

PARAMOUNT GLOBAL

November 2, 2023



IMPORTANT INFORMATION

CAUTIONARY NOTE CONCERNING FORWARD-LOOKING STATEMENTS

This communication contains both historical and forward-looking statements, including statements related to our future results and performance. All statements that are not statements of historical fact are, or may be deemed to be, forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Similarly, statements that describe our objectives, plans or goals are or may be forward-looking statements. These forward-looking statements reflect our current expectations concerning future results and events; generally can be identified by the use of statements that include phrases such as “believe,” “expect,” “anticipate,” “intend,” “plan,” “foresee,” “likely,” “will,” “may,” “could,” “estimate” or other similar words or phrases; and involve known and unknown risks, uncertainties and other factors that are difficult to predict and which may cause our actual results, performance or achievements to be different from any future results, performance or achievements expressed or implied by these statements. These risks, uncertainties and other factors include, among others: risks related to our streaming business; the adverse impact on our advertising revenues as a result of changes in consumer viewership, advertising market conditions and deficiencies in audience measurement; risks related to operating in highly competitive industries, including cost increases; our ability to maintain attractive brands and to offer popular content; changes in consumer behavior, as well as evolving technologies and distribution models; the potential for loss of carriage or other reduction in or the impact of negotiations for the distribution of our content; damage to our reputation or brands; risks related to our ongoing investments in new businesses, products, services, technologies and other strategic activities; losses due to asset impairment charges for goodwill, intangible assets, FCC licenses and programming; risks related to environmental, social and governance (ESG) matters; evolving business continuity, cybersecurity, privacy and data protection and similar risks; content infringement; domestic and global political, economic and regulatory factors affecting our businesses generally; the impact of COVID-19 and other pandemics and measures taken in response thereto; liabilities related to discontinued operations and former businesses; the loss of existing or inability to hire new key employees or secure creative talent; strikes and other union activity, including the ongoing Screen Actors Guild-American Federation of Television and Radio Artists (SAG-AFTRA) strike; volatility in the price of our common stock; potential conflicts of interest arising from our ownership structure with a controlling stockholder; and other factors described in our news releases and filings with the Securities and Exchange Commission, including but not limited to our most recent Annual Report on Form 10-K and reports on Form 10-Q and Form 8-K. There may be additional risks, uncertainties and factors that we do not currently view as material or that are not necessarily known. The forward-looking statements included in this communication are made only as of the date of this communication, and we do not undertake any obligation to publicly update any forward-looking statements to reflect subsequent events or circumstances.

NON-GAAP FINANCIAL MEASURES

This communication may contain non-GAAP financial measures. We provide reconciliations of any non-GAAP financial measures to the most directly comparable GAAP financial measures in our Form 8-K announcing our earnings results, which can be found on the SEC’s website at www.sec.gov and our website at ir.paramount.com, or in our trending schedules, which can also be found on our website at ir.paramount.com.



PARAMOUNT: ONE OF THE WORLD'S PREEMINENT CONTENT CREATORS

200K+ TV EPISODES

4K+ FILMS

ENTERTAINMENT



NEWS

NEWS



SPORTS



KIDS



FILM



Business Segments:

DIRECT-TO-CONSUMER



TV MEDIA



FILMED ENTERTAINMENT



PARAMOUNT: INVESTMENT HIGHLIGHTS

Creating shareholder value by leveraging world-class content to build a next generation media company

