

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**  
Washington, D.C. 20549

**FORM 10-Q**

**QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended **June 30, 2025**

OR

**TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission File Number **001-09553**

**Paramount Global**

(Exact name of registrant as specified in its charter)

**Delaware**

(State or other jurisdiction of  
incorporation or organization)

**04-2949533**

(I.R.S. Employer Identification No.)

**1515 Broadway New York, New York**

(Address of principal executive offices)

**10036**

(Zip Code)

**(212) 258-6000**

(Registrant's telephone number, including area code)

**Not Applicable**

(Former name, former address and former fiscal year, if changed since last report)

**Securities registered pursuant to Section 12(b) of the Act:**

Title of each class	Trading Symbols	Name of each exchange on which registered
Class A Common Stock, \$0.001 par value	PARAA	The Nasdaq Stock Market LLC
Class B Common Stock, \$0.001 par value	PARA	The Nasdaq Stock Market LLC

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes  No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	<input checked="" type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>
		Emerging growth company	<input type="checkbox"/>

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes  No

Number of shares of common stock outstanding at July 28, 2025:

Class A Common Stock, par value \$.001 per share— 40,702,683

Class B Common Stock, par value \$.001 per share— 633,522,201

**PARAMOUNT GLOBAL**  
**INDEX TO FORM 10-Q**

	<b>Page</b>	
<b>PART I – FINANCIAL INFORMATION</b>		
Item 1.	Financial Statements.	
	Consolidated Statements of Operations (Unaudited) for the Three and Six Months Ended June 30, 2025 and June 30, 2024	3
	Consolidated Statements of Comprehensive Income (Unaudited) for the Three and Six Months Ended June 30, 2025 and June 30, 2024	4
	Consolidated Balance Sheets (Unaudited) at June 30, 2025 and December 31, 2024	5
	Consolidated Statements of Cash Flows (Unaudited) for the Six Months Ended June 30, 2025 and June 30, 2024	6
	Consolidated Statements of Stockholders' Equity (Unaudited) for the Three and Six Months Ended June 30, 2025 and June 30, 2024	7
	Notes to Consolidated Financial Statements (Unaudited)	9
Item 2.	Management's Discussion and Analysis of Results of Operations and Financial Condition.	33
Item 3.	Quantitative and Qualitative Disclosures About Market Risk.	68
Item 4.	Controls and Procedures.	68
<b>PART II – OTHER INFORMATION</b>		
Item 1.	Legal Proceedings.	69
Item 1A.	Risk Factors.	69
Item 2.	Unregistered Sales of Equity Securities and Use of Proceeds.	69
Item 6.	Exhibits.	70

---

**PART I – FINANCIAL INFORMATION**

**Item 1. Financial Statements.**

**PARAMOUNT GLOBAL AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF OPERATIONS**  
(Unaudited; in millions, except per share amounts)

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2025	2024	2025	2024
Revenues	\$ 6,849	\$ 6,813	\$ 14,041	\$ 14,498
Costs and expenses:				
Operating	4,624	4,367	9,585	9,403
Programming charges	—	—	—	1,118
Selling, general and administrative	1,401	1,579	2,944	3,241
Depreciation and amortization	87	101	175	201
Impairment charges	157	5,996	157	5,996
Restructuring and transaction-related items	181	88	266	274
Total costs and expenses	6,450	12,131	13,127	20,233
Gain on dispositions	—	—	35	—
Operating income (loss)	399	(5,318)	949	(5,735)
Interest expense	(214)	(215)	(431)	(436)
Interest income	32	35	70	80
Loss from investment	—	—	—	(4)
Other items, net	(39)	(49)	(76)	(87)
Earnings (loss) from continuing operations before income taxes and equity in loss of investee companies	178	(5,547)	512	(6,182)
(Provision for) benefit from income taxes	(50)	215	(150)	387
Equity in loss of investee companies, net of tax	(67)	(72)	(140)	(162)
Net earnings (loss) from continuing operations	61	(5,404)	222	(5,957)
Net earnings from discontinued operations, net of tax	—	—	—	9
Net earnings (loss) (Paramount and noncontrolling interests)	61	(5,404)	222	(5,948)
Net earnings attributable to noncontrolling interests	(4)	(9)	(13)	(19)
Net earnings (loss) attributable to Paramount	\$ 57	\$ (5,413)	\$ 209	\$ (5,967)
Amounts attributable to Paramount:				
Net earnings (loss) from continuing operations	\$ 57	\$ (5,413)	\$ 209	\$ (5,976)
Net earnings from discontinued operations, net of tax	—	—	—	9
Net earnings (loss) attributable to Paramount	\$ 57	\$ (5,413)	\$ 209	\$ (5,967)
Basic net earnings (loss) per common share attributable to Paramount:				
Net earnings (loss) from continuing operations	\$ .08	\$ (8.12)	\$ .31	\$ (9.08)
Net earnings from discontinued operations	\$ —	\$ —	\$ —	\$ .01
Net earnings (loss)	\$ .08	\$ (8.12)	\$ .31	\$ (9.06)
Diluted net earnings (loss) per common share attributable to Paramount:				
Net earnings (loss) from continuing operations	\$ .08	\$ (8.12)	\$ .31	\$ (9.08)
Net earnings from discontinued operations	\$ —	\$ —	\$ —	\$ .01
Net earnings (loss)	\$ .08	\$ (8.12)	\$ .31	\$ (9.06)
Weighted average number of common shares outstanding:				
Basic	675	667	673	660
Diluted	680	667	679	660

See notes to consolidated financial statements.

**PARAMOUNT GLOBAL AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**  
(Unaudited; in millions)

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2025	2024	2025	2024
Net earnings (loss) (Paramount and noncontrolling interests)	\$ 61	\$ (5,404)	\$ 222	\$ (5,948)
Other comprehensive income (loss), net of tax:				
Cumulative translation adjustments	92	(22)	166	(90)
Decrease to net actuarial loss and prior service costs	11	11	21	20
Other comprehensive income (loss), net of tax (Paramount and noncontrolling interests)	103	(11)	187	(70)
Comprehensive income (loss)	164	(5,415)	409	(6,018)
Less: Comprehensive income attributable to noncontrolling interests	5	7	15	17
Comprehensive income (loss) attributable to Paramount	\$ 159	\$ (5,422)	\$ 394	\$ (6,035)

See notes to consolidated financial statements.

**PARAMOUNT GLOBAL AND SUBSIDIARIES**

**CONSOLIDATED BALANCE SHEETS**  
(Unaudited; in millions, except per share amounts)

	At June 30, 2025	At December 31, 2024
<b>ASSETS</b>		
Current Assets:		
Cash and cash equivalents	\$ 2,739	\$ 2,661
Receivables, net	6,291	6,920
Programming and other inventory	1,519	1,429
Prepaid expenses and other current assets	1,568	1,532
Total current assets	12,117	12,542
Property and equipment, net	1,494	1,566
Programming and other inventory	13,812	13,924
Goodwill	10,488	10,508
Intangible assets, net	2,249	2,406
Operating lease assets	922	1,012
Deferred income tax assets, net	1,354	1,386
Other assets	2,490	2,828
Total Assets	\$ 44,926	\$ 46,172
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
Current Liabilities:		
Accounts payable	\$ 822	\$ 953
Accrued expenses	1,727	2,199
Participants' share and royalties payable	2,642	2,574
Accrued programming and production costs	1,381	1,720
Deferred revenues	753	825
Debt	346	—
Other current liabilities	1,059	1,360
Total current liabilities	8,730	9,631
Long-term debt	14,168	14,501
Participants' share and royalties payable	1,247	1,310
Pension and postretirement benefit obligations	1,097	1,226
Deferred income tax liabilities, net	34	34
Operating lease liabilities	993	1,048
Program rights obligations	183	260
Other liabilities	1,363	1,380
Commitments and contingencies (Note 13)		
Paramount stockholders' equity:		
5.75% Series A Mandatory Convertible Preferred Stock, par value \$.001 per share; 25 shares authorized; 0 (2025 and 2024) shares issued	—	—
Class A Common Stock, par value \$.001 per share; 55 shares authorized; 41 (2025 and 2024) shares issued	—	—
Class B Common Stock, par value \$.001 per share; 5,000 shares authorized; 1,137 (2025) and 1,133 (2024) shares issued	1	1
Additional paid-in capital	33,455	33,394
Treasury stock, at cost; 503 (2025 and 2024) shares of Class B Common Stock	(22,958)	(22,958)
Retained earnings	7,626	7,487
Accumulated other comprehensive loss	(1,419)	(1,604)
Total Paramount stockholders' equity	16,705	16,320
Noncontrolling interests	406	462
Total Equity	17,111	16,782
Total Liabilities and Equity	\$ 44,926	\$ 46,172

See notes to consolidated financial statements.

