



WARNER BROS. DISCOVERY

Q4

**Trending Schedule & Non-GAAP
Reconciliations**

Consolidated Statement of Operations (GAAP Income Statement)



Unaudited; in millions

	3 Months Ending				12 Months Ending	3 Months Ending				12 Months Ending	3 Months Ending				12 Months Ending
	3/31/23	6/30/23	9/30/23	12/31/23	12/31/23	3/31/24	6/30/24	9/30/24	12/31/24	12/31/24	3/31/25	6/30/25	9/30/25	12/31/25	12/31/25
Revenues:															
Distribution	\$ 5,163	\$ 5,135	\$ 5,026	\$ 4,913	\$ 20,237	\$ 4,985	\$ 4,879	\$ 4,920	\$ 4,917	\$ 19,701	\$ 4,886	\$ 4,885	\$ 4,702	\$ 4,789	\$ 19,262
Advertising	2,298	2,519	1,796	2,087	8,700	2,148	2,430	1,682	1,830	8,090	1,980	2,216	1,407	1,703	7,306
Content	2,954	2,446	2,840	2,963	11,203	2,558	2,109	2,721	2,909	10,297	1,866	2,471	2,649	2,661	9,647
Other	285	258	317	321	1,181	267	295	300	371	1,233	247	240	287	307	1,081
Total revenues	10,700	10,358	9,979	10,284	41,321	9,958	9,713	9,623	10,027	39,321	8,979	9,812	9,045	9,460	37,296
Costs and expenses:															
Costs of revenues, excluding depreciation and amortization	6,685	6,636	5,309	5,896	24,526	6,058	6,204	5,181	5,527	22,970	5,131	5,967	4,564	5,223	20,885
Selling, general and administrative	2,388	2,562	2,291	2,455	9,696	2,232	2,461	2,385	2,218	9,296	2,194	2,477	2,361	2,386	9,418
Depreciation and amortization	2,058	1,914	1,989	2,024	7,985	1,888	1,744	1,762	1,643	7,037	1,547	1,447	1,375	1,315	5,684
Restructuring and other charges	95	146	269	75	585	35	117	9	286	447	54	80	88	177	399
Impairments and loss on dispositions	31	6	24	16	77	12	9,395	5	191	9,603	90	26	46	10	172
Total costs and expenses	11,257	11,264	9,882	10,466	42,869	10,225	19,921	9,342	9,865	49,353	9,016	9,997	8,434	9,111	36,558
Operating income (loss)	(557)	(906)	97	(182)	(1,548)	(267)	(10,208)	281	162	(10,032)	(37)	(185)	611	349	738
Interest expense, net	(571)	(574)	(574)	(502)	(2,221)	(515)	(518)	(494)	(490)	(2,017)	(468)	(463)	(570)	(584)	(2,085)
Other income (expense), net	(73)	27	(63)	81	(28)	(14)	172	30	(38)	150	82	139	(30)	(126)	65
Income (loss) from equity investments, net	(37)	(22)	(14)	(9)	(82)	(48)	(23)	(18)	(32)	(121)	(7)	5	17	(39)	(24)
(Loss) gain on extinguishment of debt	—	(5)	22	(1)	16	25	542	23	42	632	(4)	2,958	(1)	(8)	2,945
Income (loss) before income taxes	(1,238)	(1,480)	(532)	(613)	(3,863)	(819)	(10,035)	(178)	(356)	(11,388)	(434)	2,454	27	(408)	1,639
Income tax (expense) benefit	178	260	125	221	784	(136)	7	319	(284)	(94)	(15)	(866)	(170)	161	(890)
Net income (loss)	(1,060)	(1,220)	(407)	(392)	(3,079)	(955)	(10,028)	141	(640)	(11,482)	(449)	1,588	(143)	(247)	749
Net (income) loss attributable to noncontrolling interests	(9)	(20)	(10)	(8)	(47)	(11)	42	(6)	146	171	(4)	(8)	(5)	(5)	(22)
Net income (loss) available to Warner Bros. Discovery, Inc.	\$ (1,069)	\$ (1,240)	\$ (417)	\$ (400)	\$ (3,126)	\$ (966)	\$ (9,986)	\$ 135	\$ (494)	\$ (11,311)	\$ (453)	\$ 1,580	\$ (148)	\$ (252)	\$ 727

Reconciliation of Net Income to Adjusted Earnings Before Interest, Taxes, Depreciation and Amortization (non-GAAP)



Unaudited; in millions

	3 Months Ending				12 Months Ending	3 Months Ending				12 Months Ending	3 Months Ending				12 Months Ending
	3/31/23	6/30/23	9/30/23	12/31/23	12/31/23	3/31/24	6/30/24	9/30/24	12/31/24	12/31/24	3/31/25	6/30/25	9/30/25	12/31/25	12/31/25
Net income (loss) available to Warner Bros. Discovery, Inc.	\$ (1,069)	\$ (1,240)	\$ (417)	\$ (400)	\$ (3,126)	\$ (966)	\$ (9,986)	\$ 135	\$ (494)	\$ (11,311)	\$ (453)	\$ 1,580	\$ (148)	\$ (252)	\$ 727
Net income (loss) attributable to noncontrolling interests	9	20	10	8	47	11	(42)	6	(146)	(171)	4	8	5	5	22
Net income	(1,060)	(1,220)	(407)	(392)	(3,079)	(955)	(10,028)	141	(640)	(11,482)	(449)	1,588	(143)	(247)	749
Income tax expense (benefit)	(178)	(260)	(125)	(221)	(784)	136	(7)	(319)	284	94	15	866	170	(161)	890
Loss (gain) on extinguishment of debt	—	5	(22)	1	(16)	(25)	(542)	(23)	(42)	(632)	4	(2,958)	1	8	(2,945)
Loss (gain) from equity investments, net	37	22	14	9	82	48	23	18	32	121	7	(5)	(17)	39	24
Other (income) expense, net	73	(27)	63	(81)	28	14	(172)	(30)	38	(150)	(82)	(139)	30	126	(65)
Interest expense, net	571	574	574	502	2,221	515	518	494	490	2,017	468	463	570	584	2,085
Operating income (loss)	(557)	(906)	97	(182)	(1,548)	(267)	(10,208)	281	162	(10,032)	(37)	(185)	611	349	738
Depreciation and amortization	2,058	1,914	1,989	2,024	7,985	1,888	1,744	1,762	1,643	7,037	1,547	1,447	1,375	1,315	5,684
Impairment and amortization of fair value step-up for content	831	762	393	387	2,373	235	522	156	226	1,139	240	388	79	77	784
Restructuring and other charges	95	146	269	75	585	35	117	9	286	447	54	80	88	177	399
Employee share-based compensation	106	135	140	107	488	99	156	157	134	546	120	173	240	218	751
Transaction and integration costs	47	47	31	37	162	81	51	33	77	242	80	17	11	58	166
Impairments and loss on dispositions	31	6	24	16	77	12	9,395	5	191	9,603	90	26	46	10	172
Amortization of capitalized interest for content	—	22	12	12	46	17	13	8	8	46	6	3	19	12	40
Facility consolidation costs	—	23	14	(5)	32	2	5	2	(5)	4	5	4	1	—	10
Adjusted EBITDA^(*)	\$ 2,611	\$ 2,149	\$ 2,969	\$ 2,471	\$ 10,200	\$ 2,102	\$ 1,795	\$ 2,413	\$ 2,722	\$ 9,032	\$ 2,105	\$ 1,953	\$ 2,470	\$ 2,216	\$ 8,744

(*) A non-GAAP financial measure; see the Notes and Definitions section for additional details.