1

**BEST IN CLASS
CONTENT,
DISTRIBUTION &
MONETIZATION**

2

**DTC GROWTH
WITH FOCUS ON
PROFITABILITY**

3

**LARGE &
PROFITABLE
TV MEDIA
BUSINESS**

4

**EXPECT
SIGNIFICANT
EARNINGS GROWTH
IN 2024**



WORLD CLASS CONTENT ENGINE

Franchise-focused content strategy leveraging popular IP

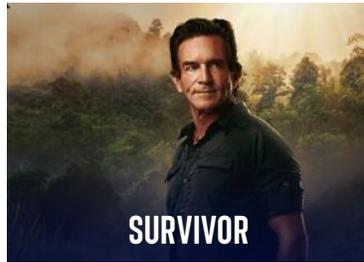
ICONIC MOVIES



CBS HIT SHOWS



GLOBAL REALITY



KIDS' FAVORITE CHARACTERS



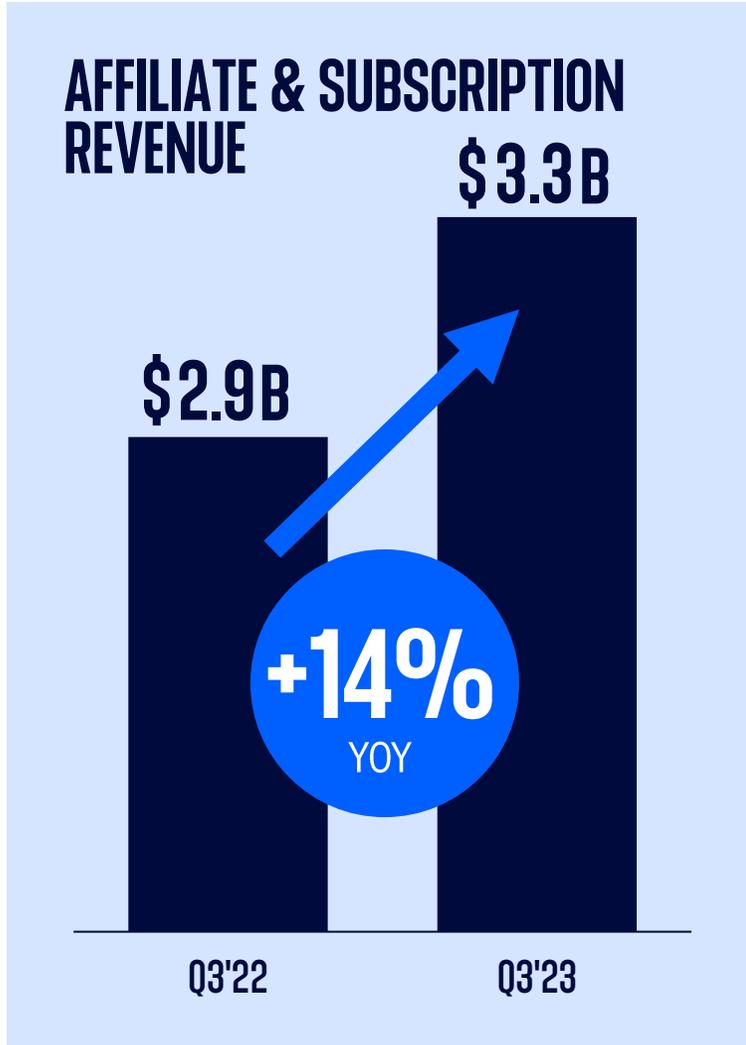
THE EXPANDING TAYLORVERSE



MARQUEE SPORTS PROPERTIES



MULTI-PLATFORM DISTRIBUTION



#1 BROADCAST NETWORK
15-SEASON STREAK



PREMIUM STREAMING SERVICE



1 OF 5 MAJOR FILM STUDIOS



LEADING FAST SERVICE



POWER OF PARTNERSHIP

Attaining ubiquitous distribution & reaching the widest addressable audience

EXTENDING REACH ACROSS DISTRIBUTION CHANNELS...

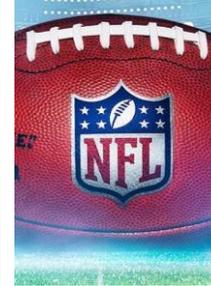


...AND AROUND THE GLOBE



MULTIPLE REVENUE STREAMS

Improving returns on content investments by monetizing across streaming, linear, theatrical and more

									
P+ SUBSCRIPTION	✓	✓	✓	✓		✓	✓	✓	✓
DIGITAL ADVERTISING	✓	✓	✓	✓	✓	✓	✓		✓
LINEAR AD & AFFILIATE	✓	✓	✓		✓	✓	✓	✓	✓
CONTENT LICENSING	✓	✓	✓	✓	✓		✓	✓	✓
BOX OFFICE	✓	✓		✓					
CONSUMER PRODUCTS	✓	✓	✓		✓			✓	✓