**PARAMOUNT GLOBAL AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
(Unaudited; in millions)

	Six Months Ended	
	June 30,	
	2025	2024
<b>Operating Activities:</b>		
Net earnings (loss) (Paramount and noncontrolling interests)	\$ 222	\$ (5,948)
Less: Net earnings from discontinued operations, net of tax	—	9
Net earnings (loss) from continuing operations	222	(5,957)
Adjustments to reconcile net earnings (loss) from continuing operations to net cash flow provided by operating activities:		
Programming charges	—	1,118
Depreciation and amortization	175	201
Impairment charges	157	5,996
Deferred tax provision (benefit)	21	(593)
Stock-based compensation	87	109
Gain on dispositions	(35)	—
Loss from investment	—	4
Equity in loss of investee companies, net of tax and distributions	141	168
Change in assets and liabilities	(429)	(727)
Net cash flow provided by operating activities	339	319
<b>Investing Activities:</b>		
Investments	(148)	(166)
Capital expenditures	(102)	(100)
Proceeds from dispositions	66	21
Net cash flow used for investing activities from continuing operations	(184)	(245)
Net cash flow provided by investing activities from discontinued operations	—	48
Net cash flow used for investing activities	(184)	(197)
<b>Financing Activities:</b>		
Dividends paid on preferred stock	—	(29)
Dividends paid on common stock	(70)	(68)
Payment of payroll taxes in lieu of issuing shares for stock-based compensation	(26)	(18)
Payments to noncontrolling interests	(65)	(97)
Other financing activities	—	(25)
Net cash flow used for financing activities	(161)	(237)
Effect of exchange rate changes on cash and cash equivalents	84	(30)
Net increase (decrease) in cash and cash equivalents	78	(145)
Cash and cash equivalents at beginning of year	2,661	2,460
Cash and cash equivalents at end of period	\$ 2,739	\$ 2,315

See notes to consolidated financial statements.

**PARAMOUNT GLOBAL AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY**  
(Unaudited; in millions)

	Three Months Ended June 30, 2025									
	Class A and B Common Stock Outstanding	Additional Paid-In Capital	Treasury Stock	Retained Earnings	Accumulated Other Comprehensive Loss	Total Paramount Stockholders' Equity	Noncontrolling Interests	Total Equity		
	<i>(Shares)</i>									
<b>March 31, 2025</b>	674	\$ 1	\$ 33,412	\$ (22,958)	\$ 7,604	\$ (1,521)	\$ 16,538	\$ 390	\$ 16,928	
Stock-based compensation activity	1	—	43	—	—	—	43	—	43	
Common stock dividends	—	—	—	—	(35)	—	(35)	—	(35)	
Noncontrolling interests	—	—	—	—	—	—	—	11	11	
Net earnings	—	—	—	—	57	—	57	4	61	
Other comprehensive income	—	—	—	—	—	102	102	1	103	
<b>June 30, 2025</b>	675	\$ 1	\$ 33,455	\$ (22,958)	\$ 7,626	\$ (1,419)	\$ 16,705	\$ 406	\$ 17,111	

	Six Months Ended June 30, 2025									
	Class A and B Common Stock Outstanding	Additional Paid-In Capital	Treasury Stock	Retained Earnings	Accumulated Other Comprehensive Loss	Total Paramount Stockholders' Equity	Noncontrolling Interests	Total Equity		
	<i>(Shares)</i>									
<b>December 31, 2024</b>	671	\$ 1	\$ 33,394	\$ (22,958)	\$ 7,487	\$ (1,604)	\$ 16,320	\$ 462	\$ 16,782	
Stock-based compensation activity	4	—	61	—	—	—	61	—	61	
Common stock dividends	—	—	—	—	(70)	—	(70)	—	(70)	
Noncontrolling interests	—	—	—	—	—	—	—	(71)	(71)	
Net earnings	—	—	—	—	209	—	209	13	222	
Other comprehensive income	—	—	—	—	—	185	185	2	187	
<b>June 30, 2025</b>	675	\$ 1	\$ 33,455	\$ (22,958)	\$ 7,626	\$ (1,419)	\$ 16,705	\$ 406	\$ 17,111	

See notes to consolidated financial statements.

**PARAMOUNT GLOBAL AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY (Continued)**  
(Unaudited; in millions)

	Three Months Ended June 30, 2024											
	Preferred Stock Outstanding		Class A and B Common Stock Outstanding		Additional Paid-In Capital		Treasury Stock	Retained Earnings	Accumulated Other Comprehensive Loss	Total Paramount Stockholders' Equity	Noncontrolling Interests	Total Equity
	(Shares)		(Shares)									
<b>March 31, 2024</b>	10	\$ —	655	\$ 1	\$ 33,240	\$ (22,958)	\$ 13,226	\$ (1,615)	\$ 21,894	\$ 443	\$ 22,337	
Stock-based compensation activity	—	—	—	—	59	—	—	—	59	—	59	
Stock conversion	(10)	—	12	—	—	—	—	—	—	—	—	
Common stock dividends	—	—	—	—	—	—	(34)	—	(34)	—	(34)	
Noncontrolling interests	—	—	—	—	—	—	—	—	—	(1)	(1)	
Net earnings (loss)	—	—	—	—	—	—	(5,413)	—	(5,413)	9	(5,404)	
Other comprehensive loss	—	—	—	—	—	—	—	(9)	(9)	(2)	(11)	
<b>June 30, 2024</b>	—	\$ —	667	\$ 1	\$ 33,299	\$ (22,958)	\$ 7,779	\$ (1,624)	\$ 16,497	\$ 449	\$ 16,946	

	Six Months Ended June 30, 2024											
	Preferred Stock Outstanding		Class A and B Common Stock Outstanding		Additional Paid-In Capital		Treasury Stock	Retained Earnings	Accumulated Other Comprehensive Loss	Total Paramount Stockholders' Equity	Noncontrolling Interests	Total Equity
	(Shares)		(Shares)									
<b>December 31, 2023</b>	10	\$ —	653	\$ 1	\$ 33,210	\$ (22,958)	\$ 13,829	\$ (1,556)	\$ 22,526	\$ 524	\$ 23,050	
Stock-based compensation activity	—	—	2	—	89	—	—	—	89	—	89	
Stock conversion	(10)	—	12	—	—	—	—	—	—	—	—	
Preferred stock dividends	—	—	—	—	—	—	(14)	—	(14)	—	(14)	
Common stock dividends	—	—	—	—	—	—	(69)	—	(69)	—	(69)	
Noncontrolling interests	—	—	—	—	—	—	—	—	—	(92)	(92)	
Net earnings (loss)	—	—	—	—	—	—	(5,967)	—	(5,967)	19	(5,948)	
Other comprehensive loss	—	—	—	—	—	—	—	(68)	(68)	(2)	(70)	
<b>June 30, 2024</b>	—	\$ —	667	\$ 1	\$ 33,299	\$ (22,958)	\$ 7,779	\$ (1,624)	\$ 16,497	\$ 449	\$ 16,946	

See notes to consolidated financial statements.

## PARAMOUNT GLOBAL AND SUBSIDIARIES

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(Tabular dollars in millions, except per share amounts)

#### 1) BASIS OF PRESENTATION

*Description of Business*—Paramount Global is a global media, streaming and entertainment company that creates premium content and experiences for audiences worldwide and is comprised of the following segments:

- *TV Media*—Our *TV Media* segment consists of our (1) broadcast operations—the CBS Television Network, our domestic broadcast television network; CBS Stations, our owned television stations; and our international free-to-air networks, Network 10, Channel 5, Telefe, and Chilevisión; (2) domestic premium and basic cable networks, including Paramount+ with Showtime, MTV, Comedy Central, Paramount Network, The Smithsonian Channel, Nickelodeon, BET Media Group, CBS Sports Network, and international extensions of certain of these brands; and (3) domestic and international television studio operations, including CBS Studios and Showtime/MTV Entertainment Studios, as well as CBS Media Ventures, which produces and distributes first-run syndicated programming. *TV Media* also includes a number of digital properties such as CBS News Streaming for 24 hour news and CBS Sports HQ for sports news and analysis.
- *Direct-to-Consumer*—Our *Direct-to-Consumer* segment includes our portfolio of domestic and international pay and free streaming services, including Paramount+, Pluto TV, and BET+.
- *Filmed Entertainment*—Our *Filmed Entertainment* segment consists of Paramount Pictures, Paramount Players, Paramount Animation, Nickelodeon Studio, Awesomeness, and Miramax.

References to “Paramount,” the “Company,” “we,” “us” and “our” refer to Paramount Global and its consolidated subsidiaries, unless the context otherwise requires.

*Skydance Transactions*—On July 7, 2024, Paramount entered into a transaction agreement (the “Transaction Agreement”) with Skydance Media, LLC (“Skydance”) and other parties pursuant to which Paramount and Skydance will become subsidiaries of a new holding company, currently referred to as New Paramount (the transactions contemplated by the Transaction Agreement, the “Transactions”). Immediately following the completion of the Transactions, New Paramount will be renamed Paramount Skydance Corporation.

Concurrent with the execution of the Transaction Agreement, certain affiliates of existing investors of Skydance (the “NAI Equity Investors”), including entities controlled by members of the Ellison family, and affiliates of RedBird Capital Partners, entered into an agreement with National Amusements, Inc. (“NAI”), the controlling stockholder of the Company, to purchase all of the outstanding equity interests of NAI (the “NAI Transaction”). In addition, the NAI Equity Investors and certain other affiliates of investors of Skydance will make an investment of up to \$6.0 billion into New Paramount in exchange for up to 400 million newly issued shares of Class B Common Stock of New Paramount (“New Paramount Class B Common Stock”), subject to ratable reduction, for a purchase price of \$15.00 per share, and the NAI Equity Investors will also receive warrants to purchase 200 million shares of New Paramount Class B Common Stock at an initial exercise price of \$30.50 per share (subject to customary anti-dilution adjustments), which expire five years after issuance. Up to \$4.5 billion of the proceeds from this investment will be used to fund the cash-stock election discussed below and a minimum of \$1.5 billion of cash (less a subscription discount of 1.875%) will remain at New Paramount. If the cash-stock elections are undersubscribed, up to an additional \$1.5 billion (less a subscription discount of 1.875%) of the unused portion of the \$4.5 billion will also remain at New Paramount.