Streaming Segment

Unaudited; in millions



	3 Months Ending				12 Months Ending	3 Months Ending				12 Months Ending	3 Months Ending				12 Months Ending
	3/31/23	6/30/23	9/30/23	12/31/23	12/31/23	3/31/24	6/30/24	9/30/24	12/31/24	12/31/24	3/31/25	6/30/25	9/30/25	12/31/25	12/31/25
Revenues:															
Distribution	\$ 2,165	\$ 2,192	\$ 2,179	\$ 2,167	\$ 8,703	\$ 2,185	\$ 2,202	\$ 2,320	\$ 2,315	\$ 9,022	\$ 2,329	\$ 2,410	\$ 2,317	\$ 2,388	\$ 9,444
Advertising	103	121	138	186	548	175	240	205	235	855	237	282	235	278	1,032
<i>Subscriber-related revenues</i> ⁽²⁾⁽⁷⁾	2,268	2,313	2,317	2,353	9,251	2,360	2,442	2,525	2,550	9,877	2,566	2,692	2,552	2,666	10,476
Content	185	410	120	171	886	99	123	107	99	428	88	102	79	119	388
Other	2	9	1	5	17	1	3	2	2	8	2	(1)	2	9	12
Total revenues	2,455	2,732	2,438	2,529	10,154	2,460	2,568	2,634	2,651	10,313	2,656	2,793	2,633	2,794	10,876
Costs of revenues, excluding depreciation and amortization	1,815	1,951	1,874	1,983	7,623	1,895	2,028	1,776	1,760	7,459	1,824	1,913	1,789	1,875	7,401
Selling, general and administrative	590	784	453	601	2,428	479	647	569	482	2,177	493	587	499	526	2,105
Adjusted EBITDA ⁽¹⁾	\$ 50	\$ (3)	\$ 111	\$ (55)	\$ 103	\$ 86	\$ (107)	\$ 289	\$ 409	\$ 677	\$ 339	\$ 293	\$ 345	\$ 393	\$ 1,370

Year-Over-Year Growth Rates - Reported

Revenues:															
Distribution	(2)%	1%	6%	4%	2%	1%	—%	6%	7%	4%	7%	9%	—%	3%	5%
Advertising	27%	25%	30%	51%	35%	70%	98%	49%	26%	56%	35%	18%	15%	18%	21%
<i>Subscriber-related revenues</i>	(1)%	2%	7%	7%	4%	4%	6%	9%	8%	7%	9%	10%	1%	5%	6%
Content	(16)%	187%	(17)%	(30)%	18%	(46)%	(70)%	(11)%	(42)%	(52)%	(11)%	(17)%	(26)%	20%	(9)%
Other	—%	50%	(75)%	400%	31%	(50)%	(67)%	100%	(60)%	(53)%	100%	(133)%	—%	350%	50%
Total revenues	(2)%	13%	5%	3%	5%	—%	(6)%	8%	5%	2%	8%	9%	—%	5%	5%
Costs of revenues, excluding depreciation and amortization	(9)%	(6)%	(12)%	(1)%	(7)%	4%	4%	(5)%	(11)%	(2)%	(4)%	(6)%	1%	7%	(1)%
Selling, general and administrative	(50)%	(13)%	(46)%	(9)%	(32)%	(19)%	(17)%	26%	(20)%	(10)%	3%	(9)%	(12)%	9%	(3)%
Adjusted EBITDA	N/A	N/A	N/A	N/A	N/A	72%	N/A	160%	N/A	557%	294%	N/A	19%	(4)%	102%

Year-Over-Year Growth Rates - Ex-FX⁽²⁾⁽⁷⁾

Revenues:															
Distribution	(1)%	2%	5%	4%	2%	1%	1%	8%	8%	5%	8%	9%	1%	2%	5%
Advertising	29%	25%	29%	51%	35%	70%	99%	51%	27%	57%	35%	17%	14%	17%	20%
<i>Subscriber-related revenues</i>	—%	3%	7%	6%	4%	4%	6%	10%	10%	8%	10%	10%	1%	4%	6%
Content	(16)%	184%	(17)%	(30)%	17%	(46)%	(70)%	(11)%	(40)%	(51)%	(7)%	(21)%	(27)%	18%	(10)%
Other	100%	29%	(75)%	400%	31%	(50)%	(67)%	100%	(50)%	(50)%	100%	(133)%	—%	350%	50%
Total revenues	(1)%	14%	5%	3%	5%	—%	(5)%	9%	6%	2%	9%	8%	1%	4%	5%
Costs of revenues, excluding depreciation and amortization	(8)%	(5)%	(12)%	(2)%	(7)%	5%	5%	(5)%	(11)%	(2)%	(4)%	(6)%	—%	7%	(1)%
Selling, general and administrative	(50)%	(13)%	(46)%	(8)%	(32)%	(19)%	(17)%	27%	(18)%	(9)%	4%	(10)%	(13)%	7%	(4)%
Adjusted EBITDA	N/A	N/A	N/A	N/A	N/A	59%	N/A	176%	N/A	525%	387%	N/A	24%	(7)%	115%

Supplemental Expense Detail

Expenses:															
Content ⁽⁴⁾	1,571	1,706	1,513	1,664	6,454	1,567	1,699	1,470	1,447	6,183	1,504	1,600	1,497	1,544	6,145
Personnel ⁽⁵⁾	239	202	196	207	844	192	201	194	186	773	186	191	175	208	760
Marketing	273	459	228	353	1,313	289	353	263	242	1,147	220	294	210	276	1,000
Other ⁽⁶⁾	322	368	390	360	1,440	326	422	418	367	1,533	407	415	406	373	1,601
Total operating expenses	\$ 2,405	\$ 2,735	\$ 2,327	\$ 2,584	\$ 10,051	\$ 2,374	\$ 2,675	\$ 2,345	\$ 2,242	\$ 9,636	\$ 2,317	\$ 2,500	\$ 2,288	\$ 2,401	\$ 9,506

(1) A non-GAAP financial measure; see the Notes and Definitions section for additional details.