SCALED DIGITAL VIDEO AD CAPABILITIES

EyeQ has rapidly become a leader in Connected TV advertising

EyeQ

~20%

Estimated Revenue CAGR
FY 2023 vs. 2019

Paramount+

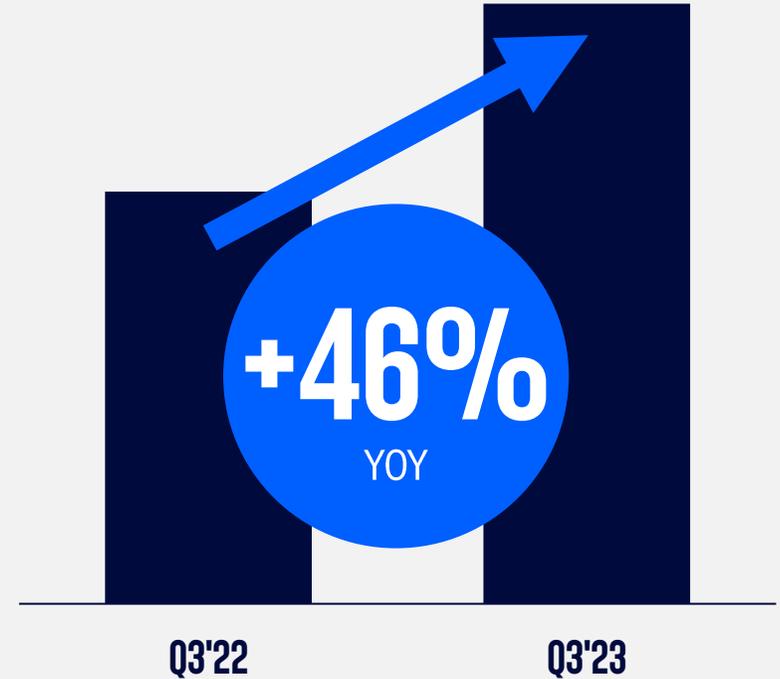
pluto tv

Other Paramount Digital
Video Properties

100M+

FULL EPISODE VIEWERS

Q3 GLOBAL TOTAL VIEWING HOURS ACROSS PARAMOUNT+ AND PLUTO TV



STRATEGIC CONTENT LICENSING

Delivering financial and franchise-building benefits

\$6.4B

Content Licensing & Other Revenue

Trailing 12-Months Thru Q3 2023

INCLUDES

Co-exclusive or non-exclusive library licensing

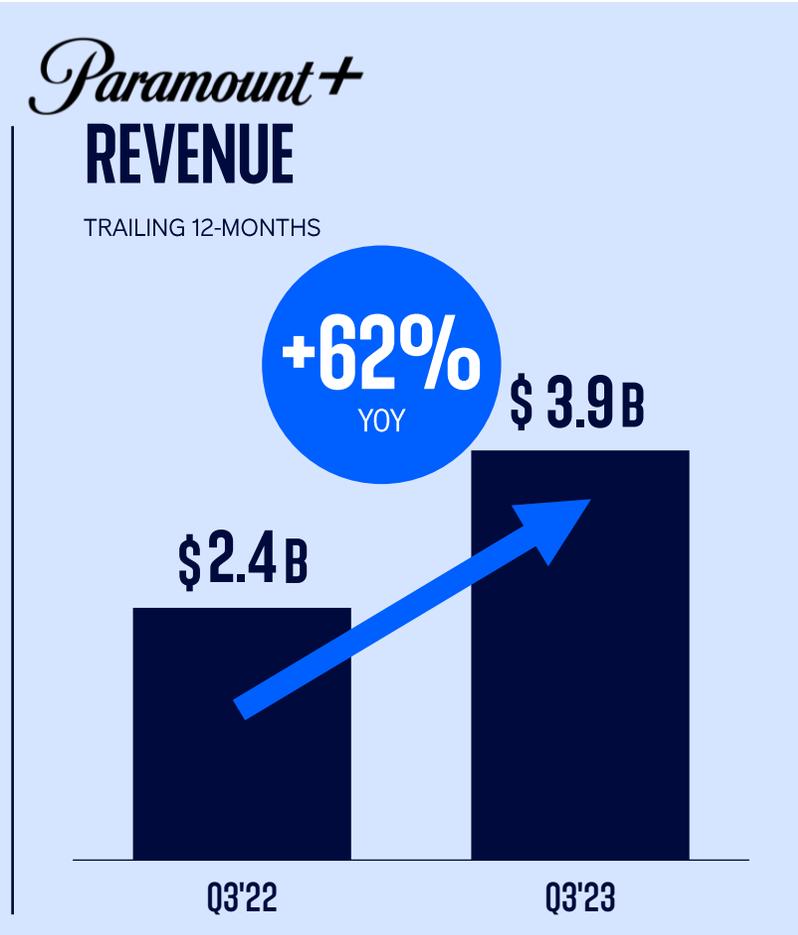
PLUS

- ★ HOME ENTERTAINMENT ★
- ★ CONSUMER PRODUCTS ★
- ★ TV SYNDICATION ★
- ★ LIVE EVENTS ★



LEADING DTC GROWTH

Strong momentum in subscriber and revenue growth



PARAMOUNT+

Leading premium streaming service in domestic sign-ups and gross adds since launch in March '21



