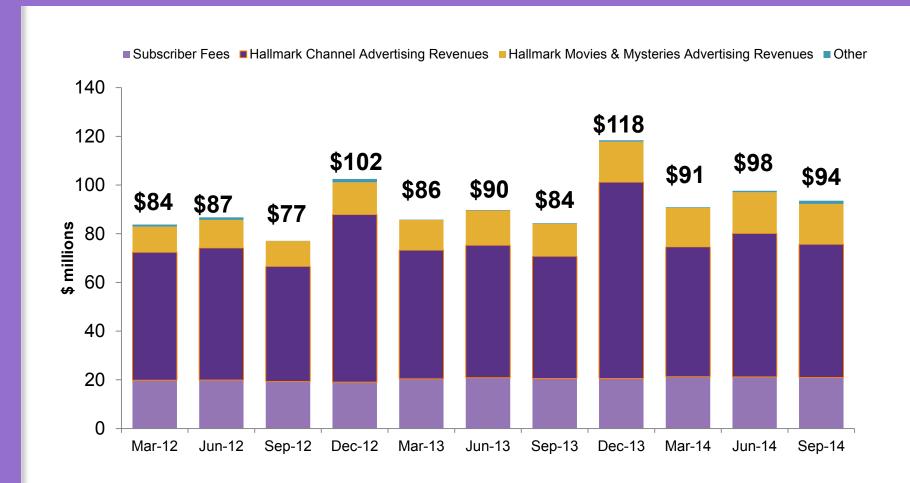


Network Highlights



Consistent Revenue Growth



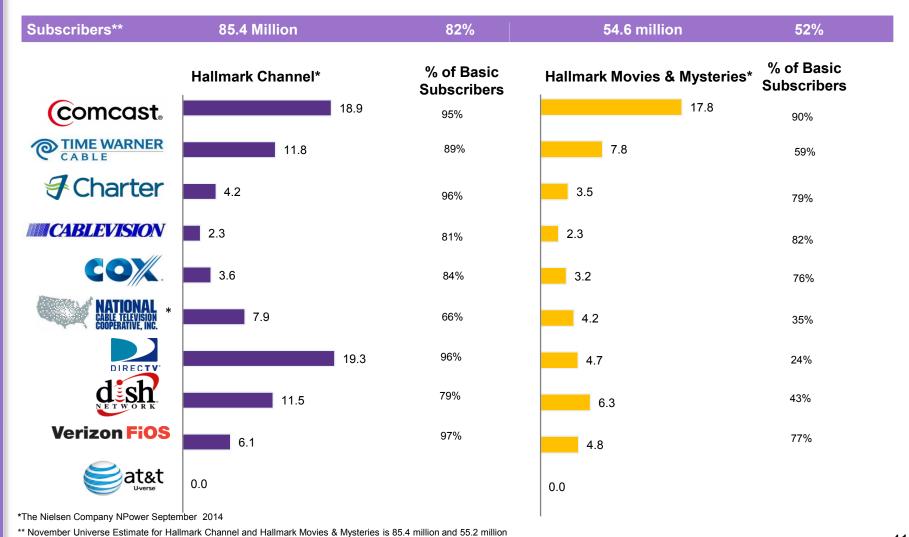


Sources: Company financials

Subscribers

respectively as provided by the Nielsen Company



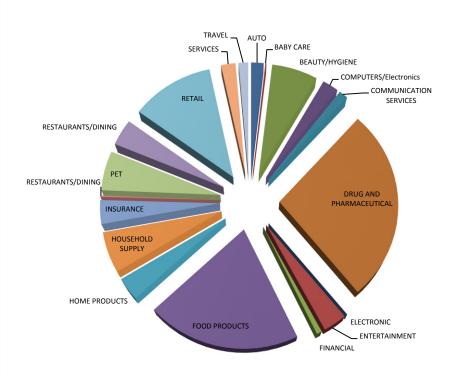


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Diverse Advertiser Base Hallmark Channel