Streaming Segment - Subscribers & ARPU



Unaudited; in millions, except for ARPU⁽⁷⁾

	Subscriber Metrics														
	3 Months Ending				12 Months Ending	3 Months Ending				12 Months Ending	3 Months Ending				12 Months Ending
	3/31/23	6/30/23	9/30/23	12/31/23	12/31/23	3/31/24	6/30/24	9/30/24	12/31/24	12/31/24	3/31/25	6/30/25	9/30/25	12/31/25	12/31/25
Global Max, HBO Max, HBO, and Discovery+ Subscribers⁽⁸⁾	98.5	96.6	95.9	97.7	97.7	99.6	103.3	110.5	116.9	116.9	122.3	125.7	128.0	131.6	131.6
Global ARPU	\$ 7.54	\$ 7.77	\$ 7.88	\$ 7.94	\$ 7.78	\$ 7.83	\$ 8.00	\$ 7.84	\$ 7.44	\$ 7.76	\$ 7.11	\$ 7.14	\$ 6.64	\$ 6.80	\$ 6.92
Domestic Subscribers	55.3	54.0	52.6	52.0	52.0	52.7	52.4	52.6	57.1	57.1	57.6	57.8	58.0	59.2	59.2
Domestic ARPU	\$ 10.82	\$ 11.09	\$ 11.29	\$ 11.65	\$ 11.20	\$ 11.72	\$ 12.08	\$ 11.99	\$ 11.77	\$ 11.89	\$ 11.15	\$ 11.16	\$ 10.40	\$ 10.45	\$ 10.79
International Subscribers	43.2	42.6	43.3	45.6	45.6	46.9	50.8	57.9	59.8	59.8	64.6	67.9	70.0	72.4	72.4
International ARPU	\$ 3.68	\$ 3.85	\$ 3.98	\$ 3.88	\$ 3.85	\$ 3.75	\$ 3.85	\$ 4.05	\$ 3.74	\$ 3.85	\$ 3.63	\$ 3.85	\$ 3.70	\$ 4.00	\$ 3.80
<i>Year-Over-Year Growth Rates - Reported</i>															
Global Max, HBO Max, HBO, and Discovery+ Subscribers	8 %	4 %	— %	1 %	1 %	1 %	7 %	15 %	20 %	20 %	23 %	22 %	16 %	13 %	13 %
Global ARPU	N/A	2 %	6 %	7 %	N/A	4 %	3 %	(1)%	(6)%	— %	(9)%	(11)%	(15)%	(9)%	(11)%
Domestic Subscribers	4 %	2 %	(2)%	(5)%	(5)%	(5)%	(3)%	— %	10 %	10 %	9 %	10 %	10 %	4 %	4 %
Domestic ARPU	N/A	5 %	6 %	8 %	N/A	8 %	9 %	6 %	1 %	6 %	(5)%	(8)%	(13)%	(11)%	(9)%
International Subscribers	13 %	6 %	2 %	8 %	8 %	9 %	19 %	34 %	31 %	31 %	38 %	33 %	21 %	21 %	21 %
International ARPU	N/A	4 %	12 %	12 %	N/A	2 %	— %	2 %	(4)%	— %	(3)%	— %	(9)%	7 %	(1)%
<i>Year-Over-Year Growth Rates - Ex-FX^{(9)(*)}</i>															
Global Max, HBO Max, HBO, and Discovery+ Subscribers	8 %	4 %	— %	1 %	1 %	1 %	7 %	15 %	20 %	20 %	23 %	22 %	16 %	13 %	13 %
Global ARPU	N/A	2 %	6 %	7 %	N/A	4 %	4 %	1 %	(5)%	1 %	(9)%	(11)%	(16)%	(9)%	(11)%
Domestic Subscribers	4 %	2 %	(2)%	(5)%	(5)%	(5)%	(3)%	— %	10 %	10 %	9 %	10 %	10 %	4 %	4 %
Domestic ARPU	N/A	5 %	6 %	8 %	N/A	8 %	9 %	6 %	1 %	(9)%	(5)%	(8)%	(13)%	(11)%	(9)%
International Subscribers	13 %	6 %	2 %	8 %	8 %	9 %	19 %	34 %	31 %	31 %	38 %	33 %	21 %	21 %	21 %
International ARPU	N/A	6 %	11 %	10 %	N/A	4 %	4 %	7 %	2 %	4 %	— %	— %	(10)%	5 %	(1)%

(*) A non-GAAP financial measure; see the Notes and Definitions section for additional details.

Studios Segment

Unaudited; in millions



	3 Months Ending				12 Months Ending	3 Months Ending				12 Months Ending	3 Months Ending				12 Months Ending
	3/31/23	6/30/23	9/30/23	12/31/23	12/31/23	3/31/24	6/30/24	9/30/24	12/31/24	12/31/24	3/31/25	6/30/25	9/30/25	12/31/25	12/31/25
Revenues:															
Distribution	\$ 3	\$ 3	\$ 13	\$ (2)	\$ 17	\$ 5	\$ 3	\$ 6	\$ (6)	\$ 8	\$ 1	\$ 1	\$ 2	\$ 4	\$ 8
Advertising	3	4	4	4	15	4	—	1	—	5	1	—	—	—	1
Content	3,027	2,398	3,000	2,933	11,358	2,623	2,237	2,463	3,394	10,717	2,139	3,591	3,111	2,899	11,740
Other	179	176	209	238	802	189	209	210	269	877	173	209	208	280	870
Total revenues	3,212	2,581	3,226	3,173	12,192	2,821	2,449	2,680	3,657	11,607	2,314	3,801	3,321	3,183	12,619
Costs of revenues, excluding depreciation and amortization	1,959	1,645	1,794	1,898	7,296	2,019	1,601	1,736	2,174	7,530	1,413	2,215	1,897	1,872	7,397
Selling, general and administrative	646	630	705	732	2,713	618	638	636	533	2,425	642	723	729	583	2,677
Adjusted EBITDA⁽¹⁾	\$ 607	\$ 306	\$ 727	\$ 543	\$ 2,183	\$ 184	\$ 210	\$ 308	\$ 950	\$ 1,652	\$ 259	\$ 863	\$ 695	\$ 728	\$ 2,545

Year-Over-Year Growth Rates - Reported

	3/31/23	6/30/23	9/30/23	12/31/23	12/31/23	3/31/24	6/30/24	9/30/24	12/31/24	12/31/24	3/31/25	6/30/25	9/30/25	12/31/25	12/31/25
Revenues:															
Distribution	(40)%	(40)%	225 %	(150)%	(6)%	67 %	— %	(54)%	N/A	(53)%	(80)%	(67)%	(67)%	N/A	— %
Advertising	(67)%	(60)%	(50)%	N/A	(38)%	33 %	(100)%	(75)%	(100)%	(67)%	(75)%	N/A	(100)%	— %	(80)%
Content	(10)%	(25)%	4 %	(19)%	(13)%	(13)%	(7)%	(18)%	16 %	(6)%	(18)%	61 %	26 %	(15)%	10 %
Other	30 %	9 %	9 %	13 %	14 %	6 %	19 %	— %	13 %	9 %	(8)%	— %	(1)%	4 %	(1)%
Total revenues	(8)%	(23)%	4 %	(17)%	(12)%	(12)%	(5)%	(17)%	15 %	(5)%	(18)%	55 %	24 %	(13)%	9 %
Costs of revenues, excluding depreciation and amortization	(5)%	(30)%	2 %	(25)%	(16)%	3 %	(3)%	(3)%	15 %	3 %	(30)%	38 %	9 %	(14)%	(2)%
Selling, general and administrative	3 %	1 %	24 %	39 %	16 %	(4)%	1 %	(10)%	(27)%	(11)%	4 %	13 %	15 %	9 %	10 %
Adjusted EBITDA	(25)%	(25)%	(5)%	(29)%	(21)%	(70)%	(31)%	(58)%	75 %	(24)%	41 %	311 %	126 %	(23)%	54 %

Year-Over-Year Growth Rates - Ex-FX⁽³⁾⁽⁷⁾

	3/31/23	6/30/23	9/30/23	12/31/23	12/31/23	3/31/24	6/30/24	9/30/24	12/31/24	12/31/24	3/31/25	6/30/25	9/30/25	12/31/25	12/31/25
Revenues:															
Distribution	(40)%	(40)%	225 %	(150)%	(6)%	67 %	— %	(54)%	N/A	(53)%	(80)%	(67)%	(67)%	N/A	— %
Advertising	(67)%	(60)%	(50)%	N/A	(38)%	33 %	(100)%	(75)%	(100)%	(67)%	(75)%	NA	(100)%	— %	(80)%
Content	(8)%	(25)%	3 %	(20)%	(13)%	(14)%	(6)%	(18)%	16 %	(5)%	(17)%	59 %	26 %	(16)%	9 %
Other	30 %	9 %	5 %	12 %	13 %	4 %	20 %	— %	12 %	9 %	(7)%	(5)%	(4)%	— %	(3)%
Total revenues	(7)%	(24)%	3 %	(18)%	(12)%	(13)%	(4)%	(17)%	16 %	(5)%	(16)%	54 %	23 %	(14)%	8 %
Costs of revenues, excluding depreciation and amortization	(4)%	(30)%	1 %	(26)%	(16)%	3 %	(3)%	(3)%	14 %	3 %	(29)%	38 %	9 %	(14)%	(2)%
Selling, general and administrative	6 %	1 %	21 %	38 %	16 %	(5)%	2 %	(10)%	(27)%	(11)%	5 %	12 %	14 %	8 %	10 %
Adjusted EBITDA	(23)%	(26)%	(6)%	(30)%	(21)%	(70)%	(24)%	(58)%	78 %	(23)%	63 %	301 %	124 %	(27)%	52 %