The Transactions will also include: (1) a transaction pursuant to which existing Skydance investors will receive 317 million shares of New Paramount Class B Common Stock, and (2) a cash-stock election pursuant to which (a) shares of our Class A Common Stock held by stockholders other than NAI will be converted, at the stockholders’

**PARAMOUNT GLOBAL AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)**  
**(Tabular dollars in millions, except per share amounts)**

election, into the right to receive either \$23.00 in cash or 1.5333 shares of New Paramount Class B Common Stock, and (b) shares of our Class B Common Stock held by stockholders other than NAI, the NAI Equity Investors and certain other affiliates of investors of Skydance referred to above will be converted, at the stockholders' election, into the right to receive either \$15.00 in cash (subject to proration) or one share of New Paramount Class B Common Stock. The shares that are settled in cash will cease to exist after the completion of the Transactions.

At the closing of the Transactions, our voting Class A Common Stock and non-voting Class B Common Stock (currently listed and traded on The Nasdaq Stock Market LLC under the symbols "PARAA" and "PARA," respectively) will cease to be listed. Following the closing of the Transactions, shares of New Paramount Class B Common Stock, par value \$0.001 are expected to begin trading on the Nasdaq Stock Market LLC under the ticker symbol "PSKY". New Paramount Class A common stock will not be listed for trading on a stock exchange. New Paramount Class B Common Stock will not have any voting rights while shares of New Paramount Class A Common Stock (the "New Paramount Class A Common Stock" together with New Paramount Class B Common Stock, the "New Paramount Common Stock") will be entitled to one vote per share with respect to all matters on which the holders of New Paramount Common Stock are entitled to vote. Following the Transactions, NAI and its applicable subsidiaries will hold 100% of the New Paramount Class A Common Stock.

The Transactions are expected to close on August 7, 2025, subject to customary closing conditions. Consummation of the foregoing transactions is also subject to the contemporaneous consummation of each other transaction described above. In the event of a termination of the Transaction Agreement under certain specified circumstances, we will be required to pay Skydance a termination fee in the amount of \$400 million.

*Basis of Presentation*—The accompanying unaudited consolidated financial statements have been prepared on a basis consistent with accounting principles generally accepted in the United States ("U.S. GAAP" or "GAAP") for interim financial information and pursuant to the rules of the Securities and Exchange Commission. These financial statements should be read in conjunction with the more detailed financial statements and notes thereto included in our Annual Report on Form 10-K for the year ended December 31, 2024.

In the opinion of management, the accompanying unaudited consolidated financial statements reflect all adjustments, consisting only of normal and recurring adjustments, necessary for a fair statement of our financial position, results of operations and cash flows for the periods presented. Certain previously reported amounts have been reclassified to conform to the current presentation.

*Use of Estimates*—The preparation of our consolidated financial statements in conformity with U.S. GAAP requires management to make estimates, judgments and assumptions that affect the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities as of the date of the financial statements and the reported amounts of revenues and expenses during the periods presented. We base our estimates on historical experience and on various other assumptions that are believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may vary from these estimates under different assumptions or conditions.

*Net Earnings (Loss) per Common Share*—Basic net earnings (loss) per share ("EPS") is based upon net earnings (loss) available to common stockholders divided by the weighted average number of common shares outstanding during the period. Net earnings (loss) available to common stockholders is calculated as net earnings (loss) from continuing operations or net earnings (loss), as applicable, adjusted to include a reduction for dividends recorded during the applicable period on our 5.75% Series A Mandatory Convertible Preferred Stock ("Mandatory

**PARAMOUNT GLOBAL AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)**  
**(Tabular dollars in millions, except per share amounts)**

Convertible Preferred Stock”). On April 1, 2024, all outstanding shares of our Mandatory Convertible Preferred Stock were automatically and mandatorily converted into shares of our Class B Common Stock. The final dividend on the Mandatory Convertible Preferred Stock was declared during the first quarter of 2024 and paid on April 1, 2024 (see Note 9).

Weighted average shares for diluted EPS reflect the effect of the assumed exercise of stock options and vesting of restricted share units (“RSUs”) or performance share units only in the periods in which such effect would have been dilutive. In periods prior to the conversion of our preferred stock, diluted EPS also reflected the effect of the assumed conversion of preferred stock, when dilutive, which included the issuance of common shares in the weighted average number of shares and excluded the above-mentioned preferred stock dividend adjustment to net earnings (loss) available to common stockholders.

Stock options and RSUs totaling 5 million for each of the three and six months ended June 30, 2025, were excluded from the calculation of diluted EPS because their inclusion would have been antidilutive. For the three and six months ended June 30, 2024, all of our stock options and RSUs, which totaled 30 million for each period, were excluded from the calculation of diluted EPS because their inclusion would have been antidilutive since we reported a net loss. Also excluded from the calculation of diluted EPS for the six months ended June 30, 2024 prior to the preferred stock conversion discussed above, was the effect of the assumed conversion of 10 million shares of Mandatory Convertible Preferred Stock into shares of common stock because the impact would have been antidilutive.

The table below presents a reconciliation of weighted average shares used in the calculation of basic and diluted EPS.

<b>(in millions)</b>	<b>Three Months Ended</b>		<b>Six Months Ended</b>	
	<b>June 30,</b>		<b>June 30,</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
Weighted average shares for basic EPS	675	667	673	660
Dilutive effect of shares issuable under stock-based compensation plans	5	—	6	—
Weighted average shares for diluted EPS	680	667	679	660

**PARAMOUNT GLOBAL AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)**  
**(Tabular dollars in millions, except per share amounts)**

Because the impact of the assumed conversion of the Mandatory Convertible Preferred Stock would have been antidilutive, net loss from continuing operations and net loss used in our calculations of diluted EPS for the six months ended June 30, 2024 included a reduction for the preferred stock dividends recorded during the period. The table below presents a reconciliation of net loss from continuing operations and net loss to the amounts used in the calculations of basic and diluted EPS.

	<b>Six Months Ended June 30, 2024</b>
<b>Amounts attributable to Paramount:</b>	
Net loss from continuing operations	\$ (5,976)
Preferred stock dividends	(14)
Net loss from continuing operations for basic and diluted EPS calculation	\$ (5,990)
<b>Amounts attributable to Paramount:</b>	
Net loss	\$ (5,967)
Preferred stock dividends	(14)
Net loss for basic and diluted EPS calculation	\$ (5,981)

**Accounting Pronouncements Not Yet Adopted**

*Income Taxes*

In December 2023, the Financial Accounting Standards Board (“FASB”) issued guidance enhancing annual income tax disclosures. Under this guidance, certain enhancements to the effective tax rate reconciliation disclosure are required, including the disclosure of both percentages and amounts, specific categories, and additional information for reconciling items meeting a quantitative threshold defined by the guidance. Additionally, disclosures of income taxes paid and income tax expense must be disaggregated by federal, state and foreign taxes, with income taxes paid further disaggregated for individual jurisdictions that represent 5 percent or more of total income taxes paid. The guidance is effective for us for the year ended December 31, 2025, and may be applied either prospectively or retrospectively.

*Disaggregation of Income Statement Expenses*

In November 2024, the FASB issued guidance requiring disclosure in the notes to the financial statements of the disaggregation of relevant expense captions on the income statement into specified expense categories, including employee compensation, as well as disclosure of total selling expenses. The guidance is effective for us for the year ended December 31, 2027, and for all interim and annual periods thereafter, and may be applied either prospectively or retrospectively.

**PARAMOUNT GLOBAL AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)**  
**(Tabular dollars in millions, except per share amounts)**

**2) PROGRAMMING AND OTHER INVENTORY**

The following table presents our programming and other inventory at June 30, 2025 and December 31, 2024, grouped by type and predominant monetization strategy.

	At June 30, 2025	At December 31, 2024
<b>Film Group Monetization:</b>		
Acquired program rights, including prepaid sports rights	\$ 3,068	\$ 3,168
Internally-produced television and film programming:		
Released	6,618	6,847
In process and other	2,718	2,292
<b>Individual Monetization:</b>		
Acquired libraries	293	308
Films:		
Released	858	877
Completed, not yet released	165	42
In process and other	802	960
Internally-produced television programming:		
Released	664	638
In process and other	139	195
Home entertainment	6	26
Total programming and other inventory	15,331	15,353
Less current portion	1,519	1,429
Total noncurrent programming and other inventory	\$ 13,812	\$ 13,924

The following table presents amortization of our television and film programming and production costs, which is included within “Operating expenses” on the Consolidated Statements of Operations.

