



WARNER BROS. DISCOVERY

Q2

**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	
	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	3/31/26	6/30/26
Revenues:												
Distribution	\$ 4,985	\$ 4,879	\$ 4,920	\$ 4,917	\$ 19,701	\$ 4,886	\$ 4,885	\$ 4,702	\$ 4,789	\$ 19,262	\$ 4,906	\$ 4,950
Advertising	2,148	2,430	1,682	1,830	8,090	1,980	2,216	1,407	1,703	7,306	1,847	1,724
Content	2,558	2,109	2,721	2,909	10,297	1,866	2,471	2,649	2,661	9,647	1,887	1,828
Other	267	295	300	371	1,233	247	240	287	307	1,081	253	215
Total revenues	9,958	9,713	9,623	10,027	39,321	8,979	9,812	9,045	9,460	37,296	8,893	8,717
Costs and expenses:												
Costs of revenues, excluding depreciation and amortization	6,058	6,204	5,181	5,527	22,970	5,131	5,967	4,564	5,223	20,885	4,643	4,621
Selling, general and administrative	2,232	2,461	2,385	2,218	9,296	2,194	2,477	2,361	2,386	9,418	2,475	2,564
Netflix Termination Fee	—	—	—	—	—	—	—	—	—	—	2,800	—
Depreciation and amortization	1,888	1,744	1,762	1,643	7,037	1,547	1,447	1,375	1,315	5,684	1,226	1,159
Restructuring and other charges	35	117	9	286	447	54	80	88	177	399	204	113
Impairments and loss on dispositions	12	9,395	5	191	9,603	90	26	46	10	172	14	23
Total costs and expenses	10,225	19,921	9,342	9,865	49,353	9,016	9,997	8,434	9,111	36,558	11,362	8,480
Operating income (loss)	(267)	(10,208)	281	162	(10,032)	(37)	(185)	611	349	738	(2,469)	237
Interest expense, net	(515)	(518)	(494)	(490)	(2,017)	(468)	(463)	(570)	(584)	(2,085)	(581)	(511)
Other income (expense), net	(14)	172	30	(38)	150	82	139	(30)	(126)	65	(38)	50
Income (loss) from equity investments, net	(48)	(23)	(18)	(32)	(121)	(7)	5	17	(39)	(24)	(5)	28
(Loss) gain on extinguishment of debt	25	542	23	42	632	(4)	2,958	(1)	(8)	2,945	(27)	(75)
Income (loss) before income taxes	(819)	(10,035)	(178)	(356)	(11,388)	(434)	2,454	27	(408)	1,639	(3,120)	(271)
Income tax (expense) benefit	(136)	7	319	(284)	(94)	(15)	(866)	(170)	161	(890)	214	433
Net income (loss)	(955)	(10,028)	141	(640)	(11,482)	(449)	1,588	(143)	(247)	749	(2,906)	162
Net (income) loss attributable to noncontrolling interests	(11)	42	(6)	146	171	(4)	(8)	(5)	(5)	(22)	(10)	(13)
Net income (loss) available to Warner Bros. Discovery, Inc.	\$ (966)	\$ (9,986)	\$ 135	\$ (494)	\$ (11,311)	\$ (453)	\$ 1,580	\$ (148)	\$ (252)	\$ 727	\$ (2,916)	\$ 149