Supplemental Expense Detail

	3/31/23	6/30/23	9/30/23	12/31/23	12/31/23	3/31/24	6/30/24	9/30/24	12/31/24	12/31/24	3/31/25	6/30/25	9/30/25	12/31/25	12/31/25
Expenses:															
Content ⁽⁴⁾	1,914	1,599	1,748	1,851	7,112	1,950	1,532	1,675	2,103	7,260	1,339	2,135	1,843	1,791	7,108
Personnel ⁽⁵⁾	241	221	228	237	927	240	231	229	243	943	230	232	240	261	963
Marketing	281	269	360	358	1,268	289	268	309	198	1,064	252	363	331	120	1,066
Other ⁽⁶⁾	169	186	163	184	702	158	208	159	163	688	234	208	212	283	937
Total operating expenses	\$ 2,605	\$ 2,275	\$ 2,499	\$ 2,630	\$ 10,009	\$ 2,637	\$ 2,239	\$ 2,372	\$ 2,707	\$ 9,955	\$ 2,055	\$ 2,938	\$ 2,626	\$ 2,455	\$ 10,074

(*) A non-GAAP financial measure; see the Notes and Definitions section for additional details.

Global Linear Networks Segment



Unaudited; in millions

	3 Months Ending				12 Months Ending	3 Months Ending				12 Months Ending	3 Months Ending				12 Months Ending
	3/31/23	6/30/23	9/30/23	12/31/23	12/31/23	3/31/24	6/30/24	9/30/24	12/31/24	12/31/24	3/31/25	6/30/25	9/30/25	12/31/25	12/31/25
Revenues:															
Distribution	\$ 2,995	\$ 2,941	\$ 2,833	\$ 2,752	\$ 11,521	\$ 2,797	\$ 2,675	\$ 2,598	\$ 2,610	\$ 10,680	\$ 2,558	\$ 2,477	\$ 2,387	\$ 2,397	\$ 9,819
Advertising	2,237	2,448	1,709	1,948	8,342	1,987	2,214	1,490	1,615	7,306	1,758	1,953	1,186	1,435	6,332
Content	245	284	215	261	1,005	264	299	833	452	1,848	380	287	217	311	1,195
Other	104	85	111	76	376	77	84	89	91	341	78	86	93	53	310
Total revenues	5,581	5,758	4,868	5,037	21,244	5,125	5,272	5,010	4,768	20,175	4,774	4,803	3,883	4,196	17,656
Costs of revenues, excluding depreciation and amortization	2,594	2,849	1,800	2,099	9,342	2,372	2,531	2,185	2,150	9,238	2,327	2,592	1,520	2,040	8,479
Selling, general and administrative	694	743	672	730	2,839	634	743	710	701	2,788	654	699	661	751	2,765
Adjusted EBITDA⁽¹⁾	\$ 2,293	\$ 2,166	\$ 2,396	\$ 2,208	\$ 9,063	\$ 2,119	\$ 1,998	\$ 2,115	\$ 1,917	\$ 8,149	\$ 1,793	\$ 1,512	\$ 1,702	\$ 1,405	\$ 6,412

Year-Over-Year Growth Rates - Reported

Revenues:															
Distribution	(4)%	(2)%	(3)%	(4)%	(4)%	(7)%	(9)%	(8)%	(5)%	(7)%	(9)%	(7)%	(8)%	(8)%	(8)%
Advertising	(15)%	(13)%	(12)%	(12)%	(13)%	(11)%	(10)%	(13)%	(17)%	(12)%	(12)%	(12)%	(20)%	(11)%	(13)%
Content	(52)%	18%	(22)%	(15)%	(25)%	8%	5%	287%	73%	84%	44%	(4)%	(74)%	(31)%	(35)%
Other	96%	29%	61%	(32)%	25%	(26)%	(1)%	(20)%	20%	(9)%	1%	2%	4%	(42)%	(9)%
Total revenues	(12)%	(6)%	(7)%	(9)%	(8)%	(8)%	(8)%	3%	(5)%	(5)%	(7)%	(9)%	(22)%	(12)%	(12)%
Costs of revenues, excluding depreciation and amortization	(12)%	(6)%	(6)%	(8)%	(8)%	(9)%	(11)%	21%	2%	(1)%	(2)%	2%	(30)%	(5)%	(8)%
Selling, general and administrative	(13)%	—%	(1)%	(4)%	(5)%	(9)%	—%	6%	(4)%	(2)%	3%	(6)%	(7)%	7%	(1)%
Adjusted EBITDA	(11)%	(8)%	(9)%	(11)%	(10)%	(8)%	(8)%	(12)%	(13)%	(10)%	(15)%	(24)%	(20)%	(27)%	(21)%

Year-Over-Year Growth Rates - Ex-FX⁽³⁾⁽⁷⁾

Revenues:															
Distribution	(3)%	(1)%	(2)%	(3)%	(2)%	(6)%	(8)%	(7)%	(4)%	(6)%	(8)%	(7)%	(8)%	(8)%	(8)%
Advertising	(14)%	(13)%	(13)%	(14)%	(13)%	(11)%	(9)%	(13)%	(16)%	(12)%	(11)%	(13)%	(21)%	(14)%	(14)%
Content	(51)%	18%	(22)%	(16)%	(24)%	8%	5%	284%	74%	83%	44%	(2)%	(74)%	(32)%	(35)%
Other	96%	24%	51%	(34)%	21%	(29)%	1%	(21)%	20%	(10)%	1%	(1)%	3%	(45)%	(11)%
Total revenues	(10)%	(5)%	(7)%	(8)%	(8)%	(8)%	(8)%	3%	(4)%	(4)%	(6)%	(9)%	(23)%	(13)%	(13)%
Costs of revenues, excluding depreciation and amortization	(10)%	(5)%	(6)%	(7)%	(7)%	(8)%	(10)%	22%	5%	—%	(2)%	2%	(30)%	(6)%	(8)%
Selling, general and administrative	(11)%	—%	(1)%	(4)%	(4)%	(8)%	1%	6%	(1)%	(1)%	3%	(6)%	(7)%	5%	(2)%
Adjusted EBITDA	(10)%	(7)%	(9)%	(11)%	(9)%	(8)%	(7)%	(11)%	(13)%	(10)%	(14)%	(25)%	(20)%	(27)%	(21)%

Supplemental Expense Detail

Expenses:															
Content ⁽⁴⁾	2,011	2,285	1,268	1,576	7,140	1,843	1,965	1,679	1,648	7,135	1,832	2,105	1,055	1,530	6,522
Personnel ⁽⁵⁾	571	562	519	521	2,173	548	566	524	515	2,153	496	505	479	529	2,009
Marketing	94	118	100	127	439	88	115	125	126	454	104	115	128	182	529
Other ⁽⁶⁾	612	627	585	605	2,429	527	628	567	562	2,284	549	566	519	550	2,184
Total operating expenses	\$ 3,288	\$ 3,592	\$ 2,472	\$ 2,829	\$ 12,181	\$ 3,006	\$ 3,274	\$ 2,895	\$ 2,851	\$ 12,026	\$ 2,981	\$ 3,291	\$ 2,181	\$ 2,791	\$ 11,244

(*) A non-GAAP financial measure; see the Notes and Definitions section for additional details.