Advertising revenue by category (2014)



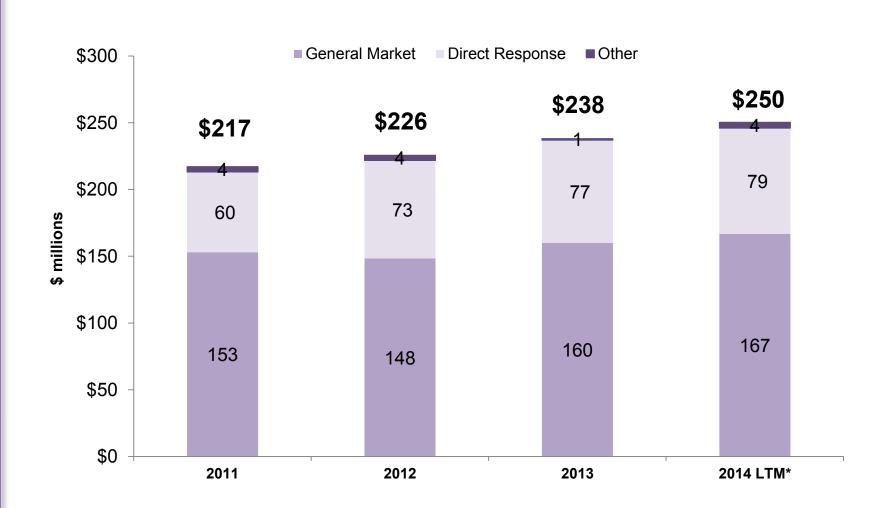
Focused on categories that deliver consistent ad spend despite broader market conditions.

PRODUCT CATEGORY	% REVENUE
DRUG AND PHARMACEUTICAL	27%
FOOD PRODUCTS	20%
RETAIL	12%
HOUSEHOLD SUPPLY	6%
BEAUTY/HYGIENE	6%
INSURANCE	3%
ENTERTAINMENT	3%
BEVERAGES	2%

Source: 2014 Year-to-date Company estimates

Hallmark Channel Advertising & Other Revenue

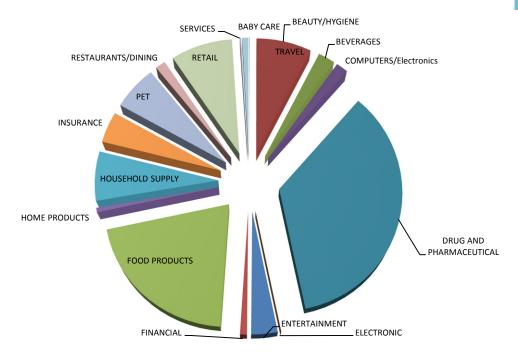




Diverse Advertiser Base Hallmark Movies & Mysteries



Advertising revenue by category (2014)



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

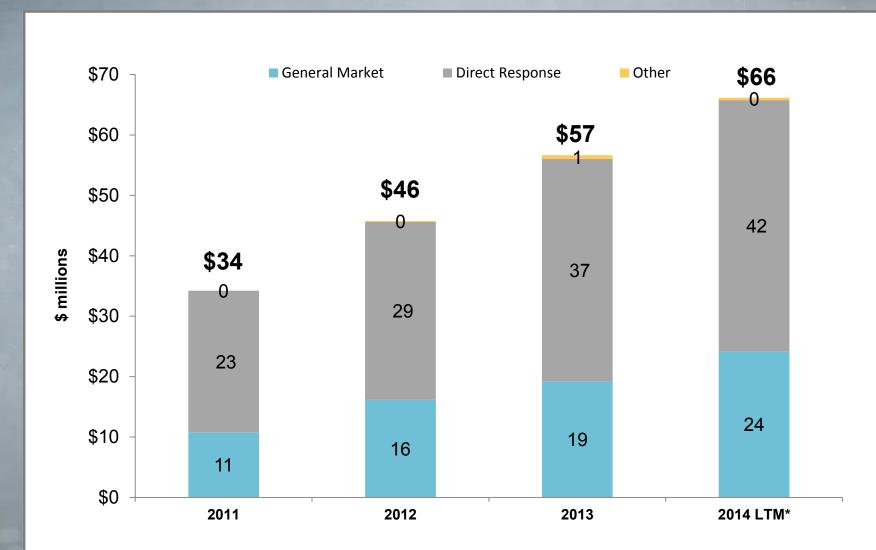
PRODUCT CATEGORY	% REVENUE
DRUG AND PHARMACEUTICAL	35%
FOOD PRODUCTS	20%
RETAIL	8%
BEAUTY/HYGIENE	7%
HOUSEHOLD SUPPLY	7%
INSURANCE	4%
ENTERTAINMENT	3%
BEVERAGES	2%