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2025	2024	2025	2024
Acquired program rights	\$ 1,117	\$ 1,066	\$ 2,628	\$ 2,848
Internally-produced television and film programming, and acquired libraries:				
Individual monetization	\$ 316	\$ 370	\$ 685	\$ 668
Film group monetization	\$ 1,371	\$ 1,280	\$ 2,670	\$ 2,340

**PARAMOUNT GLOBAL AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)**  
**(Tabular dollars in millions, except per share amounts)**

*Programming Charges*

During the first quarter of 2024, we recorded programming charges totaling \$1.12 billion as a result of major changes to our content strategy. These changes, which were in connection with our shift to a global programming strategy, resulted in the removal of significant levels of content from our platforms, abandonment of development projects, and termination of programming agreements, particularly internationally, including locally-produced content and domestic titles that no longer aligned with our global strategy. The removal of this content from our platforms was a triggering event that required us to assess whether the affected programming assets were impaired. Our impairment review compared the current carrying value of each title with its fair value, which considered (1) that the titles were no longer being utilized on our platforms and we had no intention to use the titles on our platforms in the future and (2) the estimated future cash flows associated with any anticipated licensing of the titles to third parties, which was minimal. The programming charges were comprised of \$909 million for the impairment of content to its estimated fair value, as well as \$209 million for development cost write-offs and contract termination costs.

**3) IMPAIRMENT, RESTRUCTURING AND TRANSACTION-RELATED ITEMS**

*Interim Impairment Testing*

We perform fair value-based impairment tests of goodwill and intangible assets with indefinite lives, comprised primarily of television FCC licenses, annually during the fourth quarter and also between annual tests if an event occurs or if circumstances change that would more likely than not reduce the fair value of a reporting unit or an indefinite-lived intangible asset below its carrying value.

*FCC Licenses*—For the second quarter of 2025, as a result of recent declines in industry projections, we determined that interim impairment tests were necessary for six markets in which we hold FCC licenses. FCC licenses are tested for impairment at the geographic market level. We consider each geographic market, which is comprised of all of our television stations within that geographic market, to be a single unit of accounting because the FCC licenses at this level represent their highest and best use. The FCC licenses impairment tests were performed using the Greenfield Discounted Cash Flow Method, which estimates the fair values of FCC licenses by valuing a hypothetical start-up station in the relevant market by adding discounted cash flows over a five-year build-up period to a residual value. The assumptions for the build-up period include industry projections of overall market revenues; the start-up station's operating costs and capital expenditures, which are based on both industry and internal data; and average market share. The discount rate is determined based on the industry and market-based risk of achieving the projected cash flows, and the residual value is calculated using a long-term growth rate, which is based on projected industry projections and long-range inflation. The discount rate and the long-term growth rate were 7.5% and (2)%, respectively.

The impairment tests indicated that the estimated fair values of FCC licenses in each of the six markets tested were below their respective carrying values. Accordingly, we recorded an impairment charge during the second quarter of 2025 of \$157 million to write down the carrying values of these FCC licenses to their aggregate estimated fair value of \$913 million.

During the second quarter of 2024, we performed interim impairment tests for eight markets in which we hold FCC licenses. The tests indicated that the estimated fair values of FCC licenses in two of the eight markets were below their respective carrying values. Accordingly, we recorded a charge of \$15 million to write down the carrying values of these FCC licenses to their estimated fair values. The impairment charges in each year were recorded within the *TV Media* segment.

**PARAMOUNT GLOBAL AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)**  
**(Tabular dollars in millions, except per share amounts)**

*Goodwill*—For the second quarter of 2024, we assessed the relevant factors that could impact the fair value of our reporting units, including indicators in the linear affiliate marketplace and the estimated total company market value indicated by the Transactions and the NAI Transaction announced on July 7, 2024. Based on this assessment, we determined that an interim goodwill impairment test was necessary for each of our reporting units. The goodwill impairment test for our Cable Networks reporting unit indicated that an impairment charge of \$5.98 billion was required, which represented the goodwill balance of the reporting unit prior to the impairment test. The impairment charge, which was recorded within the *TV Media* segment, resulted from a downward adjustment to the reporting unit’s expected cash flows, primarily because of the linear affiliate market indicators noted above, and the estimated total company market value indicated by the Transactions and the NAI Transaction.

*Restructuring and Transaction-Related Items*

During the three and six months ended June 30, 2025 and 2024, we recorded the following restructuring charges and transaction-related items.

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2025	2024	2025	2024
Severance <sup>(a)</sup>	\$ 177	\$ 70	\$ 177	\$ 225
Exit costs	—	—	65	31
Restructuring charges	177	70	242	256
Transaction-related items	4	18	24	18
Restructuring and transaction-related items	\$ 181	\$ 88	\$ 266	\$ 274

(a) Severance costs include the accelerated vesting of stock-based compensation.

*Restructuring Charges*

Restructuring charges for the second quarter of 2025 included severance costs of \$177 million associated with strategic changes in our global workforce in order to streamline our organization. Restructuring charges for the six months ended June 30, 2024 included severance costs of \$225 million, which consisted of \$155 million recorded during the first quarter associated with strategic changes in our global workforce and \$70 million recorded during the second quarter related to the exit of our former CEO and other management changes.

Additionally, during the six months ended June 30, 2025 and 2024, we recorded exit costs of \$65 million and \$31 million, respectively, primarily for the impairment of lease assets that we ceased use of in connection with initiatives to reduce our real estate footprint and create cost synergies. The impairments were primarily the result of a decline in market conditions since the inception of these leases and reflect the difference between the estimated fair values, which were determined based on the expected future cash flows of the lease assets, and the carrying values.

**PARAMOUNT GLOBAL AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)**  
**(Tabular dollars in millions, except per share amounts)**

The following is a rollforward of our restructuring severance liability, which is recorded in “Other current liabilities” and “Other liabilities” on the Consolidated Balance Sheets, and is expected to be substantially paid by the end of 2026.

	Balance at December 31, 2024	2025 Activity		Balance at June 30, 2025
		Charges <sup>(a)</sup>	Payments and other	
TV Media	\$ 156	\$ 139	\$ (75)	\$ 220
Direct-to-Consumer	36	5	(26)	15
Filmed Entertainment	46	15	(26)	35
Corporate	111	14	(65)	60
<b>Total</b>	<b>\$ 349</b>	<b>\$ 173</b>	<b>\$ (192)</b>	<b>\$ 330</b>

(a) Excludes stock-based compensation expense of \$4 million.

*Transaction-Related Items*

We recorded legal, advisory, and other professional fees relating to the Transactions of \$4 million and \$24 million during the three and six months ended June 30, 2025, respectively, and \$18 million during the three months ended June 30, 2024.

**4) RELATED PARTIES**

*National Amusements, Inc.*

National Amusements, Inc. is the controlling stockholder of the Company. At June 30, 2025, NAI directly or indirectly owned approximately 77.4% of our voting Class A Common Stock, and approximately 9.4% of our Class A Common Stock and non-voting Class B Common Stock on a combined basis. NAI is controlled by the Sumner M. Redstone National Amusements Part B General Trust (the “General Trust”), which owns 80% of the voting interest of NAI. NA Administration, LLC is the corporate trustee of the General Trust and is governed by a seven-member board of directors, which acts by majority vote (subject to certain exceptions), including with respect to the NAI shares held by the General Trust. Shari E. Redstone, Chairperson, CEO and President of NAI and non-executive Chair of our Board of Directors, is one of the seven directors of NA Administration, LLC and one of two directors who are beneficiaries of the General Trust. No member of our management or other member of our Board of Directors is a director of NA Administration, LLC.

On July 7, 2024, following their receipt of the final form of the Transaction Agreement and approval of the Transactions by our Board of Directors, but prior to the execution of the Transaction Agreement, NAI and its wholly owned subsidiaries, NAI Entertainment Holdings LLC and SPV-NAIEH LLC (the “NAI Company Stockholders”), representing approximately 77.4% of the voting power of the Company, executed and delivered a written consent (the “Written Consent”) approving and adopting the Transaction Agreement, which Written Consent became effective immediately following the execution of the Transaction Agreement by all of the parties thereto. Since the Written Consent represents approval by the holders of at least a majority of the outstanding shares of the Company with the right to vote on the adoption and approval of the Transaction Agreement, no additional approval is required from the Company’s stockholders for the Transactions. Concurrent with the execution of the Transaction Agreement, the NAI Company Stockholders also entered into a voting and support agreement with the Company and Skydance, pursuant to which the NAI Company Stockholders agreed to vote (or cause to be voted) their shares in the Company in favor of certain matters set forth therein relating to the Transactions.

**PARAMOUNT GLOBAL AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)**  
**(Tabular dollars in millions, except per share amounts)**

*Other Related Parties*

In the ordinary course of business, we are involved in transactions with our equity method investees, primarily for the licensing of television and film programming. The following tables present the amounts recorded in our consolidated financial statements related to these transactions.

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2025	2024	2025	2024
Revenues	\$ 101	\$ 79	\$ 170	\$ 137
Operating costs <sup>(a)</sup>	\$ 35	\$ 19	\$ 59	\$ 37

(a) Each period includes costs expensed as operating expenses and costs capitalized in programming assets.

	At	At
	June 30, 2025	December 31, 2024
Receivables, net	\$ 186	\$ 190
Other assets (Receivables, noncurrent)	\$ 87	\$ 82

Through the normal course of business, we are involved in other transactions with related parties that have not been material in any of the periods presented.

**5) REVENUES**

The table below presents our revenues disaggregated into categories based on the nature of such revenues. See Note 12 for revenues by segment disaggregated into these categories.