Corporate, and Inter-segment Eliminations

Unaudited; in millions



	3 Months Ending				12 Months Ending	3 Months Ending				12 Months Ending	3 Months Ending				12 Months Ending
	3/31/23	6/30/23	9/30/23	12/31/23	12/31/23	3/31/24	6/30/24	9/30/24	12/31/24	12/31/24	3/31/25	6/30/25	9/30/25	12/31/25	12/31/25
Corporate Segment															
Adjusted EBITDA ⁽¹⁾	\$ (355)	\$ (245)	\$ (328)	\$ (314)	\$ (1,242)	\$ (346)	\$ (285)	\$ (296)	\$ (333)	\$ (1,260)	\$ (233)	\$ (316)	\$ (258)	\$ (289)	\$ (1,096)
Inter-segment Eliminations															
Inter-segment revenue eliminations	\$ (548)	\$ (712)	\$ (551)	\$ (458)	\$ (2,269)	\$ (449)	\$ (577)	\$ (705)	\$ (1,051)	\$ (2,782)	\$ (765)	\$ (1,586)	\$ (793)	\$ (713)	\$ (3,857)
Inter-segment expense eliminations	(564)	(637)	(614)	(547)	(2,362)	(508)	(556)	(702)	(830)	(2,596)	(712)	(1,187)	(779)	(692)	(3,370)
Adjusted EBITDA ⁽¹⁾	\$ 16	\$ (75)	\$ 63	\$ 89	\$ 93	\$ 59	\$ (21)	\$ (3)	\$ (221)	\$ (186)	\$ (53)	\$ (399)	\$ (14)	\$ (21)	\$ (487)

Supplemental Consolidated Revenues Information



Unaudited; in millions

	3 Months Ending				12 Months Ending	3 Months Ending				12 Months Ending	3 Months Ending				12 Months Ending
	3/31/23	6/30/23	9/30/23	12/31/23	12/31/23	3/31/24	6/30/24	9/30/24	12/31/24	12/31/24	3/31/25	6/30/25	9/30/25	12/31/25	12/31/25
Revenues:															
Streaming	\$ 2,455	\$ 2,732	\$ 2,438	\$ 2,529	\$ 10,154	\$ 2,460	\$ 2,568	\$ 2,634	\$ 2,651	\$ 10,313	\$ 2,656	\$ 2,793	\$ 2,633	\$ 2,794	\$ 10,876
Studios	3,212	2,581	3,226	3,173	12,192	2,821	2,449	2,680	3,657	11,607	2,314	3,801	3,321	3,183	12,619
Streaming & Studios eliminations	(354)	(419)	(254)	(297)	(1,324)	(318)	(416)	(424)	(971)	(2,129)	(623)	(1,400)	(675)	(426)	(3,124)
Streaming & Studios ⁽⁹⁾	5,313	4,894	5,410	5,405	21,022	4,963	4,601	4,890	5,337	19,791	4,347	5,194	5,279	5,551	20,371
Global Linear Networks	5,581	5,758	4,868	5,037	21,244	5,125	5,272	5,010	4,768	20,175	4,774	4,803	3,883	4,196	17,656
Corporate	—	(1)	(2)	3	—	1	1	4	2	8	—	1	1	—	2
Other inter-segment eliminations	(194)	(293)	(297)	(161)	(945)	(131)	(161)	(281)	(80)	(653)	(142)	(186)	(118)	(287)	(733)
Total Revenues	\$ 10,700	\$ 10,358	\$ 9,979	\$ 10,284	\$ 41,321	\$ 9,958	\$ 9,713	\$ 9,623	\$ 10,027	\$ 39,321	\$ 8,979	\$ 9,812	\$ 9,045	\$ 9,460	\$ 37,296

Year-Over-Year Growth Rates - Reported

Revenues:															
Streaming						— %	(6)%	8 %	5 %	2 %	8 %	9 %	— %	5 %	5 %
Studios						(12)%	(5)%	(17)%	15 %	(5)%	(18)%	55 %	24 %	(13)%	9 %
Streaming & Studios eliminations						N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Streaming & Studios ⁽⁹⁾						(7)%	(6)%	(10)%	(1)%	(6)%	(12)%	13 %	8 %	4 %	3 %
Global Linear Networks						(8)%	(8)%	3 %	(5)%	(5)%	(7)%	(9)%	(22)%	(12)%	(12)%
Corporate						N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Other inter-segment eliminations						N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total Revenues						(7)%	(6)%	(4)%	(2)%	(5)%	(10)%	1 %	(6)%	(6)%	(5)%

Supplemental Adjusted EBITDA Information

Unaudited; in millions



	3 Months Ending				12 Months Ending	3 Months Ending				12 Months Ending	3 Months Ending				12 Months Ending
	3/31/23	6/30/23	9/30/23	12/31/23	12/31/23	3/31/24	6/30/24	9/30/24	12/31/24	12/31/24	3/31/25	6/30/25	9/30/25	12/31/25	12/31/25
Adjusted EBITDA:															
Streaming	\$ 50	\$ (3)	\$ 111	\$ (55)	\$ 103	\$ 86	\$ (107)	\$ 289	\$ 409	\$ 677	\$ 339	\$ 293	\$ 345	\$ 393	\$ 1,370
Studios	607	306	727	543	2,183	184	210	308	950	1,652	259	863	695	728	2,545
Streaming & Studios eliminations	27	13	96	84	220	49	(27)	42	(266)	(202)	(58)	(366)	(32)	37	(419)
Streaming & Studios ⁽⁹⁾	684	316	934	572	2,506	319	76	639	1,093	2,127	540	790	1,008	1,158	3,496
Global Linear Networks	2,293	2,166	2,396	2,208	9,063	2,119	1,998	2,115	1,917	8,149	1,793	1,512	1,702	1,405	6,412
Corporate	(355)	(245)	(328)	(314)	(1,242)	(346)	(285)	(296)	(333)	(1,260)	(233)	(316)	(258)	(289)	(1,096)
Other inter-segment eliminations	(11)	(88)	(33)	5	(127)	10	6	(45)	45	16	5	(33)	18	(58)	(68)
Total Adjusted EBITDA	\$ 2,611	\$ 2,149	\$ 2,969	\$ 2,471	\$ 10,200	\$ 2,102	\$ 1,795	\$ 2,413	\$ 2,722	\$ 9,032	\$ 2,105	\$ 1,953	\$ 2,470	\$ 2,216	\$ 8,744

Year-Over-Year Growth Rates - Reported

Adjusted EBITDA:														
Streaming					72 %	N/A	160 %	N/A	557 %	294 %	(374)%	19 %	(4)%	102 %
Studios					(70)%	(31)%	(58)%	75 %	(24)%	41 %	311 %	126 %	(23)%	54 %
Streaming & Studios eliminations					N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Streaming & Studios ⁽⁹⁾					(53)%	(76)%	(32)%	91 %	(15)%	69 %	939 %	58 %	6 %	64 %
Global Linear Networks					(8)%	(8)%	(12)%	(13)%	(10)%	(15)%	(24)%	(20)%	(27)%	(21)%
Corporate					3 %	(16)%	10 %	(6)%	(1)%	33 %	(11)%	13 %	13 %	13 %
Other inter-segment eliminations					N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total Adjusted EBITDA					(19)%	(16)%	(19)%	10 %	(11)%	— %	9 %	2 %	(19)%	(3)%