SPORTS, NEWS, AND A MOUNTAIN OF ENTERTAINMENT

ORIGINALS 	LOCAL NEWS 	LIVE SPORTS 	REALITY 	BLOCKBUSTERS 	CLASSICS
KIDS 	MUSIC 	DOCUMENTARY 	NEWS 	DRAMAS 	COMEDIES

63.4M GLOBAL SUBSCRIBERS	45+ GLOBAL MARKETS	~35K DOMESTIC CONTENT HOURS
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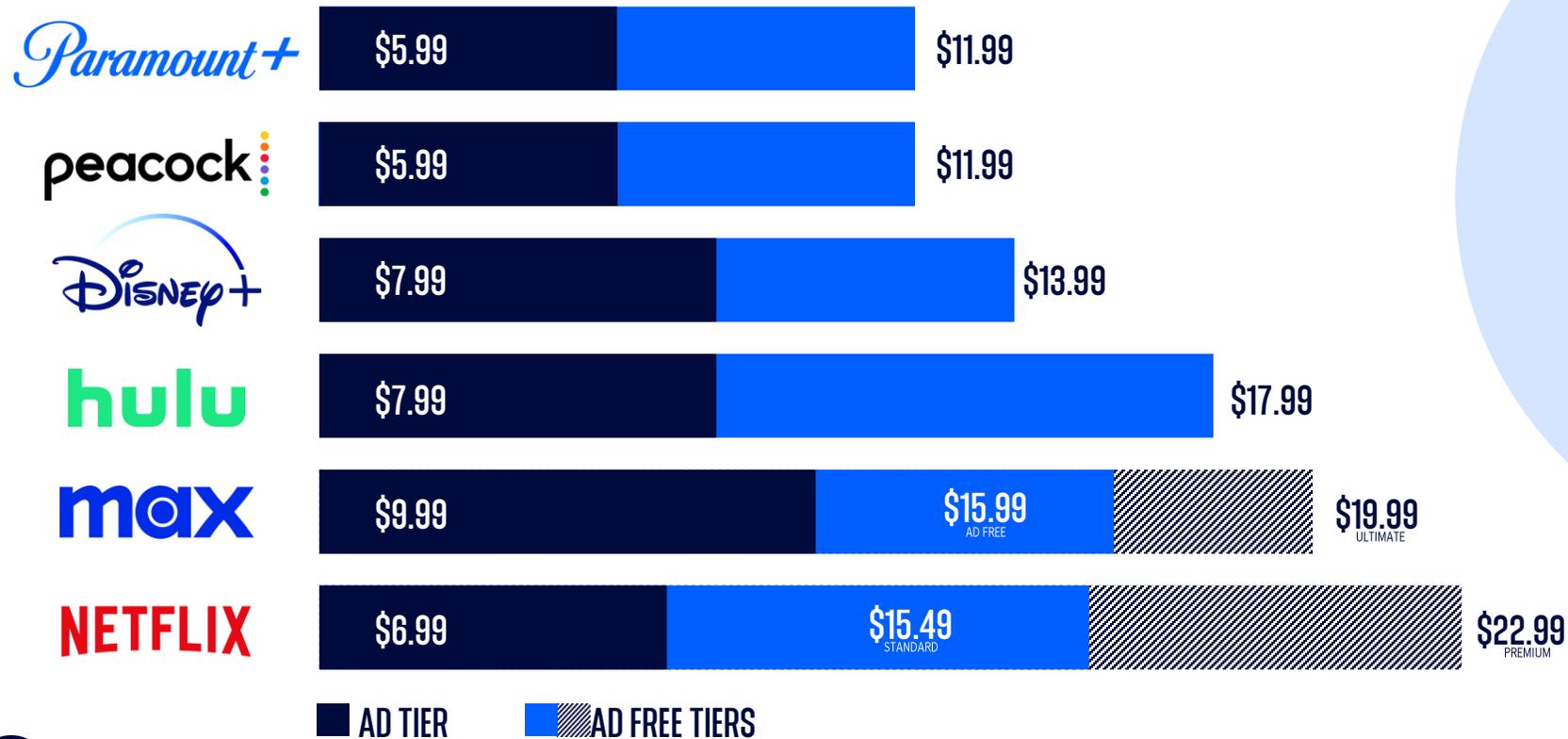
TWO TIERS, TWO REVENUE STREAMS

Paramount+ ESSENTIAL \$5.99 AD-SUPPORTED TIER <ul style="list-style-type: none">✓ Tens of thousands of episodes & movies✓ NFL on CBS & top soccer live✓ 24/7 live news with CBS News✓ Limited ad load	Paramount+ WITH SHOWTIME \$11.99 <ul style="list-style-type: none">✓ Everything in Essential+ SHOWTIME originals, movies & sports+ Local live CBS station+ Download shows to mobile devices
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PARAMOUNT+ PRICING HEADROOM ENHANCES ARPU GROWTH OPPORTUNITY

Compelling value proposition relative to peers



+20%

PARAMOUNT+
GLOBAL ARPU
EXPANSION

Expected in 2024



Note: Data reflects current domestic pricing.

DRIVING TOWARDS DTC PROFITABILITY

Expect significant DTC margin improvement in 2024

STRONG REVENUE GROWTH

- Continued subscriber growth
- Higher pricing
- Improved ad monetization
- Churn reduction

IMPROVED CONTENT EFFICIENCY

- Franchise focused content investments
- Multi-platform monetization
- Paramount+ / SHOWTIME integration

INCREMENTAL OPERATING LEVERAGE

- Marketing efficiencies
- Slowing growth in other operating expenses



LARGE & PROFITABLE TV MEDIA BUSINESS

**REVENUE PERFORMANCE
OUTPACING AUDIENCE
DECLINES**

ADVERTISING
AFFILIATE
CONTENT LICENSING

**OPPORTUNITIES TO
FURTHER EVOLVE COST
STRUCTURE**

PROGRAMMING MIX
MARKETING EFFICIENCIES
ORGANIZATION

\$21.7B
2022 REVENUE

\$5.5B
2022 ADJ. OIBDA



EXPECT SIGNIFICANT EARNINGS GROWTH IN 2024



CONTINUED SUBSCRIBER GROWTH

PARAMOUNT+ PRICING OPPORTUNITIES

IMPROVED AD MONETIZATION

PARAMOUNT+ WITH SHOWTIME INTEGRATION BENEFITS

IMPROVED CONTENT & MARKETING EFFICIENCY

INCREASED OPERATING LEVERAGE





SUPPLEMENTAL INFORMATION



SUMMARIZED REPORTED RESULTS (GAAP)

(unaudited; in millions, except per share amounts)