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2025	2024	2025	2024
<b>Revenues by Type:</b>				
Advertising	\$ 2,152	\$ 2,251	\$ 4,665	\$ 5,347
Affiliate and subscription	3,445	3,275	6,842	6,632
Theatrical	254	138	402	291
Licensing and other	998	1,149	2,132	2,228
<b>Total Revenues</b>	<b>\$ 6,849</b>	<b>\$ 6,813</b>	<b>\$ 14,041</b>	<b>\$ 14,498</b>

*Receivables*

Reserves for accounts receivable reflect our expected credit losses based on historical experience as well as current and expected economic conditions and industry trends. At June 30, 2025 and December 31, 2024, our allowance for credit losses was \$100 million and \$125 million, respectively.

Included in "Other assets" on the Consolidated Balance Sheets are noncurrent receivables of \$735 million and \$1.03 billion at June 30, 2025 and December 31, 2024, respectively. Noncurrent receivables primarily relate to revenues recognized under long-term content licensing arrangements. Revenues from the licensing of content are recognized at the beginning of the license period in which programs are made available to the licensee for exhibition, while the related cash is generally collected over the term of the license period.

**PARAMOUNT GLOBAL AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)**  
**(Tabular dollars in millions, except per share amounts)**

*Contract Liabilities*

Contract liabilities are included within “Deferred revenues” and “Other liabilities” on the Consolidated Balance Sheets and were \$0.9 billion at both June 30, 2025 and December 31, 2024. We recognized revenues of \$0.6 billion and \$0.5 billion for the six months ended June 30, 2025 and 2024, respectively, that were included in the opening balance of deferred revenues for the respective year.

*Unrecognized Revenues Under Contract*

At June 30, 2025, unrecognized revenues attributable to unsatisfied performance obligations under our long-term contracts were approximately \$7 billion, of which \$2 billion is expected to be recognized during the remainder of 2025, \$3 billion in 2026, \$1 billion in 2027, and \$1 billion thereafter. These amounts only include contracts subject to a guaranteed fixed amount or the guaranteed minimum under variable contracts, primarily consisting of television and film licensing contracts and affiliate agreements that are subject to a fixed or guaranteed minimum fee. Such amounts change on a regular basis as we renew existing agreements or enter into new agreements. In addition, the timing of satisfying certain of the performance obligations under these long-term contracts is uncertain and, therefore, is also subject to change. Unrecognized revenues under contracts disclosed above do not include (i) contracts with an original expected term of one year or less, mainly consisting of advertising contracts, (ii) contracts for which variable consideration is determined based on the customer’s subsequent sale or usage, mainly consisting of affiliate agreements and (iii) long-term licensing agreements for multiple programs for which variable consideration is determined based on the value of the programs delivered to the customer and our right to invoice corresponds with the value delivered.

*Performance Obligations Satisfied in Previous Periods*

Under certain revenue arrangements, the amount and timing of our revenue recognition is determined based on our licensees’ subsequent sale to its end customers. As a result, under such arrangements we often satisfy our performance obligation of delivery of our content in advance of revenue recognition. We recognized revenues of \$0.1 billion and \$0.2 billion for the three months ended June 30, 2025 and 2024, respectively, and \$0.3 billion for each of the six-month periods ended June 30, 2025 and 2024, from arrangements for the licensing of our content, including from distributors of transactional video-on-demand and electronic sell-through services and other licensing arrangements, as well as from the theatrical distribution of our films, for which our performance obligation was satisfied in a prior period. The amounts for the three and six months ended June 30, 2024 also included advertising revenue from amounts recognized during 2024 for the underreporting of revenue by an international advertising sales agent in previous periods.

**PARAMOUNT GLOBAL AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)**  
**(Tabular dollars in millions, except per share amounts)**

**6) DEBT**

Our debt consists of the following:

	At June 30, 2025	At December 31, 2024
4.0% Senior Notes due 2026	\$ 346	\$ 346
3.70% Senior Notes due 2026	86	86
2.90% Senior Notes due 2027	582	582
3.375% Senior Notes due 2028	498	498
3.70% Senior Notes due 2028	497	496
4.20% Senior Notes due 2029	497	496
7.875% Senior Debentures due 2030	829	829
4.95% Senior Notes due 2031	1,233	1,232
4.20% Senior Notes due 2032	981	980
5.50% Senior Debentures due 2033	428	428
4.85% Senior Debentures due 2034	87	87
6.875% Senior Debentures due 2036	1,073	1,072
6.75% Senior Debentures due 2037	76	76
5.90% Senior Notes due 2040	298	298
4.50% Senior Debentures due 2042	45	45
4.85% Senior Notes due 2042	490	490
4.375% Senior Debentures due 2043	1,151	1,146
4.875% Senior Debentures due 2043	18	18
5.85% Senior Debentures due 2043	1,235	1,235
5.25% Senior Debentures due 2044	345	345
4.90% Senior Notes due 2044	542	542
4.60% Senior Notes due 2045	591	591
4.95% Senior Notes due 2050	951	950
6.25% Junior Subordinated Debentures due 2057	644	644
6.375% Junior Subordinated Debentures due 2062	990	989
Obligations under finance leases	1	—
<b>Total debt <sup>(a)</sup></b>	<b>14,514</b>	<b>14,501</b>
Less current portion	346	—
<b>Total long-term debt, net of current portion</b>	<b>\$ 14,168</b>	<b>\$ 14,501</b>

(a) At June 30, 2025 and December 31, 2024, the senior and junior debt balances included (i) a net unamortized discount of \$391 million and \$401 million, respectively, and (ii) unamortized deferred financing costs of \$72 million and \$74 million, respectively. The face value of our total debt was \$14.98 billion at both June 30, 2025 and December 31, 2024.

*Commercial Paper*

At both June 30, 2025 and December 31, 2024, we had no outstanding commercial paper borrowings.

*Credit Facility*

At June 30, 2025, we had a \$3.50 billion revolving credit facility that matures in January 2027 (the “Credit Facility”). The Credit Facility is used for general corporate purposes and to support commercial paper borrowings, if any. We may, at our option, also borrow in certain foreign currencies up to specified limits under the Credit Facility. Borrowing rates under the Credit Facility are determined at the time of each borrowing and are generally based on either the prime rate in the U.S. or an applicable benchmark rate plus a margin (based on our senior unsecured debt rating), depending on the type and tenor of the loans entered into. The benchmark rate for loans denominated in U.S. dollars is Term SOFR, and for loans denominated in euros, sterling and yen is based on

**PARAMOUNT GLOBAL AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)**  
**(Tabular dollars in millions, except per share amounts)**

EURIBOR, SONIA and TIBOR, respectively. At June 30, 2025, we had no borrowings outstanding under the Credit Facility and the availability under the Credit Facility was \$3.50 billion.

The Credit Facility has one principal financial covenant which sets a maximum Consolidated Total Leverage Ratio (“Leverage Ratio”) at the end of each quarter. The maximum Leverage Ratio was 5.25x for the quarter ended June 30, 2025 and will decrease 0.25x for each subsequent quarter until the quarter ending March 31, 2026 when it will be 4.5x, and will remain at this level until maturity. The Leverage Ratio reflects the ratio of our Consolidated Indebtedness, net of unrestricted cash and cash equivalents at the end of a quarter, to our Consolidated EBITDA (each as defined in the credit agreement) for the trailing twelve-month period. In May 2025, we entered into an amendment to our Credit Facility, which increased the maximum amount of unrestricted cash and cash equivalents that can be netted against Consolidated Indebtedness, in the calculation of the Leverage Ratio, from \$1.50 billion to \$3.0 billion, effective immediately, and amended the definition of Consolidated EBITDA to include an additional add-back (which is capped at 15% of Consolidated EBITDA after giving effect to such add-back) for cash items associated with provisions for restructuring or other business optimization programs, litigation and environmental reserves and losses on the disposition of businesses. Under the August 2024 amendment to the Credit Facility (which is further described below), the increase to the maximum amount of unrestricted cash and cash equivalents that can be netted against Consolidated Indebtedness would have become operative upon closing of the Transactions. We met the covenant as of June 30, 2025.

The Credit Facility also includes a provision that the occurrence of a change of control of Paramount will be an event of default that would give the lenders the right to accelerate any outstanding loans and terminate their commitments. In August 2024, we entered into amendments to the Credit Facility and our \$1.9 billion standby letter of credit facility (see Note 13), which, among other things, revise the change of control provision and related definitions to reflect the ownership structure of Paramount after giving effect to the Transactions and the NAI Transaction. These amendments will only become operative upon closing of the Transactions (see Note 1).

*Other Bank Borrowings*

At both June 30, 2025 and December 31, 2024, we had no outstanding bank borrowings under Miramax’s \$50 million credit facility that matures in November 2025.

**7) FINANCIAL INSTRUMENTS AND FAIR VALUE MEASUREMENTS**

The carrying value of our financial instruments approximates fair value, except for notes and debentures. At June 30, 2025 and December 31, 2024, the carrying value of our outstanding notes and debentures was \$14.51 billion and \$14.50 billion, respectively, and the fair value, which is determined based on quoted prices in active markets (Level 1 in the fair value hierarchy), was \$13.6 billion and \$13.3 billion, respectively.

*Investments*

Our investments without a readily determinable fair value for which we have no significant influence had a carrying value of \$88 million and \$86 million at June 30, 2025 and December 31, 2024, respectively. These investments are included in “Other assets” on the Consolidated Balance Sheets.

*Foreign Exchange Contracts*

We use derivative financial instruments primarily to manage our exposure to movements in foreign currency exchange rates when translating from the foreign local currency to the U.S. dollar. We do not use derivative instruments unless there is an underlying exposure and, therefore, we do not hold or enter into derivative financial instruments for speculative trading purposes.