Consolidated Streaming & Studios Division⁽⁹⁾



Unaudited; in millions

	3 Months Ending					12 Months Ending	3 Months Ending					12 Months Ending	3 Months Ending					12 Months Ending		
	3/31/23	6/30/23	9/30/23	12/31/23	12/31/23	3/31/24	6/30/24	9/30/24	12/31/24	12/31/24	3/31/25	6/30/25	9/30/25	12/31/25	12/31/25					
Revenues:																				
Distribution	\$ 2,168	\$ 2,195	\$ 2,192	\$ 2,165	\$ 8,720	\$ 2,190	\$ 2,205	\$ 2,326	\$ 2,309	\$ 9,030	\$ 2,330	\$ 2,411	\$ 2,319	\$ 2,392	\$ 9,452					
Advertising	106	124	138	191	559	179	240	203	234	856	237	280	232	278	1,027					
Content	2,860	2,395	2,868	2,807	10,930	2,404	1,945	2,153	2,514	9,016	1,611	2,349	2,533	2,626	9,119					
Other	179	180	212	242	813	190	211	208	280	889	169	154	195	255	773					
Total revenues	5,313	4,894	5,410	5,405	21,022	4,963	4,601	4,890	5,337	19,791	4,347	5,194	5,279	5,551	20,371					
Costs of revenues, excluding depreciation and amortization	3,394	3,167	3,319	3,503	13,383	3,547	3,240	3,046	3,230	13,063	2,673	3,096	3,045	3,285	12,099					
Selling, general and administrative	1,235	1,411	1,157	1,330	5,133	1,097	1,285	1,205	1,014	4,601	1,134	1,308	1,226	1,108	4,776					
Adjusted EBITDA⁽¹⁾	\$ 684	\$ 316	\$ 934	\$ 572	\$ 2,506	\$ 319	\$ 76	\$ 639	\$ 1,093	\$ 2,127	\$ 540	\$ 790	\$ 1,008	\$ 1,158	\$ 3,496					

Year-Over-Year Growth Rates - Reported

	3 Months Ending					12 Months Ending	3 Months Ending					12 Months Ending	3 Months Ending					12 Months Ending		
	3/31/23	6/30/23	9/30/23	12/31/23	12/31/23	3/31/24	6/30/24	9/30/24	12/31/24	12/31/24	3/31/25	6/30/25	9/30/25	12/31/25	12/31/25					
Revenues:																				
Distribution						1 %	— %	6 %	7 %	4 %	6 %	9 %	— %	4 %	5 %					
Advertising						69 %	94 %	47 %	23 %	53 %	32 %	17 %	14 %	19 %	20 %					
Content						(16)%	(19)%	(25)%	(10)%	(18)%	(33)%	21 %	18 %	4 %	1 %					
Other						6 %	17 %	(2)%	16 %	9 %	(11)%	(27)%	(6)%	(9)%	(13)%					
Total revenues						(7)%	(6)%	(10)%	(1)%	(6)%	(12)%	13 %	8 %	4 %	3 %					
Costs of revenues, excluding depreciation and amortization						5 %	2 %	(8)%	(8)%	(2)%	(25)%	(4)%	— %	2 %	(7)%					
Selling, general and administrative						(11)%	(9)%	4 %	(24)%	(10)%	3 %	2 %	2 %	9 %	4 %					
Adjusted EBITDA						(53)%	(76)%	(32)%	91 %	(15)%	69 %	939 %	58 %	6 %	64 %					

Supplemental Streaming & Studios Eliminations Detail

	3 Months Ending					12 Months Ending	3 Months Ending					12 Months Ending	3 Months Ending					12 Months Ending		
	3/31/23	6/30/23	9/30/23	12/31/23	12/31/23	3/31/24	6/30/24	9/30/24	12/31/24	12/31/24	3/31/25	6/30/25	9/30/25	12/31/25	12/31/25					
Eliminations:																				
Streaming & Studios Revenue Eliminations	\$ (354)	\$ (419)	\$ (254)	\$ (297)	\$ (1,324)	\$ (318)	\$ (416)	\$ (424)	\$ (971)	\$ (2,129)	\$ (623)	\$ (1,400)	\$ (675)	\$ (426)	\$ (3,124)					
Streaming & Studios Adjusted EBITDA Eliminations	\$ 27	\$ 13	\$ 96	\$ 84	\$ 220	\$ 49	\$ (27)	\$ 42	\$ (266)	\$ (202)	\$ (58)	\$ (366)	\$ (32)	\$ 37	\$ (419)					

Free Cash Flow (non-GAAP); Net debt (non-GAAP)

Reported unless where otherwise noted;
unaudited; in millions



	3 Months Ending				12 Months Ending	3 Months Ending				12 Months Ending	3 Months Ending				12 Months Ending
	3/31/23	6/30/23	9/30/23	12/31/23	12/31/23	3/31/24	6/30/24	9/30/24	12/31/24	12/31/24	3/31/25	6/30/25	9/30/25	12/31/25	12/31/25
Reported Free Cash Flow:															
Cash provided by (used for) operating activities	\$ (631)	\$ 2,014	\$ 2,516	\$ 3,578	\$ 7,477	\$ 585	\$ 1,228	\$ 847	\$ 2,715	\$ 5,375	\$ 553	\$ 983	\$ 979	\$ 1,804	\$ 4,319
Less: Purchases of property and equipment	(299)	(292)	(457)	(268)	(1,316)	(195)	(252)	(215)	(286)	(948)	(251)	(281)	(278)	(421)	(1,231)
Reported Free Cash Flow^{(10)(*)}	\$ (930)	\$ 1,722	\$ 2,059	\$ 3,310	\$ 6,161	\$ 390	\$ 976	\$ 632	\$ 2,429	\$ 4,427	\$ 302	\$ 702	\$ 701	\$ 1,383	\$ 3,088
Reported Gross to Net Debt:															
Current portion of debt	\$ 3,496	\$ 3,001	\$ 1,302	\$ 1,780	\$ 1,780	\$ 3,430	\$ 3,669	\$ 3,043	\$ 2,748	\$ 2,748	\$ 2,779	\$ 221	\$ 139	\$ 139	\$ 139
Plus: Noncurrent portion of debt	45,719	44,563	43,785	42,175	42,175	39,415	37,332	37,189	36,779	36,779	34,667	34,779	33,705	32,706	32,706
Plus: Finance leases	251	246	258	265	265	325	429	452	463	463	535	584	682	683	683
Reported Gross Debt^{(11)(*)}	\$ 49,466	\$ 47,810	\$ 45,345	\$ 44,220	\$ 44,220	\$ 43,170	\$ 41,430	\$ 40,684	\$ 39,990	\$ 39,990	\$ 37,981	\$ 35,584	\$ 34,526	\$ 33,528	\$ 33,528
Less: Cash and cash equivalents	2,639	3,077	2,430	4,319	4,319	3,386	3,617	3,490	5,416	5,416	3,974	4,891	4,298	4,570	4,570
Reported Net Debt^{(12)(*)}	\$ 46,827	\$ 44,733	\$ 42,915	\$ 39,901	\$ 39,901	\$ 39,784	\$ 37,813	\$ 37,194	\$ 34,574	\$ 34,574	\$ 34,007	\$ 30,693	\$ 30,228	\$ 28,958	\$ 28,958
LTM EBITDA ^{(13)(*)}	9,404	9,787	10,332	10,200	10,200	9,691	9,337	8,781	9,032	9,032	9,035	9,193	9,250	8,744	8,744
LTM Gross Leverage Ratio ^{(14)(*)}	5.3x	4.9x	4.4x	4.3x	4.3x	4.5x	4.4x	4.6x	4.4x	4.4x	4.2x	3.9x	3.7x	3.8x	3.8x
LTM Net Leverage Ratio^{(15)(*)}	5.0x	4.6x	4.2x	3.9x	3.9x	4.1x	4.0x	4.2x	3.8x	3.8x	3.8x	3.3x	3.3x	3.3x	3.3x

(*) A non-GAAP financial measure; see the Notes and Definitions section for additional details.