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	
	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		3/31/26	6/30/26
Net income (loss) available to Warner Bros. Discovery, Inc.	\$ (966)	\$ (9,986)	\$ 135	\$ (494)	\$ (11,311)		\$ (453)	\$ 1,580	\$ (148)	\$ (252)	\$ 727		\$ (2,916)	\$ 149
Net income (loss) attributable to noncontrolling interests	11	(42)	6	(146)	(171)		4	8	5	5	22		10	13
Net income	(955)	(10,028)	141	(640)	(11,482)		(449)	1,588	(143)	(247)	749		(2,906)	162
Income tax expense (benefit)	136	(7)	(319)	284	94		15	866	170	(161)	890		(214)	(433)
Loss (gain) on extinguishment of debt	(25)	(542)	(23)	(42)	(632)		4	(2,958)	1	8	(2,945)		27	75
Loss (gain) from equity investments, net	48	23	18	32	121		7	(5)	(17)	39	24		5	(28)
Other (income) expense, net	14	(172)	(30)	38	(150)		(82)	(139)	30	126	(65)		38	(50)
Interest expense, net	515	518	494	490	2,017		468	463	570	584	2,085		581	511
Operating income (loss)	(267)	(10,208)	281	162	(10,032)		(37)	(185)	611	349	738		(2,469)	237
Depreciation and amortization	1,888	1,744	1,762	1,643	7,037		1,547	1,447	1,375	1,315	5,684		1,226	1,159
Impairment and amortization of fair value step-up for content	235	522	156	226	1,139		240	388	79	77	784		102	77
Restructuring and other charges	35	117	9	286	447		54	80	88	177	399		204	113
Employee share-based compensation	99	156	157	134	546		120	173	240	218	751		150	187
Netflix Termination Fee	—	—	—	—	—		—	—	—	—	—		2,800	—
Transaction and integration costs	81	51	33	77	242		80	17	11	58	166		173	72
Impairments and loss on dispositions	12	9,395	5	191	9,603		90	26	46	10	172		14	23
Amortization of capitalized interest for content	17	13	8	8	46		6	3	19	12	40		3	11
Facility consolidation costs	2	5	2	(5)	4		5	4	1	—	10		—	—
Adjusted EBITDA^(*)	\$ 2,102	\$ 1,795	\$ 2,413	\$ 2,722	\$ 9,032		\$ 2,105	\$ 1,953	\$ 2,470	\$ 2,216	\$ 8,744		\$ 2,203	\$ 1,879

(*) 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	
	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		3/31/26	6/30/26
Revenues:														
Distribution	\$ 2,185	\$ 2,202	\$ 2,320	\$ 2,315	\$ 9,022		\$ 2,329	\$ 2,410	\$ 2,317	\$ 2,388	\$ 9,444		\$ 2,533	\$ 2,689
Advertising	175	240	205	235	855		237	282	235	278	1,032		284	306
Subscriber-related revenues ^{(2)(*)}	2,360	2,442	2,525	2,550	9,877		2,566	2,692	2,552	2,666	10,476		2,817	2,995
Content	99	123	107	99	428		88	102	79	119	388		68	84
Other	1	3	2	2	8		2	(1)	2	9	12		2	—
Total revenues	2,460	2,568	2,634	2,651	10,313		2,656	2,793	2,633	2,794	10,876		2,887	3,079
Costs of revenues, excluding depreciation and amortization	1,895	2,028	1,776	1,760	7,459		1,824	1,913	1,789	1,875	7,401		1,864	1,904
Selling, general and administrative	479	647	569	482	2,177		493	587	499	526	2,105		585	663
Adjusted EBITDA⁽¹⁾	\$ 86	\$ (107)	\$ 289	\$ 409	\$ 677		\$ 339	\$ 293	\$ 345	\$ 393	\$ 1,370		\$ 438	\$ 512

Year-Over-Year Growth Rates - Reported

Revenues:														
Distribution	1 %	— %	6 %	7 %	4 %		7 %	9 %	— %	3 %	5 %		9 %	12 %
Advertising	70 %	98 %	49 %	26 %	56 %		35 %	18 %	15 %	18 %	21 %		20 %	9 %
Subscriber-related revenues	4 %	6 %	9 %	8 %	7 %		9 %	10 %	1 %	5 %	6 %		10 %	11 %
Content	(46)%	(70)%	(11)%	(42)%	(52)%		(11)%	(17)%	(26)%	20 %	(9)%		(23)%	(18)%
Other	(50)%	(67)%	100 %	(60)%	(53)%		100 %	(133)%	— %	350 %	50 %		— %	100 %
Total revenues	— %	(6)%	8 %	5 %	2 %		8 %	9 %	— %	5 %	5 %		9 %	10 %
Costs of revenues, excluding depreciation and amortization	4 %	4 %	(5)%	(11)%	(2)%		(4)%	(6)%	1 %	7 %	(1)%		2 %	— %
Selling, general and administrative	(19)%	(17)%	26 %	(20)%	(10)%		3 %	(9)%	(12)%	9 %	(3)%		19 %	13 %
Adjusted EBITDA	72 %	N/A	160 %	N/A	557 %		294 %	N/A	19 %	(4)%	102 %		29 %	75 %