**PARAMOUNT GLOBAL AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)**  
**(Tabular dollars in millions, except per share amounts)**

Foreign currency forward contracts have principally been used to manage our exposure for currencies such as the British pound, the euro, the Canadian dollar and the Australian dollar, generally for periods up to 24 months. We designate forward contracts used to hedge committed and forecasted foreign currency transactions, including future production costs and programming obligations, as cash flow hedges. We also enter into non-designated forward contracts to hedge non-U.S. dollar denominated assets, liabilities, and cash flows.

At June 30, 2025 and December 31, 2024, the notional amount of all foreign exchange contracts was \$3.03 billion and \$2.75 billion, respectively. At June 30, 2025, \$2.60 billion related to future production costs and \$431 million related to our foreign currency assets and liabilities. At December 31, 2024, \$2.39 billion related to future production costs and \$358 million related to our foreign currency assets and liabilities.

Gains (losses) recognized on derivative financial instruments were as follows:

	Three Months Ended		Six Months Ended		Financial Statement Account
	June 30,		June 30,		
	2025	2024	2025	2024	
Non-designated foreign exchange contracts	\$ (20)	\$ 1	\$ (29)	\$ 10	Other items, net

*Fair Value Measurements*

The table below presents our assets and liabilities measured at fair value on a recurring basis at June 30, 2025 and December 31, 2024. These assets and liabilities have been categorized according to the three-level fair value hierarchy established by the FASB, which prioritizes the inputs used in measuring fair value. Level 1 is based on publicly quoted prices for the asset or liability in active markets. Level 2 is based on inputs that are observable other than quoted market prices in active markets, such as quoted prices for the asset or liability in inactive markets or quoted prices for similar assets or liabilities. Level 3 is based on unobservable inputs reflecting our own assumptions about the assumptions that market participants would use in pricing the asset or liability. All of our assets and liabilities that are measured at fair value on a recurring basis use Level 2 inputs. The fair value of foreign currency hedges is determined based on the present value of future cash flows using observable inputs including foreign currency exchange rates. The fair value of deferred compensation liabilities is determined based on the fair value of the investments elected by employees.

	At June 30, 2025	At December 31, 2024
<b>Assets:</b>		
Foreign currency hedges	\$ 59	\$ 45
<b>Total Assets</b>	\$ 59	\$ 45
<b>Liabilities:</b>		
Deferred compensation	\$ 299	\$ 385
Foreign currency hedges	45	48
<b>Total Liabilities</b>	\$ 344	\$ 433

The estimated fair values of our assets that were impaired during the periods presented were determined using Level 3 inputs. See Notes 2 and 3.

**PARAMOUNT GLOBAL AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)**  
**(Tabular dollars in millions, except per share amounts)**

**8) VARIABLE INTEREST ENTITIES**

In the normal course of business, we enter into joint ventures or make investments with business partners that support our underlying business strategy and provide us the ability to enter new markets to expand the reach of our brands, develop new programming and/or distribute our existing content. In certain instances, an entity in which we make an investment may qualify as a variable interest entity (“VIE”). In determining whether we are the primary beneficiary of a VIE, we assess whether we have the power to direct matters that most significantly impact the activities of the VIE, and have the obligation to absorb losses or the right to receive benefits from the VIE that could potentially be significant to the VIE.

The following tables present the amounts recorded in our consolidated financial statements related to our consolidated VIEs.

	At June 30, 2025	At December 31, 2024
Total assets	\$ 1,840	\$ 1,825
Total liabilities	\$ 202	\$ 198

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Revenues	\$ 117	\$ 130	\$ 242	\$ 267
Operating loss	\$ (40)	\$ (30)	\$ (87)	\$ (64)

**9) STOCKHOLDERS' EQUITY**

*Mandatory Convertible Preferred Stock*

At December 31, 2023, there were 10 million shares of our Mandatory Convertible Preferred Stock outstanding. During the first quarter of 2024, 0.3 million shares of Mandatory Convertible Preferred Stock were voluntarily converted into Class B Common Stock at a conversion rate of 1.0013 shares. On April 1, 2024, each of the remaining 9.7 million outstanding shares of our Mandatory Convertible Preferred Stock automatically and mandatorily converted into 1.1765 shares of our Class B Common Stock, resulting in the issuance of 11.5 million shares of Class B Common Stock. The final dividend on the Mandatory Convertible Preferred Stock was declared during the first quarter of 2024 and paid on April 1, 2024.

**PARAMOUNT GLOBAL AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)**  
**(Tabular dollars in millions, except per share amounts)**

*Dividends*

The following table presents dividends declared per share and total dividends for our Class A and Class B Common Stock for the three and six months ended June 30, 2025 and 2024, and our Mandatory Convertible Preferred Stock for the six months ended June 30, 2024.

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2025	2024	2025	2024
<b><u>Class A and Class B Common Stock</u></b>				
Dividends declared per common share	\$ .05	\$ .05	\$ .10	\$ .10
Total common stock dividends	\$ 35	\$ 34	\$ 70	\$ 69
<b><u>Mandatory Convertible Preferred Stock</u></b>				
Dividends declared per preferred share	n/a	n/a	n/a	\$ 1.4375
Total preferred stock dividends	n/a	n/a	n/a	\$ 14

n/a - not applicable

*Accumulated Other Comprehensive Income (Loss)*

The following tables summarize the changes in the components of accumulated other comprehensive loss.

	Cumulative Translation Adjustments	Net Actuarial Loss and Prior Service Cost	Accumulated Other Comprehensive Loss
At December 31, 2024	\$ (657)	\$ (947)	\$ (1,604)
Other comprehensive income before reclassifications	164	—	164
Reclassifications to net earnings	—	21 <sup>(a)</sup>	21
Other comprehensive income	164	21	185
At June 30, 2025	\$ (493)	\$ (926)	\$ (1,419)

	Cumulative Translation Adjustments	Net Actuarial Loss and Prior Service Cost	Accumulated Other Comprehensive Loss
At December 31, 2023	\$ (504)	\$ (1,052)	\$ (1,556)
Other comprehensive loss before reclassifications	(88)	—	(88)
Reclassifications to net loss	—	20 <sup>(a)</sup>	20
Other comprehensive income (loss)	(88)	20	(68)
At June 30, 2024	\$ (592)	\$ (1,032)	\$ (1,624)

(a) Reflects amortization of net actuarial losses (see Note 11).

The net actuarial loss and prior service cost related to pension and other postretirement benefit plans included in other comprehensive income (loss) is net of a tax benefit of \$7 million for each of the six-month periods ended June 30, 2025 and 2024.

**PARAMOUNT GLOBAL AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)**  
**(Tabular dollars in millions, except per share amounts)**

**10) INCOME TAXES**

The provision for/benefit from income taxes represents federal, state and local, and foreign taxes on earnings (loss) from continuing operations before income taxes and equity in loss of investee companies. For the three and six months ended June 30, 2025, we recorded a provision for income taxes of \$50 million and \$150 million, reflecting an effective income tax rate of 28.1% and 29.3%, respectively. Included in the provision for income taxes are the following items identified as affecting the comparability of our results, which in aggregate resulted in an increase in our effective income tax rate of 2.9 percentage points and 3.0 percentage points for their respective periods.

	<b>Impact from Items Affecting Comparability</b>			
	<b>Three Months Ended June 30, 2025</b>		<b>Six Months Ended June 30, 2025</b>	
	<b>Earnings (Loss) Before Income Taxes</b>	<b>Benefit from (Provision for) Income Taxes</b>	<b>Earnings (Loss) Before Income Taxes</b>	<b>Benefit from (Provision for) Income Taxes</b>
Impairment charges (Note 3)	\$ (157)	\$ 39	\$ (157)	\$ 39
Restructuring charges (Note 3)	\$ (177)	\$ 42	\$ (242)	\$ 58
Transaction-related items (Note 3)	\$ (4)	\$ 1	\$ (24)	\$ 1
Gain on dispositions	\$ —	\$ —	\$ 35	\$ (2)
Net discrete tax provision	n/a	\$ (2)	n/a	\$ (9)

n/a - not applicable

For the three and six months ended June 30, 2024, we recorded a benefit from income taxes of \$215 million and \$387 million, reflecting an effective income tax rate of 3.9% and 6.3%, respectively. Included in the benefit from income taxes are the following items identified as affecting the comparability of our results, which in aggregate decreased our effective income tax rate by 13.8 percentage points and 13.9 percentage points for their respective periods.

	<b>Impact from Items Affecting Comparability</b>			
	<b>Three Months Ended June 30, 2024</b>		<b>Six Months Ended June 30, 2024</b>	
	<b>Earnings (Loss) Before Income Taxes</b>	<b>Benefit from (Provision for) Income Taxes</b>	<b>Earnings (Loss) Before Income Taxes</b>	<b>Benefit from (Provision for) Income Taxes</b>
Programming charges (Note 2)	\$ —	\$ —	\$ (1,118)	\$ 275
Impairment charges (Note 3)	\$ (5,996)	\$ 349	\$ (5,996)	\$ 349
Restructuring charges (Note 3)	\$ (70)	\$ 6	\$ (256)	\$ 52
Transaction-related items (Note 3)	\$ (18)	\$ 3	\$ (18)	\$ 3
Loss from investment	\$ —	\$ —	\$ (4)	\$ 1
Net discrete tax provision <sup>(a)</sup>	n/a	\$ (48)	n/a	\$ (49)

n/a - not applicable

(a) Primarily attributable to the establishment of a valuation allowance on our interest limitation carryforward deferred tax asset that was not expected to be realized because of a reduction in our deferred tax liabilities caused by the goodwill impairment charge in the second quarter of 2024. This impact was partially offset by amounts realized in connection with the filing of our tax returns in certain international jurisdictions.