Source: 2014 Year-to-date Company estimates

Hallmark Movies & Mysteries Advertising & Other Revenue



45



Digital Initiatives



Consumer Web & Mobile



Hallmarkchannel.com

- Original Movie Microsites
- Original Series (i.e. Home & Family)
 - Content Database
 - Episodic Updates
 - Photos

Unique Visitors

 Hallmarkchannel.com had 0.3 million unique visitors in September 2014, up +1% from September 2013.

Page Views

 Hallmarkchannel.com had 3.2 million page views in September 2014, up +141% from September 2013.





Top Devices – Hallmark Channel

- PC: <u>Page Views</u>= 2,961,911 and <u>Unique Visitors</u>= 422,714
- Apple iPad & iPhone: <u>Page Views</u>= 992, 711 and <u>Unique</u> Visitors= 218,837
- Amazon Kindle Fire HD: <u>Page Views</u>= 26,478 and <u>Unique</u> Visitors= 3,399
- Samsung Galaxy S4: Page Views = 23,842 and Unique Visitors = 4,921



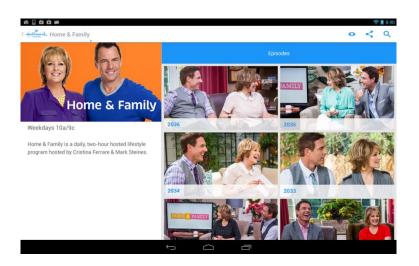
Ad Supported

TV Everywhere Hallmark Channel Everywhere



Hallmark Channel Everywhere

- Hallmark Channel authenticated content such as the most recent episodes of our scripted series, our lifestyle program, Home & Family, and original movies available to cable and satellite subscribers
- Available as a website and on IOS and Android devices such as mobile phones and tablets



- TVE Integrations: 25 million subscribers
 - Time Warner Cable, Bright House, Verizon, Cox and Cablevision
- Hallmark Channel Everywhere Website
- Hallmark Channel Everywhere Mobile Apps
 - Launched March 2014
 - IOS & Android (Mobile & Tablet)
 - 66k Downloads (Avg. 2k/week)
 - Pre-Roll & Mid-Roll Advertising
- C3 VOD on Primetime Series







TV Everywhere MVPD Platforms



Multichannel Video Programming Distributors

 Hallmark Channel authenticated content such as the most recent episodes of our scripted series, our lifestyle program, Home & Family, and original movies available on a variety of MVPD platforms devices to cable and satellite subscribers



- Content Syndication:
- MVPD PCs: 46.4 million subscribers
- MVPD Apps: 44.2 million subscribers
- NCTC, Time Warner Cable, Bright House, Verizon, Cox and Cablevision
- C3 VOD on Primetime Series
- Live Linear Streaming Into Home via MVPD