Year-Over-Year Growth Rates - Ex-FX^{(3)(*)}

Revenues:														
Distribution	1 %	1 %	8 %	8 %	5 %		8 %	9 %	1 %	2 %	5 %		7 %	11 %
Advertising	70 %	99 %	51 %	27 %	57 %		35 %	17 %	14 %	17 %	20 %		19 %	8 %
Subscriber-related revenues	4 %	6 %	10 %	10 %	8 %		10 %	10 %	1 %	4 %	6 %		8 %	10 %
Content	(46)%	(70)%	(11)%	(40)%	(51)%		(7)%	(21)%	(27)%	18 %	(10)%		(27)%	(13)%
Other	(50)%	(67)%	100 %	(50)%	(50)%		100 %	(133)%	— %	350 %	50 %		— %	100 %
Total revenues	— %	(5)%	9 %	6 %	2 %		9 %	8 %	1 %	4 %	5 %		7 %	10 %
Costs of revenues, excluding depreciation and amortization	5 %	5 %	(5)%	(11)%	(2)%		(4)%	(6)%	— %	7 %	(1)%		2 %	— %
Selling, general and administrative	(19)%	(17)%	27 %	(18)%	(9)%		4 %	(10)%	(13)%	7 %	(4)%		17 %	14 %
Adjusted EBITDA	59 %	N/A	176 %	N/A	525 %		387 %	N/A	24 %	(7)%	115 %		17 %	63 %

Supplemental Expense Detail

Expenses:														
Content ⁽⁴⁾	1,567	1,699	1,470	1,447	6,183		1,504	1,600	1,497	1,544	6,145		1,531	1,569
Personnel ⁽⁵⁾	192	201	194	186	773		186	191	175	208	760		186	187
Marketing	289	353	263	242	1,147		220	294	210	276	1,000		285	344
Other ⁽⁶⁾	326	422	418	367	1,533		407	415	406	373	1,601		447	467
Total operating expenses	\$ 2,374	\$ 2,675	\$ 2,345	\$ 2,242	\$ 9,636		\$ 2,317	\$ 2,500	\$ 2,288	\$ 2,401	\$ 9,506		\$ 2,449	\$ 2,567

(*) 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	
	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	3/31/26	6/30/26
Revenues:												
Distribution	\$ 5	\$ 3	\$ 6	\$ (6)	\$ 8	\$ 1	\$ 1	\$ 2	\$ 4	\$ 8	\$ 1	\$ 4
Advertising	4	—	1	—	5	1	—	—	—	1	—	—
Content	2,623	2,237	2,463	3,394	10,717	2,139	3,591	3,111	2,899	11,740	2,934	2,125
Other	189	209	210	269	877	173	209	208	280	870	190	199
Total revenues	2,821	2,449	2,680	3,657	11,607	2,314	3,801	3,321	3,183	12,619	3,125	2,328
Costs of revenues, excluding depreciation and amortization	2,019	1,601	1,736	2,174	7,530	1,413	2,215	1,897	1,872	7,397	1,679	1,514
Selling, general and administrative	618	638	636	533	2,425	642	723	729	583	2,677	671	718
Adjusted EBITDA⁽¹⁾	\$ 184	\$ 210	\$ 308	\$ 950	\$ 1,652	\$ 259	\$ 863	\$ 695	\$ 728	\$ 2,545	\$ 775	\$ 96