**PARAMOUNT GLOBAL AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)**  
**(Tabular dollars in millions, except per share amounts)**

On July 4, 2025, the U.S. government enacted tax legislation, which includes the extension of certain expired or expiring tax provisions, including a favorable change to the interest deduction limitation, and modifications to certain international tax provisions. The legislation has multiple effective dates with certain provisions effective in 2025. We are currently evaluating the impact on our future financial results, including a reassessment of the valuation allowance on our interest limitation carryforward deferred tax asset.

**11) PENSION AND OTHER POSTRETIREMENT BENEFITS**

The following table presents the components of net periodic cost for our pension and postretirement benefit plans, which are included within “Other items, net” on the Consolidated Statements of Operations.

<b>Three Months Ended June 30,</b>	<b>Pension Benefits</b>		<b>Postretirement Benefits</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
Components of net periodic cost <sup>(a)</sup> :				
Interest cost	\$ 49	\$ 50	\$ 3	\$ 3
Expected return on plan assets	(32)	(34)	—	—
Amortization of actuarial loss (gain) <sup>(b)</sup>	19	20	(5)	(5)
<b>Net periodic cost</b>	<b>\$ 36</b>	<b>\$ 36</b>	<b>\$ (2)</b>	<b>\$ (2)</b>

<b>Six Months Ended June 30,</b>	<b>Pension Benefits</b>		<b>Postretirement Benefits</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
Components of net periodic cost <sup>(a)</sup> :				
Interest cost	\$ 99	\$ 99	\$ 5	\$ 5
Expected return on plan assets	(64)	(68)	—	—
Amortization of actuarial loss (gain) <sup>(b)</sup>	37	40	(9)	(9)
<b>Net periodic cost</b>	<b>\$ 72</b>	<b>\$ 71</b>	<b>\$ (4)</b>	<b>\$ (4)</b>

(a) Amounts reflect our domestic plans only.

(b) Reflects amounts reclassified from accumulated other comprehensive loss to net earnings (loss).

**PARAMOUNT GLOBAL AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)**  
**(Tabular dollars in millions, except per share amounts)**

**12) SEGMENT INFORMATION**

The tables below set forth our financial information by reportable segment. We present operating income excluding depreciation and amortization, stock-based compensation, impairment charges, restructuring charges, transaction-related items, programming charges, and gain on dispositions, each where applicable (“Adjusted OIBDA”), as the primary measure of profit and loss for our operating segments in accordance with FASB guidance for segment reporting. Programming charges consist only of charges related to major strategic changes (see Note 2), and do not include impairment charges that occur as part of our normal operations, which are recorded within content costs in the tables below, where applicable, and are not excluded in Adjusted OIBDA. Stock-based compensation is excluded from our segment measure of profit and loss because it is set and approved by our Board of Directors in consultation with corporate executive management. We do not disclose our assets by segment because they are not regularly provided to the chief operating decision maker (CODM) and are not used to evaluate our operating performance or in determining the allocation of resources.

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2025	2024	2025	2024
<b>Revenues:</b>				
Advertising	\$ 1,657	\$ 1,733	\$ 3,695	\$ 4,315
Affiliate and subscription	1,780	1,908	3,606	3,906
Licensing and other	574	630	1,248	1,281
<b>TV Media</b>	<b>4,011</b>	<b>4,271</b>	<b>8,549</b>	<b>9,502</b>
Advertising	494	513	967	1,033
Subscription	1,665	1,367	3,236	2,726
Licensing	1	—	1	—
<b>Direct-to-Consumer</b>	<b>2,160</b>	<b>1,880</b>	<b>4,204</b>	<b>3,759</b>
Advertising	2	7	5	8
Theatrical	254	138	402	291
Licensing and other	434	534	910	985
<b>Filmed Entertainment</b>	<b>690</b>	<b>679</b>	<b>1,317</b>	<b>1,284</b>
Eliminations	(12)	(17)	(29)	(47)
<b>Total Revenues</b>	<b>\$ 6,849</b>	<b>\$ 6,813</b>	<b>\$ 14,041</b>	<b>\$ 14,498</b>

Revenues generated between segments are principally from intersegment arrangements for the distribution of content, rental of studio space, and advertising, as well as licensing revenues earned from third parties who license our content to our internal platforms either through a sub-license or co-production arrangement. These transactions are recorded at market value as if the sales were to third parties and are eliminated in consolidation. For content that is licensed between segments, content costs are allocated across segments based on the relative value of the distribution windows within each segment. Accordingly, no intersegment licensing revenues or profits are recorded by the licensor segment.

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2025	2024	2025	2024
<b>Intercompany Revenues:</b>				
TV Media	\$ 6	\$ 4	\$ 17	\$ 17
Filmed Entertainment	6	13	12	30
<b>Total Intercompany Revenues</b>	<b>\$ 12</b>	<b>\$ 17</b>	<b>\$ 29</b>	<b>\$ 47</b>

**PARAMOUNT GLOBAL AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)**  
(Tabular dollars in millions, except per share amounts)

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2025	2024	2025	2024
<b>TV Media</b>				
Revenues	\$ 4,011	\$ 4,271	\$ 8,549	\$ 9,502
Content costs	1,956	1,968	4,299	4,462
Advertising and marketing	116	111	269	280
Other <sup>(a)</sup>	1,076	1,174	2,196	2,297
Total segment expenses	3,148	3,253	6,764	7,039
TV Media Adjusted OIBDA	863	1,018	1,785	2,463
<b>Direct-to-Consumer</b>				
Revenues	2,160	1,880	4,204	3,759
Content costs	1,085	995	2,300	2,215
Advertising and marketing	294	265	635	612
Other <sup>(b)</sup>	624	594	1,221	1,192
Total segment expenses	2,003	1,854	4,156	4,019
Direct-to-Consumer Adjusted OIBDA	157	26	48	(260)
<b>Filmed Entertainment</b>				
Revenues	690	679	1,317	1,284
Content costs	394	342	715	631
Advertising and marketing	195	190	311	325
Other <sup>(c)</sup>	185	201	355	385
Total segment expenses	774	733	1,381	1,341
Filmed Entertainment Adjusted OIBDA	(84)	(54)	(64)	(57)
Corporate/Eliminations	(73)	(73)	(174)	(197)
Stock-based compensation <sup>(d)</sup>	(39)	(50)	(83)	(95)
Depreciation and amortization	(87)	(101)	(175)	(201)
Programming charges	—	—	—	(1,118)
Impairment charges	(157)	(5,996)	(157)	(5,996)
Restructuring and transaction-related items <sup>(d)</sup>	(181)	(88)	(266)	(274)
Gain on dispositions	—	—	35	—
<b>Operating income (loss)</b>	399	(5,318)	949	(5,735)
Interest expense	(214)	(215)	(431)	(436)
Interest income	32	35	70	80
Loss from investment	—	—	—	(4)
Other items, net	(39)	(49)	(76)	(87)
Earnings (loss) from continuing operations before income taxes and equity in loss of investee companies	178	(5,547)	512	(6,182)
(Provision for) benefit from income taxes	(50)	215	(150)	387
Equity in loss of investee companies, net of tax	(67)	(72)	(140)	(162)
Net earnings (loss) from continuing operations	61	(5,404)	222	(5,957)
Net earnings from discontinued operations, net of tax	—	—	—	9
Net earnings (loss) (Paramount and noncontrolling interests)	61	(5,404)	222	(5,948)
Net earnings attributable to noncontrolling interests	(4)	(9)	(13)	(19)
Net earnings (loss) attributable to Paramount	\$ 57	\$ (5,413)	\$ 209	\$ (5,967)

**PARAMOUNT GLOBAL AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)**  
**(Tabular dollars in millions, except per share amounts)**

- (a) Other segment expenses for our *TV Media* segment include employee compensation; revenue-sharing costs to television stations affiliated with the CBS Television Network; costs relating to the distribution of our content; costs for research, occupancy, technology, and professional services; and other costs associated with our operations.
- (b) Other segment expenses for our *Direct-to-Consumer* segment include employee compensation; revenue-sharing costs, including for third-party distribution; costs for occupancy, technology, and professional services; and other costs associated with our operations.
- (c) Other segment expenses for our *Filmed Entertainment* segment include employee compensation; costs relating to the distribution of our content; costs for occupancy, technology, and professional services; and other costs associated with our operations.
- (d) Stock-based compensation expense of \$4 million for both the three and six months ended June 30, 2025, and \$12 million and \$14 million for the three and six months ended June 30, 2024, respectively, is included in “Restructuring and transaction-related items.”

### **13) COMMITMENTS AND CONTINGENCIES**

#### ***Guarantees***

##### *Letters of Credit and Surety Bonds*

At June 30, 2025, we had outstanding letters of credit and surety bonds of \$1.18 billion that were not recorded on the Consolidated Balance Sheet, including \$960 million issued under a \$1.9 billion standby letter of credit facility in accordance with the contractual requirements of one of our commitments. The amount outstanding under the letter of credit decreases throughout 2025 as we make payments under the related contractual commitment. Letters of credit and surety bonds are primarily used as security against non-performance in the normal course of business under contractual requirements of certain of our commitments. The standby letter of credit facility, which matures in May 2026, is subject to provisions similar to the Credit Facility, including the same principal financial covenant (see Note 6).