	12 Months Ended	Quarter Ended				12 Months Ended	Quarter Ended			9 Months Ended
	12/31/21	3/31/22	6/30/22	9/30/22	12/31/22	12/31/22	3/31/23	6/30/23	9/30/23	9/30/23
Advertising	\$ 11,412	\$ 2,864	\$ 2,545	\$ 2,337	\$ 3,144	\$ 10,890	\$ 2,651	\$ 2,395	\$ 2,133	\$ 7,179
Affiliate and subscription	10,442	2,840	2,888	2,863	2,960	11,551	3,179	3,235	3,262	9,676
Theatrical	241	131	764	231	97	1,223	127	231	377	735
Licensing and other	6,491	1,493	1,582	1,485	1,930	6,490	1,308	1,755	1,361	4,424
Revenues	\$ 28,586	\$ 7,328	\$ 7,779	\$ 6,916	\$ 8,131	\$ 30,154	\$ 7,265	\$ 7,616	\$ 7,133	\$ 22,014
Expenses	(24,142)	(6,415)	(6,816)	(6,130)	(7,517)	(26,878)	(6,717)	(7,010)	(6,417)	(20,144)
Restructuring and other corporate matters	(100)	(57)	(50)	(169)	(309)	(585)	—	(54)	10	(44)
Programming charges	—	—	—	—	—	—	(1,674)	(697)	—	(2,371)
Net gain on dispositions	2,343	15	—	41	—	56	—	—	—	—
Depreciation and amortization	(390)	(96)	(94)	(92)	(123)	(405)	(100)	(105)	(105)	(310)
Operating income (loss)	\$ 6,297	\$ 775	\$ 819	\$ 566	\$ 182	\$ 2,342	\$ (1,226)	\$ (250)	\$ 621	\$ (855)
Amounts attributable to Paramount:										
Net earnings (loss) from continuing operations	\$ 4,381	\$ 391	\$ 358	\$ 153	\$ (177)	\$ 725	\$ (1,163)	\$ (372)	\$ 247	\$ (1,288)
Discontinued operations, net of tax	162	42	61	78	198	379	45	73	48	166
Net earnings (loss) attributable to Paramount	\$ 4,543	\$ 433	\$ 419	\$ 231	\$ 21	\$ 1,104	\$ (1,118)	\$ (299)	\$ 295	\$ (1,122)
Diluted net earnings (loss) per share attributable to Paramount: ⁽¹⁾										
Continuing operations	\$ 6.69	\$.58	\$.53	\$.21	\$ (.29)	\$ 1.03	\$ (1.81)	\$ (.59)	\$.36	\$ (2.04)
Discontinued operations	\$.25	\$.06	\$.09	\$.12	\$.30	\$.58	\$.07	\$.11	\$.07	\$.25
Net earnings (loss)	\$ 6.94	\$.64	\$.62	\$.33	\$.01	\$ 1.61	\$ (1.74)	\$ (.48)	\$.43	\$ (1.79)
Weighted average number of diluted shares outstanding	655	651	650	650	651	650	651	651	652	651

(1) Refer to Schedule 7 for further details on the calculation of reported diluted net earnings (loss) per common share from continuing operations attributable to Paramount ("Reported EPS").



SUMMARIZED ADJUSTED RESULTS (Non-GAAP)

(unaudited; in millions, except per share amounts)

	12 Months Ended	Quarter Ended				12 Months Ended	Quarter Ended			9 Months Ended
	12/31/21	3/31/22	6/30/22	9/30/22	12/31/22	12/31/22	3/31/23	6/30/23	9/30/23	9/30/23
Advertising	\$ 11,412	\$ 2,864	\$ 2,545	\$ 2,337	\$ 3,144	\$ 10,890	\$ 2,651	\$ 2,395	\$ 2,133	\$ 7,179
Affiliate and subscription	10,442	2,840	2,888	2,863	2,960	11,551	3,179	3,235	3,262	9,676
Theatrical	241	131	764	231	97	1,223	127	231	377	735
Licensing and other	6,491	1,493	1,582	1,485	1,930	6,490	1,308	1,755	1,361	4,424
Revenues	\$ 28,586	\$ 7,328	\$ 7,779	\$ 6,916	\$ 8,131	\$ 30,154	\$ 7,265	\$ 7,616	\$ 7,133	\$ 22,014
Expenses	(24,142)	(6,415)	(6,816)	(6,130)	(7,517)	(26,878)	(6,717)	(7,010)	(6,417)	(20,144)
Adjusted OIBDA	\$ 4,444	\$ 913	\$ 963	\$ 786	\$ 614	\$ 3,276	\$ 548	\$ 606	\$ 716	\$ 1,870
Adjusted net earnings from continuing operations attributable to Paramount	\$ 2,292	\$ 403	\$ 429	\$ 270	\$ 69	\$ 1,171	\$ 72	\$ 80	\$ 207	\$ 359
Adjusted diluted EPS from continuing operations attributable to Paramount ⁽¹⁾	\$ 3.48	\$.60	\$.64	\$.39	\$.08	\$ 1.71	\$.09	\$.10	\$.30	\$.48
Weighted average number of diluted shares outstanding	646	651	650	650	651	650	652	652	652	652

(1) Refer to Schedule 7 for further details on the calculation of Adjusted diluted EPS from continuing operations attributable to Paramount ("Adjusted EPS"), including a reconciliation between Reported EPS and Adjusted EPS.