Year-Over-Year Growth Rates - Reported

Revenues:												
Distribution	67 %	— %	(54)%	N/A	(53)%	(80)%	(67)%	(67)%	N/A	— %	— %	N/A
Advertising	33 %	(100)%	(75)%	(100)%	(67)%	(75)%	N/A	(100)%	— %	(80)%	(100)%	— %
Content	(13)%	(7)%	(18)%	16 %	(6)%	(18)%	61 %	26 %	(15)%	10 %	37 %	(41)%
Other	6 %	19 %	— %	13 %	9 %	(8)%	— %	(1)%	4 %	(1)%	10 %	(5)%
Total revenues	(12)%	(5)%	(17)%	15 %	(5)%	(18)%	55 %	24 %	(13)%	9 %	35 %	(39)%
Costs of revenues, excluding depreciation and amortization	3 %	(3)%	(3)%	15 %	3 %	(30)%	38 %	9 %	(14)%	(2)%	19 %	(32)%
Selling, general and administrative	(4)%	1 %	(10)%	(27)%	(11)%	4 %	13 %	15 %	9 %	10 %	5 %	(1)%
Adjusted EBITDA	(70)%	(31)%	(58)%	75 %	(24)%	41 %	311 %	126 %	(23)%	54 %	199 %	(89)%

Year-Over-Year Growth Rates - Ex-FX⁽²⁾⁽³⁾

Revenues:												
Distribution	67 %	— %	(54)%	N/A	(53)%	(80)%	(67)%	(67)%	N/A	— %	— %	N/A
Advertising	33 %	(100)%	(75)%	(100)%	(67)%	(75)%	NA	(100)%	— %	(80)%	(100)%	— %
Content	(14)%	(6)%	(18)%	16 %	(5)%	(17)%	59 %	26 %	(16)%	9 %	33 %	(41)%
Other	4 %	20 %	— %	12 %	9 %	(7)%	(5)%	(4)%	— %	(3)%	4 %	(5)%
Total revenues	(13)%	(4)%	(17)%	16 %	(5)%	(16)%	54 %	23 %	(14)%	8 %	31 %	(39)%
Costs of revenues, excluding depreciation and amortization	3 %	(3)%	(3)%	14 %	3 %	(29)%	38 %	9 %	(14)%	(2)%	17 %	(32)%
Selling, general and administrative	(5)%	2 %	(10)%	(27)%	(11)%	5 %	12 %	14 %	8 %	10 %	3 %	(1)%
Adjusted EBITDA	(70)%	(24)%	(58)%	78 %	(23)%	63 %	301 %	124 %	(27)%	52 %	156 %	(89)%

Supplemental Expense Detail

Expenses:												
Content ⁽⁴⁾	1,950	1,532	1,675	2,103	7,260	1,339	2,135	1,843	1,791	7,108	1,603	1,442
Personnel ⁽⁵⁾	240	231	229	243	943	230	232	240	261	963	251	235
Marketing	289	268	309	198	1,064	252	363	331	120	1,066	275	307
Other ⁽⁶⁾	158	208	159	163	688	234	208	212	283	937	221	248
Total operating expenses	\$ 2,637	\$ 2,239	\$ 2,372	\$ 2,707	\$ 9,955	\$ 2,055	\$ 2,938	\$ 2,626	\$ 2,455	\$ 10,074	\$ 2,350	\$ 2,232

(*) 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	
	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	3/31/26	6/30/26
Revenues:												
Distribution	\$ 2,797	\$ 2,675	\$ 2,598	\$ 2,610	\$ 10,680	\$ 2,558	\$ 2,477	\$ 2,387	\$ 2,397	\$ 9,819	\$ 2,373	\$ 2,265
Advertising	1,987	2,214	1,490	1,615	7,306	1,758	1,953	1,186	1,435	6,332	1,570	1,429
Content	264	299	833	452	1,848	380	287	217	311	1,195	346	261
Other	77	84	89	91	341	78	86	93	53	310	88	36
Total revenues	5,125	5,272	5,010	4,768	20,175	4,774	4,803	3,883	4,196	17,656	4,377	3,991
Costs of revenues, excluding depreciation and amortization	2,372	2,531	2,185	2,150	9,238	2,327	2,592	1,520	2,040	8,479	2,084	1,885
Selling, general and administrative	634	743	710	701	2,788	654	699	661	751	2,765	659	660
Adjusted EBITDA⁽¹⁾	\$ 2,119	\$ 1,998	\$ 2,115	\$ 1,917	\$ 8,149	\$ 1,793	\$ 1,512	\$ 1,702	\$ 1,405	\$ 6,412	\$ 1,634	\$ 1,446

