

EXHIBIT 18

The year-over-year changes in the Company's financial performance were driven by its Network, Television, Live Events and Licensing, and Corporate & Other business segments. A discussion of other business segments has been excluded from the narrative below. Refer to our second quarter 2016 Form 10-Q for management's discussion and analysis of financial condition and results of operations pertaining to all of our segments.

Media Division

Revenues from the Company's Media division increased 19%, to \$117.5 million, primarily due to the growth of *WWE Network* and the contractual escalation of television rights fees.

- **Network** revenues, which include revenue generated by *WWE Network* and pay-per-view, increased 29% to \$61.8 million. *WWE Network* subscription revenue increased 26% to \$45.9 million from \$36.6 million in the prior year quarter based on a 26% year-over-year increase in average paid subscribers to 1.5 million.

Network segment OIBDA declined \$22.9 million from the prior year quarter due to the impact of \$21.5 million in production and talent costs associated with *WrestleMania*. Excluding the timing impact of *WrestleMania*, Network segment OIBDA declined \$5.4 million as the growth in *WWE Network* subscription revenue was offset by increased programming expenses, including a \$5.3 million allocation of certain expenses shared between the Company's Network and Television segments.⁴ A portion of the increase in Network programming expenses relates to the Company's previously communicated strategic investments.

The Company continued to increase the global subscriber base of *WWE Network*, as measured on a year-over-year basis, with launches over the trailing 12 months in six countries including Germany, Malaysia and Japan. *WWE Network* had 1.56 million total subscribers at the end of the second quarter, which represented a 27% increase from June 30, 2015. *WWE Network* had 1.13 million U.S. paid subscribers and 381,000 international paid subscribers at quarter-end.

Importantly, with the increased size and maturity of the network's subscriber base, average monthly churn declined 20% to 9.9% for the first six months of 2016 from 12.3% for the comparable period in 2015.⁵

The following table provides *WWE Network* subscriber performance^{6,7}

	As of / Three Month Ended		As of
	June 30, 2016	June 30, 2015	Dec. 31, 2015
Ending Total Subscribers	1,560	1,227	1,272
Ending Paid Subscribers			
U.S.	1,130	939	940
International	381	217	277
Total paid subscribers	1,511	1,156	1,217
Average Paid Subscribers			
Quarter	1,517	1,216	1,237
Year-to-date	1,403	1,072	1,139

WWE Network content, including the Company's premier event, *WrestleMania* (April 3, 2016), other pay-per-views, original series, *NXT Takeover*, and specials have continued to drive viewer engagement. During the quarter, the Company introduced compelling new content for *WWE Network*, including *Camp WWE* and *Swerved Season 2*, which rank among the network's top original series to-date. The Company is on pace to add more than 300 hours of original content to the network's featured programming in 2016, and more than 1,500 hours of archival content to *WWE Network*, which would result in an on-demand library of nearly 6,000 hours at year-end 2016.

- **Television** revenues increased 8% to \$56.1 million from \$52.1 million in the prior year quarter primarily due to contractual increases in key distribution agreements, the largest of which became effective in the fourth quarter 2014 and the first quarter 2015. As indicated above, the allocation of certain shared expenses reduced Network segment OIBDA and increased Television segment OIBDA by \$5.3 million in the second quarter 2016.

SmackDown transitioned to a live format every week on USA Network beginning July 19, 2016.

Live Events

Live Event revenues increased 97% to a quarterly record of \$51.9 million primarily due to the timing of the Company's annual *WrestleMania* event, which occurred in the second quarter 2016 as compared to the first quarter 2015. (Excluding this timing impact, Live Event revenues increased 15% to \$30.4 million from \$26.4 million in the prior year quarter.)

- There were 81 total events (excluding *NXT*) in the current quarter, including 62 events in North America and 19 events in international markets, as compared to 86 events in the prior year quarter, including 65 events in North America and 21 in international markets.