TV MEDIA FINANCIAL RESULTS

(unaudited; in millions)

	12 Months	Quarter Ended				12 Months	Quarter Ended			9 Months
	Ended	Quarter Ended				Ended	Quarter Ended			Ended
	12/31/21	3/31/22	6/30/22	9/30/22	12/31/22	12/31/22	3/31/23	6/30/23	9/30/23	9/30/23
Advertising	\$ 10,105	\$ 2,521	\$ 2,174	\$ 1,973	\$ 2,682	\$ 9,350	\$ 2,256	\$ 1,946	\$ 1,703	\$ 5,905
Affiliate and subscription	8,413	2,098	2,058	2,000	2,024	8,180	2,067	2,011	2,004	6,082
Licensing and other	4,216	1,026	1,024	975	1,177	4,202	870	1,200	860	2,930
Revenues	\$ 22,734	\$ 5,645	\$ 5,256	\$ 4,948	\$ 5,883	\$ 21,732	\$ 5,193	\$ 5,157	\$ 4,567	\$ 14,917
Adjusted OIBDA	\$ 5,892	\$ 1,544	\$ 1,380	\$ 1,231	\$ 1,296	\$ 5,451	\$ 1,306	\$ 1,194	\$ 1,149	\$ 3,649



DIRECT-TO-CONSUMER FINANCIAL RESULTS AND OTHER METRICS

(unaudited; in millions)

	12 Months Ended	Quarter Ended				12 Months Ended	Quarter Ended			9 Months Ended
	12/31/21	3/31/22	6/30/22	9/30/22	12/31/22	12/31/22	3/31/23	6/30/23	9/30/23	9/30/23
Advertising	\$ 1,298	\$ 347	\$ 363	\$ 363	\$ 460	\$ 1,533	\$ 398	\$ 441	\$ 430	\$ 1,269
Subscription	2,029	742	830	863	936	3,371	1,112	1,224	1,258	3,594
Licensing	—	—	—	—	—	—	—	—	4	4
Revenues	\$ 3,327	\$ 1,089	\$ 1,193	\$ 1,226	\$ 1,396	\$ 4,904	\$ 1,510	\$ 1,665	\$ 1,692	\$ 4,867
Adjusted OIBDA	\$ (992)	\$ (456)	\$ (445)	\$ (343)	\$ (575)	\$ (1,819)	\$ (511)	\$ (424)	\$ (238)	\$ (1,173)
<u>Paramount+ (Global)</u>										
Subscribers ⁽¹⁾	32.8	39.6	43.3	46.0	55.9	55.9	60.0	60.7	63.4	63.4
Revenues	\$ 1,347	\$ 585	\$ 672	\$ 708	\$ 802	\$ 2,767	\$ 965	\$ 990	\$ 1,138	\$ 3,093

(1) Subscribers include customers with access to Paramount+, either directly through our owned and operated apps and websites, or through third-party distributors. Our subscribers include paid subscriptions and those customers registered in a free trial. For the periods above, subscriber counts reflect the number of subscribers as of the applicable period-end date.



FILMED ENTERTAINMENT FINANCIAL RESULTS

(unaudited; in millions)

	12 Months Ended	Quarter Ended				12 Months Ended	Quarter Ended			9 Months Ended
	12/31/21	3/30/22	6/30/22	9/30/22	12/31/22	12/31/22	3/31/23	6/30/23	9/30/23	9/30/23
Advertising	\$ 18	\$ 2	\$ 12	\$ 3	\$ 6	\$ 23	\$ 5	\$ 11	\$ 5	\$ 21
Theatrical	241	131	764	231	97	1,223	127	231	377	735
Licensing and other	2,428	491	587	549	833	2,460	456	589	509	1,554
Revenues	\$ 2,687	\$ 624	\$ 1,363	\$ 783	\$ 936	\$ 3,706	\$ 588	\$ 831	\$ 891	\$ 2,310
Adjusted OIBDA	\$ 207	\$ (37)	\$ 181	\$ 41	\$ 87	\$ 272	\$ (99)	\$ 5	\$ (49)	\$ (143)



RECONCILIATION OF ADJUSTED OIBDA (Non-GAAP)

(unaudited; in millions)

	12 Months Ended	Quarter Ended				12 Months Ended	Quarter Ended			9 Months Ended
	12/31/21	3/31/22	6/30/22	9/30/22	12/31/22	12/31/22	3/31/23	6/30/23	9/30/23	9/30/23
TV Media	\$ 5,892	\$ 1,544	\$ 1,380	\$ 1,231	\$ 1,296	\$ 5,451	\$ 1,306	\$ 1,194	\$ 1,149	\$ 3,649
Direct-to-Consumer	(992)	(456)	(445)	(343)	(575)	(1,819)	(511)	(424)	(238)	(1,173)
Filmed Entertainment	207	(37)	181	41	87	272	(99)	5	(49)	(143)
Corporate/Eliminations	(491)	(104)	(112)	(104)	(150)	(470)	(109)	(124)	(103)	(336)
Stock-based compensation	(172)	(34)	(41)	(39)	(44)	(158)	(39)	(45)	(43)	(127)
Adjusted OIBDA	4,444	913	963	786	614	3,276	548	606	716	1,870
Depreciation and amortization ⁽¹⁾	(390)	(96)	(94)	(92)	(123)	(405)	(100)	(105)	(105)	(310)
Programming charges ⁽²⁾	—	—	—	—	—	—	(1,674)	(697)	—	(2,371)
Restructuring and other corporate matters ⁽²⁾	(100)	(57)	(50)	(169)	(309)	(585)	—	(54)	10	(44)
Net gain on dispositions ⁽²⁾	2,343	15	—	41	—	56	—	—	—	—
Operating income (loss)	\$ 6,297	\$ 775	\$ 819	\$ 566	\$ 182	\$ 2,342	\$ (1,226)	\$ (250)	\$ 621	\$ (855)

(1) For the quarter and twelve months ended December 31, 2022, *Depreciation and amortization* includes an impairment charge of \$27 million to reduce the carrying value of intangible assets.