Year-Over-Year Growth Rates - Reported

	(7)%	(9)%	(8)%	(5)%	(7)%	(9)%	(7)%	(8)%	(8)%	(8)%	(7)%	(9)%
Revenues:												
Distribution	(7)%	(9)%	(8)%	(5)%	(7)%	(9)%	(7)%	(8)%	(8)%	(8)%	(7)%	(9)%
Advertising	(11)%	(10)%	(13)%	(17)%	(12)%	(12)%	(12)%	(20)%	(11)%	(13)%	(11)%	(27)%
Content	8 %	5 %	287 %	73 %	84 %	44 %	(4)%	(74)%	(31)%	(35)%	(9)%	(9)%
Other	(26)%	(1)%	(20)%	20 %	(9)%	1 %	2 %	4 %	(42)%	(9)%	13 %	(58)%
Total revenues	(8)%	(8)%	3 %	(5)%	(5)%	(7)%	(9)%	(22)%	(12)%	(12)%	(8)%	(17)%
Costs of revenues, excluding depreciation and amortization	(9)%	(11)%	21 %	2 %	(1)%	(2)%	2 %	(30)%	(5)%	(8)%	(10)%	(27)%
Selling, general and administrative	(9)%	— %	6 %	(4)%	(2)%	3 %	(6)%	(7)%	7 %	(1)%	1 %	(6)%
Adjusted EBITDA	(8)%	(8)%	(12)%	(13)%	(10)%	(15)%	(24)%	(20)%	(27)%	(21)%	(9)%	(4)%

Year-Over-Year Growth Rates - Ex-FX⁽²⁾⁽³⁾

	(6)%	(8)%	(7)%	(4)%	(6)%	(8)%	(7)%	(8)%	(8)%	(8)%	(8)%	(9)%
Revenues:												
Distribution	(6)%	(8)%	(7)%	(4)%	(6)%	(8)%	(7)%	(8)%	(8)%	(8)%	(8)%	(9)%
Advertising	(11)%	(9)%	(13)%	(16)%	(12)%	(11)%	(13)%	(21)%	(14)%	(14)%	(12)%	(27)%
Content	8 %	5 %	284 %	74 %	83 %	44 %	(2)%	(74)%	(32)%	(35)%	(9)%	(12)%
Other	(29)%	1 %	(21)%	20 %	(10)%	1 %	(1)%	3 %	(45)%	(11)%	13 %	(59)%
Total revenues	(8)%	(8)%	3 %	(4)%	(4)%	(6)%	(9)%	(23)%	(13)%	(13)%	(9)%	(17)%
Costs of revenues, excluding depreciation and amortization	(8)%	(10)%	22 %	5 %	— %	(2)%	2 %	(30)%	(6)%	(8)%	(11)%	(27)%
Selling, general and administrative	(8)%	1 %	6 %	(1)%	(1)%	3 %	(6)%	(7)%	5 %	(2)%	(1)%	(6)%
Adjusted EBITDA	(8)%	(7)%	(11)%	(13)%	(10)%	(14)%	(25)%	(20)%	(27)%	(21)%	(10)%	(5)%

Supplemental Expense Detail

Expenses:												
Content ⁽⁴⁾	1,843	1,965	1,679	1,648	7,135	1,832	2,105	1,055	1,530	6,522	1,592	1,400
Personnel ⁽⁵⁾	548	566	524	515	2,153	496	505	479	529	2,009	529	509
Marketing	88	115	125	126	454	104	115	128	182	529	129	137
Other ⁽⁶⁾	527	628	567	562	2,284	549	566	519	550	2,184	493	499
Total operating expenses	\$ 3,006	\$ 3,274	\$ 2,895	\$ 2,851	\$ 12,026	\$ 2,981	\$ 3,291	\$ 2,181	\$ 2,791	\$ 11,244	\$ 2,743	\$ 2,545