Purpose of Trending Schedules

The trending schedules summarize unaudited financial information to facilitate your review and understanding of Warner Bros. Discovery, Inc.'s ("Warner Bros. Discovery", "WBD", the Company", "we", "us", or "our") operating results. The trending schedules set forth important financial measures utilized by the Company defined by U.S. generally accepted accounting principles ("GAAP"). The Company uses non-GAAP financial measures, among other measures, to evaluate the operating performance of our business. These non-GAAP financial measures are in addition to, not a substitute for, or superior to, measures of financial performance prepared in accordance with U.S. GAAP.

Reporting Segments

In December 2024, we announced that our board of directors had authorized the Company to implement a new corporate structure designed to enhance our strategic flexibility and create potential opportunities to unlock shareholder value. Under the new corporate structure, the Company will serve as the parent company for two distinct operating divisions: Streaming & Studios and Global Linear Networks. In the first quarter of 2025, we renamed our Direct-to-Consumer reportable segment to Streaming and our Networks reportable segment to Global Linear Networks. There were no changes to our reportable segments or the composition of our reportable segments as a result of these changes. As of March 31, 2025, we classified our operations in three reportable segments:

Streaming - Our Streaming segment primarily consists of our premium pay-TV and streaming services.

Studios - Our Studios segment primarily consists of the production and release of feature films for initial exhibition in theaters, production and initial licensing of television programs to third parties and our global linear networks/streaming services, distribution of our films and television programs to various third party and internal television and streaming services, distribution through the home entertainment market (physical and digital), related consumer products and themed experience licensing, and interactive gaming.

Global Linear Networks - Our Global Linear Networks segment primarily consists of our domestic and international television networks.

Non-GAAP Financial Measures

In addition to financial measures prepared in accordance with U.S. GAAP, this communication may also contain certain non-GAAP financial measures, identified with an "(*)". Reconciliations between the non-GAAP financial measures and the closest GAAP financial measures are available in the trending schedules and in the "Quarterly Results" section of the Warner Bros. Discovery, Inc. investor relations website at: <https://ir.wbd.com>.

Rounding

Numbers presented in the following materials are on a rounded basis using actual amounts. Minor differences in totals and percentages may exist due to rounding.

Notes and Definitions



1). **Adjusted EBITDA** - The Company evaluates the operating performance of its operating segments based on financial measures such as revenues and Adjusted EBITDA. Adjusted EBITDA is defined as operating income excluding: (i) employee share-based compensation, (ii) depreciation and amortization, (iii) restructuring and facility consolidation, (iv) certain impairment charges, (v) gains and losses on business and asset dispositions, (vi) third-party transaction and integration costs, (vii) amortization of purchase accounting fair value step-up for content, (viii) amortization of capitalized interest for content, and (ix) other items impacting comparability.

The Company uses this measure to assess the operating results and performance of the segments, perform analytical comparisons, identify strategies to improve performance, and allocate resources to each segment. The Company believes Adjusted EBITDA is relevant to investors because it allows them to analyze the operating performance of each segment using the same metric management uses. The Company excludes employee share-based compensation, restructuring, certain impairment charges, gains and losses on business and asset dispositions, and transaction and integration costs from the calculation of Adjusted EBITDA due to their impact on comparability between periods. Integration costs include transformative system implementations and integrations, such as Enterprise Resource Planning systems, and may take several years to complete.

The Company also excludes the depreciation of fixed assets and amortization of intangible assets, amortization of purchase accounting fair value step-up for content (which is included in consolidated costs of revenues), and amortization of capitalized interest for content, as these amounts do not represent cash payments in the current reporting period. We prospectively updated certain corporate allocations at the beginning of 2025. The impact to prior periods was immaterial.

2). **Subscriber-related revenues** - The Company defines subscriber-related revenues as the sum of distribution and advertising revenues in the Streaming segment. The Company uses subscriber-related revenues to monitor and evaluate the Company's streaming revenue performance. The Company believes this measure is relevant to investors as it highlights the revenue generation tied to the Company's streaming products.

3). **Foreign Exchange Impacting Comparability** - The impact of exchange rates on our business is an important factor in understanding period-to-period comparisons of our results. For example, our international revenues are favorably impacted as the U.S. dollar weakens relative to other foreign currencies, and unfavorably impacted as the U.S. dollar strengthens relative to other foreign currencies. We believe the presentation of results on a constant currency basis ("ex-FX"), in addition to results reported in accordance with U.S. GAAP provides useful information about our operating performance because the presentation ex-FX excludes the effects of foreign currency volatility and highlights our core operating results. The presentation of results on a constant currency basis should be considered in addition to, but not a substitute for, measures of financial performance reported in accordance with U.S. GAAP.

The ex-FX change represents the percentage change on a period-over-period basis adjusted for foreign currency impacts. For the 2023 period, the ex-FX change is calculated as the difference between the fiscal year 2023 amounts translated at a baseline rate, which is a spot rate for each of our currencies determined early in the 2023 fiscal year as part of our forecasting process (the "2023 Baseline Rate"), and the prior year amounts translated at the same 2023 Baseline Rate. For the 2024 period, the ex-FX change is calculated as the difference between the fiscal year 2024 amounts translated at a baseline rate, which is a spot rate for each of our currencies determined early in the 2024 fiscal year as part of our forecasting process (the "2024 Baseline Rate"), and the prior year amounts translated at the same 2024 Baseline Rate. For the 2025 period, the ex-FX change is calculated as the difference between the current year amounts translated at a baseline rate, which is a spot rate for each of our currencies determined early in the fiscal year as part of our forecasting process (the "2025 Baseline Rate"), and the prior year amounts translated at the same 2025 Baseline Rate. In addition, consistent with the assumption of a constant currency environment, our ex-FX results exclude the impact of our foreign currency hedging activities, as well as realized and unrealized foreign currency transaction gains and losses. Results on a constant currency basis, as we present them, may not be comparable to similarly titled measures used by other companies.

4). **Content expense** - Content expense includes amortization, impairments, participations, residuals, development expense, and production costs, including talent costs, and is a component of costs of revenues. Content expense excludes content impairment and other development costs recorded in restructuring and other charges, amortization of purchase accounting fair value step-up for content, and amortization of capitalized interest for content as these items are excluded from the calculation of Adjusted EBITDA.

5). **Personnel expense** - Personnel expense is a component of costs of revenues and selling, general and administrative expense. Personnel expense includes marketing personnel compensation and excludes commissions (included in other segment expenses) and talent costs (included in content expense).

6). **Other expenses** - Other segment expenses include distribution costs, other direct costs, software and hardware costs, IT services, professional and consulting fees, commissions, and certain other overhead costs. Other segment expenses exclude depreciation and amortization, amortization of purchase accounting fair value step-up for content, amortization of capitalized interest for content, employee share-based compensation, third-party transaction and integration costs, and other items impacting comparability as these items are excluded from the calculation of Adjusted EBITDA.

7). **Average Revenue Per Subscriber ("ARPU")** - The Company defines Streaming Average Revenue Per User ("ARPU") as total subscription revenue plus net advertising revenue for the period divided by the daily average number of paying subscribers for the period. Where daily values are not available, the sum of beginning of period and end of period divided by two is used.