(2) See Schedule 8 for a description of these items affecting comparability.



RECONCILIATION OF ADJUSTED NET EARNINGS AND DILUTED EPS (Non-GAAP)

(unaudited; in millions, except per share amounts)

	12 Months Ended	Quarter Ended				12 Months Ended	Quarter Ended			9 Months Ended
	12/31/21	3/31/22	6/30/22	9/30/22	12/31/22	12/31/22	3/31/23	6/30/23	9/30/23	9/30/23
Net earnings (loss) from continuing operations attributable to Paramount:										
Reported net earnings (loss) from continuing operations	\$ 4,381	\$ 391	\$ 358	\$ 153	\$ (177)	\$ 725	\$ (1,163)	\$ (372)	\$ 247	\$ (1,288)
Impact of adjustments on net earnings (loss) from continuing operations ⁽¹⁾	(2,089)	12	71	117	246	446	1,235	452	(40)	1,647
Adjusted net earnings from continuing operations	\$ 2,292	\$ 403	\$ 429	\$ 270	\$ 69	\$ 1,171	\$ 72	\$ 80	\$ 207	\$ 359
Per share information attributable to Paramount: ⁽²⁾										
Reported diluted earnings (loss) per share from continuing operations	\$ 6.69	\$.58	\$.53	\$.21	\$ (.29)	\$ 1.03	\$ (1.81)	\$ (.59)	\$.36	\$ (2.04)
Impact of adjustments on diluted earnings (loss) per share from continuing operations ⁽¹⁾	(3.21)	.02	.11	.18	.37	.68	1.90	.69	(.06)	2.52
Adjusted diluted EPS from continuing operations	\$ 3.48	\$.60	\$.64	\$.39	\$.08	\$ 1.71	\$.09	\$.10	\$.30	\$.48
Weighted average number of diluted shares outstanding, reported ⁽³⁾	655	651	650	650	650	650	651	651	652	651
Weighted average number of diluted shares outstanding, adjusted	646	651	650	650	651	650	652	652	652	652

(1) See Schedule 8 for a description of items affecting comparability of net earnings (loss) from continuing operations and diluted EPS.

(2) The impact of the assumed conversion of our 5.75% Series A Mandatory Convertible Preferred Stock ("Preferred Stock") to shares of common stock would have been antidilutive in the calculations of Reported EPS and Adjusted EPS for each of the quarters and the full year in 2022, the quarters ended March 31, 2023, June 30, 2023 and September 30, 2023, and the nine months ended September 30, 2023. In addition, the impact of conversion would have been antidilutive to Adjusted EPS for the twelve months ended December 31, 2021. When antidilutive, in the calculations of EPS the weighted average number of diluted shares outstanding does not include the assumed issuance of shares upon conversion of preferred stock, and preferred stock dividends for the applicable period are deducted from net earnings (loss) from continuing operations.

(3) For periods when we reported a net loss the dilutive impact to shares for Reported EPS is excluded because it would be antidilutive.



ITEMS AFFECTING COMPARABILITY

(unaudited; in millions, except per share amounts)

	12 Months Ended	Quarter Ended				12 Months Ended	Quarter Ended			9 Months Ended
	12/31/21	3/31/22	6/30/22	9/30/22	12/31/22	12/31/22	3/31/23	6/30/23	9/30/23	9/30/23
Restructuring and other corporate matters ⁽¹⁾	\$ 100	\$ 57	\$ 50	\$ 169	\$ 309	\$ 585	\$ —	\$ 54	\$ (10)	\$ 44
Impairment charges ⁽²⁾	—	—	—	—	27	27	—	—	—	—
Programming charges ⁽³⁾	—	—	—	—	—	—	1,674	697	—	2,371
Net gain on dispositions ⁽⁴⁾	(2,343)	(15)	—	(41)	—	(56)	—	—	—	—
Loss on extinguishment of debt	128	73	47	—	—	120	—	—	—	—
Net (gain) loss from investments ⁽⁵⁾	(47)	—	—	9	—	9	—	(168)	—	(168)
Pension settlement charge ⁽⁶⁾	10	—	—	—	—	—	—	—	—	—
Impact of adjustments on earnings (loss) from continuing operations before income taxes	(2,152)	115	97	137	336	685	1,674	583	(10)	2,247
Income tax impact of above items ⁽⁷⁾	546	(25)	(23)	(29)	(82)	(159)	(409)	(127)	3	(533)
Discrete tax items ⁽⁸⁾	(517)	(78)	(3)	9	(8)	(80)	(30)	(4)	(33)	(67)
Impact of adjustments on income taxes	29	(103)	(26)	(20)	(90)	(239)	(439)	(131)	(30)	(600)
Impairment of equity-method investments, net of tax	34	—	—	—	—	—	—	—	—	—
Impact of adjustments on net earnings (loss) from continuing operations attributable to Paramount	\$ (2,089)	\$ 12	\$ 71	\$ 117	\$ 246	\$ 446	\$ 1,235	\$ 452	\$ (40)	\$ 1,647
Impact of adjustments on diluted EPS from continuing operations attributable to Paramount ⁽⁹⁾	\$ (3.21)	\$.02	\$.11	\$.18	\$.37	\$.68	\$ 1.90	\$.69	\$ (.06)	\$ 2.52