(*) 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	
	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	3/31/26	6/30/26
Corporate Segment												
Adjusted EBITDA ⁽¹⁾	\$ (346)	\$ (285)	\$ (296)	\$ (333)	\$ (1,260)	\$ (233)	\$ (316)	\$ (258)	\$ (289)	\$ (1,096)	\$ (269)	\$ (298)
Inter-segment Eliminations												
Inter-segment revenue eliminations	\$ (449)	\$ (577)	\$ (705)	\$ (1,051)	\$ (2,782)	\$ (765)	\$ (1,586)	\$ (793)	\$ (713)	\$ (3,857)	\$ (1,497)	\$ (682)
Inter-segment expense eliminations	(508)	(556)	(702)	(830)	(2,596)	(712)	(1,187)	(779)	(692)	(3,370)	(1,122)	(805)
Adjusted EBITDA ⁽¹⁾	\$ 59	\$ (21)	\$ (3)	\$ (221)	\$ (186)	\$ (53)	\$ (399)	\$ (14)	\$ (21)	\$ (487)	\$ (375)	\$ 123

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	
	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	3/31/26	6/30/26
Reported Free Cash Flow:												
Cash provided by (used for) operating activities	\$ 585	\$ 1,228	\$ 847	\$ 2,715	\$ 5,375	\$ 553	\$ 983	\$ 979	\$ 1,804	\$ 4,319	\$ (208)	\$ 848
Less: Purchases of property and equipment	(195)	(252)	(215)	(286)	(948)	(251)	(281)	(278)	(421)	(1,231)	(268)	(276)
Reported Free Cash Flow^{(7)(*)}	\$ 390	\$ 976	\$ 632	\$ 2,429	\$ 4,427	\$ 302	\$ 702	\$ 701	\$ 1,383	\$ 3,088	\$ (476)	\$ 572
Reported Gross to Net Debt:												
Current portion of debt	\$ 3,430	\$ 3,669	\$ 3,043	\$ 2,748	\$ 2,748	\$ 2,779	\$ 221	\$ 139	\$ 139	\$ 139	\$ 1,493	\$ 1,493
Plus: Noncurrent portion of debt	39,415	37,332	37,189	36,779	36,779	34,667	34,779	33,705	32,706	32,706	31,208	30,909
Plus: Finance leases	325	429	452	463	463	535	584	682	683	683	654	659
Reported Gross Debt^{(8)(*)}	\$ 43,170	\$ 41,430	\$ 40,684	\$ 39,990	\$ 39,990	\$ 37,981	\$ 35,584	\$ 34,526	\$ 33,528	\$ 33,528	\$ 33,355	\$ 33,061
Less: Cash and cash equivalents	3,386	3,617	3,490	5,416	5,416	3,974	4,891	4,298	4,570	4,570	3,268	3,373
Reported Net Debt^{(9)(*)}	\$ 39,784	\$ 37,813	\$ 37,194	\$ 34,574	\$ 34,574	\$ 34,007	\$ 30,693	\$ 30,228	\$ 28,958	\$ 28,958	\$ 30,087	\$ 29,688
LTM EBITDA^{(10)(*)}	9,691	9,337	8,781	9,032	9,032	9,035	9,193	9,250	8,744	8,744	8,842	8,768
LTM Gross Leverage Ratio^{(11)(*)}	4.5x	4.4x	4.6x	4.4x	4.4x	4.2x	3.9x	3.7x	3.8x	3.8x	3.8x	3.8x
LTM Net Leverage Ratio^{(12)(*)}	4.1x	4.0x	4.2x	3.8x	3.8x	3.8x	3.3x	3.3x	3.3x	3.3x	3.4x	3.4x

(*) 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 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 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. For the 2026 period, the ex-FX change is calculated as the difference between the fiscal year 2026 amounts translated at a baseline rate, which is a spot rate for each of our currencies determined early in the 2026 fiscal year as part of our forecasting process (the "2026 Baseline Rate"), and the prior year amounts translated at the same 2026 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). **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.

8). **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.

9). **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.

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

11). **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.

12). **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.