Ad Supported

Short Form Video Syndication



Hallmark Channel & Hallmark Movies & Mysteries

- Short form video content available outside of our websites including clips from our lifestyle program, Home & Family, Behind the Scenes vignettes from our original series, and clips from our specials such as Kitten Bowl.
- Short video content currently featured on The AOL On Network, blinkx, and YouTube platforms
- 15 million views 2014-Year-to date
- Delivering 2 to 4 million views a month











Transactional



DVD

Distribution in key stores such as Walmart, Target, Kmart, Hallmark Gold Crown stores

Electronic Sell Through:

Original Series and Movies available for download on iTunes, Amazon Instant, Google Play,
 Vudu

Subscription VOD (SVOD)

 Cedar Cove Season 1 has been available on Netflix since July 1st 2014, 2 ½ weeks prior to the premiere of season 2 on Hallmark Channel







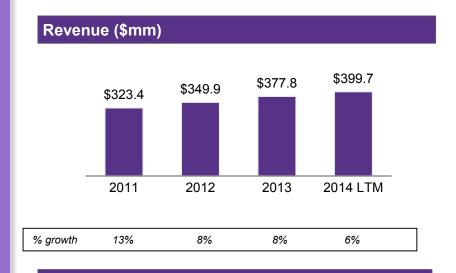


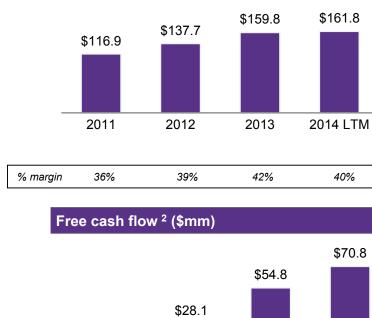
Financial Outlook



Recent Financial Information







2012

20%

2013

34%

2014 LTM

44%

\$10.0

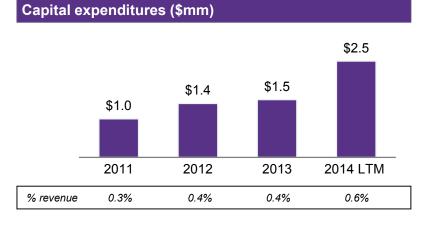
2011

9%

% EBITDA

Conversion

Adjusted EBITDA 1 (\$mm)

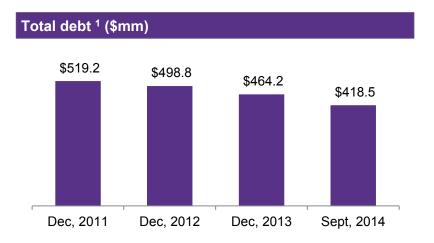


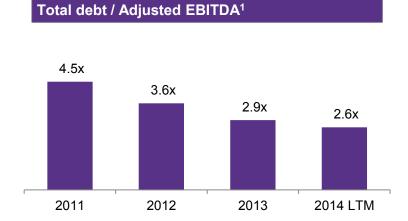
Adjusted EBITDA includes add-back of long-term incentive compensation expense; please see page 56 for additional information

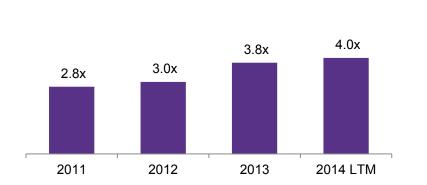
² Based on cash flow from operations less capital expenditures, capital lease payments and preferred dividends; please see page 57 & 58 for additional information

Recent Financial Information

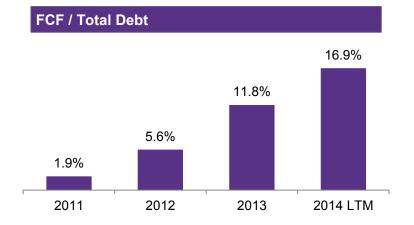








Adjusted EBITDA / Interest expense



¹ Total debt includes capital leases



Total Debt (\$000's)