Excluded from the ARPU calculation are: (i) Revenue and subscribers for Streaming products, other than discovery+, HBO, HBO Max, Max, a Premium Sports Product, and independently-branded, regional products (currently consisting of TVN/Player), that may be offered by us or by certain joint venture partners or affiliated parties from time to time; (ii) A limited amount of international discovery+ revenue and subscribers that are part of non-strategic partnerships or short-term arrangements as may be identified by the Company from time to time; (iii) Cinemax, Max/HBO hotel and bulk institution (i.e., subscribers billed on a bulk basis), and international basic HBO revenue and subscribers; and (iv) Users on free trials who convert to a subscription for which we have recognized subscription revenue within the first seven days of the calendar month immediately following the month in which their free trial expires.

Notes and Definitions (cont.)



8). **Streaming subscriber** - The Company defines a "Core Streaming Subscription" as: (i) a retail subscription to discovery+, HBO, HBO Max, Max, or a Premium Sports Product (defined below) for which we have recognized subscription revenue, whether directly or through a third party, from a Streaming platform; (ii) a wholesale subscription to discovery+, HBO, HBO Max, Max, or a Premium Sports Product for which we have recognized subscription revenue from a fixed-fee arrangement with a third party and where the individual user has activated their subscription; (iii) a wholesale subscription to discovery+, HBO, HBO Max, Max, or a Premium Sports Product for which we have recognized subscription revenue on a per subscriber basis, including third-party services that host a branded environment of discovery+, HBO, HBO Max, Max, or a Premium Sports Product for which we have recognized subscription revenue on a per subscriber basis; (iv) a retail or wholesale subscription to an independently-branded, regional product sold on a stand-alone basis that includes discovery+, HBO, HBO Max, Max, and/or a Premium Sports Product, for which we have recognized subscription revenue (as per (i)–(iii) above); and (v) users on free trials who convert to a subscription for which we have recognized subscription revenue within the first seven days of the calendar month immediately following the month in which their free trial expires.

The Company defines a "Premium Sports Product" as a strategically prioritized, sports-focused product sold on a stand-alone basis and made available directly to consumers.

The current "independently-branded, regional products" referred to in (iv) above consist of TVN/Player.

Subscribers to multiple WBD Streaming products (listed above) are counted as a paid subscriber for each individual WBD Streaming product subscription.

We may refer to the aggregate number of Core Streaming Subscriptions as "subscribers".

The reported number of "subscribers" included herein and the definition of "Streaming Subscription" as used herein excludes: (i) individuals who subscribe to Streaming products, other than discovery+, HBO, HBO Max, Max, a Premium Sports Product, and independently-branded, regional products (currently consisting of TVN/Player), that may be offered by us or by certain joint venture partners or affiliated parties from time to time; (ii) a limited number of international discovery+ subscribers that are part of non-strategic partnerships or short-term arrangements as may be identified by the Company from time to time; (iii) domestic and international Cinemax subscribers, and international basic HBO subscribers; and (iv) users on free trials except for those users on free trial that convert to a Streaming Subscription within the first seven days of the next month as noted above.

Domestic subscriber - We define a Domestic subscriber as a subscription based either in the United States of America or Canada.

International subscriber - We define an International subscriber as a subscription based outside of the United States of America or Canada.

9). **Streaming & Studios Division**: In December 2024, we announced that our board of directors had authorized the Company to implement a new corporate structure designed to enhance our strategic flexibility and create potential opportunities to unlock shareholder value. Under the new corporate structure, the Company will serve as the parent company for two distinct operating divisions: Streaming & Studios and Global Linear Networks. In the first quarter of 2025, we renamed our Direct-to-Consumer reportable segment to Streaming and our Networks reportable segment to Global Linear Networks. There were no changes to our reportable segments or the composition of our reportable segments as a result of these changes. The Streaming & Studios division includes our Streaming and Studios reportable segments and eliminations between those two reportable segments.

10). **Free Cash Flow** - The Company defines free cash flow as cash flow from operations less acquisitions of property and equipment. The Company believes free cash flow is an important indicator for management and investors of the Company's liquidity, including its ability to reduce debt, make strategic investments, and return capital to stockholders.

11). **Gross Debt** - The Company defines gross debt as total debt plus finance leases. The Company uses gross debt to monitor and evaluate the Company's overall liquidity, financial flexibility and leverage. The Company believes this measure is relevant to investors as it is a financial measure frequently used in evaluating a company's financial condition.

12). **Net Debt** - The Company defines net debt as total debt plus finance leases less cash and cash equivalents, and restricted cash. The Company uses net debt to monitor and evaluate the Company's overall liquidity, financial flexibility and leverage. The Company believes this measure is relevant to investors as it is a financial measure frequently used in evaluating a company's financial condition.

13). **LTM EBITDA** - LTM EBITDA is calculated by summing the most recent four quarters of Adjusted EBITDA.

For the period ended March 31, 2023 (3/31/23), LTM EBITDA is calculated using a four period sum using: Pro forma combined Adjusted EBITDA for the periods ended June 30, 2022, September 30, 2022, and December 31, 2022; and Actual Adjusted EBITDA for the period ended March 31, 2023. Pro forma combined Adjusted EBITDA, Actual Adjusted EBITDA and reconciliations between the non-GAAP financial measures and the closest GAAP financial measures are available in the trending schedules and in the "Quarterly Results" section of the Warner Bros. Discovery, Inc. investor relations website at: <https://ir.wbd.com>.

For the period ended June 30, 2023 (6/30/23), LTM EBITDA is calculated using a four period sum using: Pro forma combined Adjusted EBITDA for the periods ended September 30, 2022, and December 31, 2022; and Actual Adjusted EBITDA for the periods ended March 31, 2023, and June 30, 2023. Pro forma combined Adjusted EBITDA, Actual Adjusted EBITDA and reconciliations between the non-GAAP financial measures and the closest GAAP financial measures are available in the trending schedules and in the "Quarterly Results" section of the Warner Bros. Discovery, Inc. investor relations website at: <https://ir.wbd.com>.

For the period ended September 30, 2023 (9/30/23), LTM EBITDA is calculated using a four period sum using: Pro forma combined Adjusted EBITDA for the period ended December 31, 2022; and Actual Adjusted EBITDA for the periods ended March 31, 2023, June 30, 2023, and September 30, 2023. Pro forma combined Adjusted EBITDA, Actual Adjusted EBITDA and reconciliations between the non-GAAP financial measures and the closest GAAP financial measures are available in the trending schedules and in the "Quarterly Results" section of the Warner Bros. Discovery, Inc. investor relations website at: <https://ir.wbd.com>.

For the period ended December 31, 2023 (12/31/23) and subsequent periods, LTM EBITDA is calculated using a four period sum of actual Adjusted EBITDA. Actual Adjusted EBITDA and reconciliations between the non-GAAP financial measures and the closest GAAP financial measures are available in the trending schedules and in the "Quarterly Results" section of the Warner Bros. Discovery, Inc. investor relations website at: <https://ir.wbd.com>.

14). **LTM Gross Leverage Ratio** - The Company defines LTM Gross Leverage ratio as dividing gross debt by LTM EBITDA. The Company uses LTM gross leverage ratio to monitor and evaluate the Company's overall liquidity, financial flexibility and leverage. The Company believes this measure is relevant to investors as it is a financial measure frequently used in evaluating a company's financial condition.

15). **LTM Net Leverage Ratio** - The Company defines LTM Net Leverage ratio as dividing net debt by LTM EBITDA. The Company uses LTM net leverage ratio to monitor and evaluate the Company's overall liquidity, financial flexibility and leverage. The Company believes this measure is relevant to investors as it is a financial measure frequently used in evaluating a company's financial condition.