(1) Reflects severance costs, lease impairments and other corporate matters.

(2) Reflects charges to reduce the carrying value of intangible assets to their fair value which are recorded in *Depreciation and amortization*.

(3) In connection with the integration of Showtime into Paramount+ and initiatives to rationalize and right-size our international operations to align with our streaming strategy and close or globalize certain of our international channels, during the first and second quarters of 2023 we reviewed our content portfolio and as a result changed the strategy for certain content. These changes led to content being removed from our platforms or abandoned, the write-off of development costs, distribution changes, and termination of programming agreements.

(4) The third quarter of 2022 reflects a gain recognized upon the contribution of certain assets of Paramount+ in the Nordics to SkyShowtime. The first quarter of 2022 reflects a gain from the sale of international intangible assets and a working capital adjustment to the gain from the sale of CBS Studio Center. 2021 primarily reflects gains on the sales of CBS Studio Center, an office tower that was the former headquarters of CBS, and a noncore trademark licensing operation.

(5) Includes fair value adjustments and gains and losses associated with the sale of investments.

(6) Reflects the accelerated recognition of a portion of the unamortized actuarial losses due to the volume of lump sum benefit payments in one of our pension plans.

(7) The tax impact has been calculated by applying the tax rates applicable to the adjustments presented.

(8) Includes the net discrete tax expense or (benefit) related to changes in tax laws and guidance from tax authorities, the reorganization of international operations, the resolution of income tax matters, amounts realized in connection with the filing of tax returns, and excess tax benefits from the vesting or exercise of stock-based compensations awards, among others.

(9) For the twelve months ended December 31, 2021, the impact of adjustments on Adjusted EPS includes a reduction to EPS of \$.02 because our Reported EPS includes the effect from the assumed conversion of our Preferred Stock, but such conversion is not reflected in the calculation of Adjusted EPS because it would have been antidilutive.



FREE CASH FLOW (Non-GAAP)

(unaudited; in millions)

	12 Months Ended	Quarter Ended				12 Months Ended	Quarter Ended			9 Months Ended
	12/31/21	3/31/22	6/30/22	9/30/22	12/31/22	12/31/22	3/31/23	6/30/23	9/30/23	9/30/23
Net cash flow provided by (used for) operating activities from continuing operations	\$ 835	\$ 295	\$ 180	\$ (256)	\$ (361)	\$ (142)	\$ (483)	\$ (141)	\$ 450	\$ (174)
Capital expenditures	(354)	(52)	(99)	(77)	(130)	(358)	(71)	(69)	(73)	(213)
Free cash flow	\$ 481	\$ 243	\$ 81	\$ (333)	\$ (491)	\$ (500)	\$ (554)	\$ (210)	\$ 377	\$ (387)
Debt	\$ 17,709	\$ 16,812	\$ 15,810	\$ 15,834	\$ 15,846	\$ 15,846	\$ 15,853	\$ 15,800	\$ 15,665	\$ 15,665
Less: Cash and cash equivalents	6,267	5,302	4,037	3,383	2,885	2,885	2,109	1,714	1,804	1,804
Net debt	\$ 11,442	\$ 11,510	\$ 11,773	\$ 12,451	\$ 12,961	\$ 12,961	\$ 13,744	\$ 14,086	\$ 13,861	\$ 13,861

Supplemental Cash Flow Information

	12 Months Ended	Quarter Ended				12 Months Ended	Quarter Ended			9 Months Ended
	12/31/21	3/31/22	6/30/22	9/30/22	12/31/22	12/31/22	3/31/23	6/30/23	9/30/23	9/30/23
Payments for restructuring, merger-related costs and transformation initiatives ⁽¹⁾	\$ 362	\$ 61	\$ 60	\$ 46	\$ 122	\$ 289	\$ 69	\$ 78	\$ 163	\$ 310

(1) Free cash flow includes payments for restructuring, merger-related costs, and transformation initiatives. Since the merger of Viacom Inc. with and into CBS Corporation (the "Merger"), we have invested in a number of transformation initiatives. Initially, these were undertaken to realize synergies related to the Merger. Beginning in 2022, our transformation initiatives are related to future-state technology, including the unification and evolution of systems and platforms, and migration to the cloud. In addition, we are investing in future-state workspaces, including adapting our facilities to accommodate our hybrid and agile work model.