	Fiscal year			
	2011	2012	2013	Sep-14
Total Debt Reconciliation				
Current maturities of Long-Term Debt	\$19,600	\$19,600	\$25,000	-
Long-Term Debt, net of current maturities	487,368	468,040	429,330	409,610
Capital Leases	12,273	11,119	9,853	8,900
Total Debt	\$519,241	\$498,759	\$464,183	\$418,510



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

	Fiscal yea	LTM		
	2011	2012	2013	2014
Adjusted EBITDA reconciliation				
Net income	\$318,985	\$107,353	\$67,715	\$69,559
Gain on sale of discontinued operations	(189)	-	-	-
(Gain)/loss on extinguishment of liabilities and debt	(1,246)	-	(121)	1,058
Promotion & Placement expense	1,211	1,191	1,050	1,053
Depreciation and amortization	2,613	2,635	3,008	3,391
Interest expense	25,857	46,056	42,577	40,336
Income tax (benefit) expense	(234,589)	(22,604)	41,649	42,438
Restricted stock unit compensation	67	237	242	69
Adjusted earnings before interest, taxes,				
depreciation and amortization	\$112,709	\$134,868	\$156,120	\$157,904
Long term Incentive Expense	1,673	2,804	3,658	3,899
One- time banking fees	2,500	-		
Adjusted EBITDA	\$116,882	\$137,672	\$159,778	\$161,802



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

	Fiscal year ended December 31			LTM
	2011	2012	2013	2014
Free cash flow reconciliation				
Net cash provided by operating activities	\$41,482	\$30,680	\$57,578	\$74,568
Net cash used in investing activities	(1,145)	(1,376)	(1,511)	(2,520)
Principal payments on capital leases	(1,074)	(1,180)	(1,266)	(1,286)
Adjustments under trouble debt restructuring				
Principal on Term A and Term B loans	(15,390)	-	-	-
Free cash flow before dividends	\$23,873	\$28,124	\$54,801	\$70,762
Payment of preferred dividend	(13,837)	-	<u> </u>	<u>-</u>
Free cash flow after dividends	\$10,036	\$28,124	\$54,801	\$70,762



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

	Fiscal year	31	LTM	
	2011	2012	2013	2014
Adjusted EBITDA	\$116,882	\$137,672	\$159,778	\$161,802
Programming and other amortization	126,255	129,345	135,821	152,588
Provision for allowance for doubtful accounts	454	39	875	204
Changes in operating assets and liabilities				
Change to programming rights	(140,464)	(131,964)	(146,560)	(179,602)
Change to prepaid programming rights	(7,434)	(16,035)	(9,076)	551
Change in programming rights payable	8,949	(1,033)	(12,334)	(11,698)
Interest paid	(5,951)	(46,909)	(40,414)	(38,389)
Changes in other operating assests and liabilities, net				
of adjustments above	(57,209)	(40,435)	(30,512)	(10,888)
Net Cash provided by operating activities	\$41,482	\$30,680	\$57,578	\$74,568



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

	Fiscal yea	r 31		
	2011	2012	2013	Sep-14
Cash and cash equivalents	\$35,181	\$43,705	\$63,750	\$65,704
Accounts Receivable (net of doubtful accounts)	83,798	92,062	104,613	85,118
Programming Rights	264,119	288,485	310,120	343,804
Total Assets	\$958,469	\$1,024,662	\$1,038,230	\$1,030,449
Audience Deficiency Reserve	10,256	5,679	4,888	9,176
Programming Rights Payable	144,505	142,624	128,874	124,120
Interest Payable	17,135	14,468	14,455	6,390
Total Debt	519,241	498,759	464,183	418,510
Total Liabilities	\$714,973	\$693,303	\$639,090	\$588,412
Preferred Stock	-	-	-	-
Paid in Capital	2,082,241	2,062,751	2,062,818	2,062,818
Total Stockholders' Equity	\$243,496	\$331,359	\$399,140	\$442,037

Crown Media

FAMILY NETWORKS