##### *Lease Guarantees*

We have certain indemnification obligations with respect to leases primarily associated with the previously discontinued operations of Famous Players Inc. Our guarantee liability relating to these lease commitments totaled \$8 million at June 30, 2025, and is presented within “Other liabilities” on the Consolidated Balance Sheet. The amount of lease commitments varies over time depending on the expiration or termination of individual underlying leases, or the related indemnification obligation, and foreign exchange rates, among other things. We may also have exposure for certain other expenses related to the leases, such as property taxes and common area maintenance. We believe our accrual is sufficient to meet any future obligations based on our consideration of available financial information, the lessees’ historical performance in meeting their lease obligations and the underlying economic factors impacting the lessees’ business models.

##### *Other*

In the course of our business, we both provide and receive indemnities that are intended to allocate certain risks associated with business transactions. Similarly, we may remain contingently liable for various obligations of a business that has been divested in the event that a third party does not live up to its obligations under an indemnification obligation. We record a liability for our indemnification obligations and other contingent liabilities when probable and reasonably estimable.

**PARAMOUNT GLOBAL AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)**  
**(Tabular dollars in millions, except per share amounts)**

**Legal Matters**

***General***

On an ongoing basis, we vigorously defend ourselves in numerous lawsuits and proceedings and respond to various investigations and inquiries from federal, state, local and international authorities (collectively, “Litigation”). Litigation may be brought against us without merit, is inherently uncertain and always difficult to predict. However, based on our understanding and evaluation of the relevant facts and circumstances, we believe that the following matters are not likely, in the aggregate, to result in a material adverse effect on our business, financial condition and results of operations.

***Litigation Relating to the Transactions***

In connection with the Transactions, on July 24, 2024, Scott Baker, a purported holder of Class B Common Stock, filed a putative class action lawsuit in the Court of Chancery of the State of Delaware (the “Court”) against NAI, Shari E. Redstone, Barbara M. Byrne, Linda M. Griego, Judith A. McHale, Charles E. Phillips, Jr., Susan Schuman, Skydance and David Ellison (the “Baker Action”). The complaint alleges breaches of fiduciary duties to Class B stockholders in connection with the negotiation and approval of the Transaction Agreement, among other claims, and seeks unspecified damages, costs and expenses, as well as other relief. On November 4, 2024, the Court granted the parties’ stipulation in the Baker Action agreeing to (i) postpone briefing on motions to dismiss until the filing or designation of an operative complaint following the resolution of the plaintiff’s motion to appoint him and the Baerlocher Family Trust, a purported holder of Class B Common Stock, as co-lead plaintiffs and Berger Montague PC as interim class counsel (the “Baker Leadership Motion”), and (ii) stay discovery until the resolution of any motions to dismiss any operative complaint following resolution of the Baker Leadership Motion. Throughout October 2024, various purported stockholders filed motions for intervention to oppose the Baker Leadership Motion. On December 31, 2024, the plaintiff, along with Mark Baerlocher, as trustee for the Baerlocher Family Trust, filed an amended complaint alleging the same breaches of fiduciary duties against the same defendants as in the original complaint. On June 27, 2025, counsel for Mr. Baker informed the Court that the Baker Leadership Motion would be withdrawn without prejudice and that the group of purported stockholders seeking lead plaintiff status would meet and confer to propose a schedule for resolving lead plaintiff applications.

Further, on April 30, 2024, a purported holder of Class B Common Stock filed a verified complaint for the inspection of books and records under Section 220 of the General Corporation Law of the State of Delaware (the “DGCL”) in the Court against us, seeking the inspection of our books and records in order to investigate whether our Board of Directors, NAI, Shari E. Redstone and/or our executive officers may have breached their fiduciary duties to our stockholders for alleged diversion of corporate opportunities (the “220 Action”). The magistrate judge held a trial on July 24, 2024 relating to the 220 Action and denied the request for the inspection of books and records. The plaintiff in the 220 Action noticed an exception to the Court, and on January 29, 2025, the Court ruled that the plaintiff is entitled to obtain books and records that are both necessary and sufficient to fulfill the purpose of its request. On February 25, 2025, the Court granted an implementing order that returned the 220 Action to the magistrate judge for further proceedings on the scope of production. On March 24, 2025, the Court granted our application for certification of interlocutory appeal to the Delaware Supreme Court, and on April 30, 2025, the Delaware Supreme Court accepted the interlocutory appeal. Briefing on the appeal is complete. Certain other purported holders of Class B Common Stock and Class A Common Stock have delivered demand letters to investigate similar alleged breaches of fiduciary duties in connection with the Transactions and are requesting the inspection of books and records. We have also received demand letters from purported holders of Class B Common Stock related to alleged omissions in New Paramount’s registration statement on Form S-4.

**PARAMOUNT GLOBAL AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)**  
**(Tabular dollars in millions, except per share amounts)**

Additionally, on August 20, 2024, LiveVideo.AI Corp. filed a lawsuit in the Southern District of New York against Shari E. Redstone, NAI, Christine Varney and Monica Seligman, alleging that defendants did not fairly consider its offer to purchase Paramount. The complaint asserts claims for unfair competition, tortious interference, unjust enrichment and aiding and abetting breach of fiduciary duty, among others, and seeks unspecified monetary damages, costs and other relief. The defendants have not been served.

On December 30, 2024, a purported holder of Class B Common Stock and Class A Common Stock filed a complaint for the inspection of books and records under Section 220 of the DGCL in the Court against us to investigate possible breaches of fiduciary duties in connection with the Transactions. The complaint alleges that the documents produced to such purported stockholder thus far pursuant to its Section 220 demand are insufficient to determine whether our officers, Board of Directors, Special Committee, NAI or Skydance breached their fiduciary duties (or aided and abetted such breaches). The complaint seeks an order requiring us to produce the documents identified in the Section 220 demand, among other relief. The magistrate judge held a trial on April 1, 2025 and denied the stockholder's request for the inspection of additional books and records.

On February 4, 2025, New York City Employees' Retirement System, the New York City Fire Department Pension Fund, the New York City Police Pension Fund, the New York City Board Of Education Retirement System, and the Teachers' Retirement System of the City of New York, purported holders of Class B Common Stock and Class A Common Stock, filed a putative class action lawsuit in the Court against Barbara M. Byrne, Linda M. Griego, Judith A. McHale and Susan Schuman, which alleges breaches of fiduciary duties for their alleged failure to sufficiently consider an alternate offer that the plaintiffs claim is superior to the Transactions (the "NYCERS Action"). The plaintiffs argue that the no-shop provision in the Transaction Agreement should be declared invalid and unenforceable because it prevents the parties from engaging in further deal discussions and negotiations with companies other than Skydance, including, specifically, Project Rise Partners, after the no-shop period begins. The plaintiffs further assert that the Court has the power to invalidate this provision because Skydance allegedly aided and abetted NAI's and Shari E. Redstone's breach of fiduciary duties, including by agreeing to indemnify Shari E. Redstone (through Skydance's separate agreement with NAI) for any breach of fiduciary duty claims arising out of the Transactions up to a certain amount. Skydance, NAI, Shari E. Redstone and Paramount were not named as defendants in the original complaint. The NYCERS Action originally sought, among other forms of relief, an order from the Court enjoining the closing of the Transactions until the Court has reached a final resolution on the plaintiffs' claims and an order compelling the Special Committee to evaluate Project Rise Partners' alternative offer to, among other things, acquire Class A Common Stock for \$23.00 per share and Class B Common Stock for \$19.00 per share. The Project Rise Partners offer was made after the go-shop period in the Transaction Agreement had ended. The complaint does not seek compensatory damages at this time. The plaintiffs filed a motion for expedited proceedings along with their complaint. On February 18, 2025, the plaintiffs moved to join Paramount and Skydance (and various other entities named in the Transaction Agreement) as necessary parties to the litigation and moved for a temporary restraining order preventing the closing of the Transactions until the Court considers the plaintiffs' anticipated motion for injunctive relief following expedited discovery. The same day, Project Rise Partners moved the Court to grant it leave to file an affidavit under seal. The parties reached agreement to withdraw plaintiffs' request for expedition and their application for injunctive relief in exchange for targeted discovery from certain of the defendants and third parties.

On April 8, 2025, purported holders of Class B Common Stock filed a complaint for the inspection of books and records under Section 220 of the DGCL in the Court against us to maintain standing to enforce their statutory inspection rights and seek an order that Paramount produce all the books and records identified in their Section 220 demands to investigate possible breaches of fiduciary duties in connection with the Transactions. The complaint alleges that the documents produced to such purported stockholders thus far pursuant to their Section 220 demands are insufficient. The complaint seeks an order requiring us to produce the documents identified in their Section 220

**PARAMOUNT GLOBAL AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)**  
**(Tabular dollars in millions, except per share amounts)**

demands, among other relief. On April 21, 2025, the Court approved a stipulation by the parties to stay all proceedings in the action in an effort to resolve the dispute.

***Litigation Related to Distribution Agreements***

In October 2024, Sony Pictures Television Inc., along with Jeopardy Productions, Inc. and Califon Productions, Inc. (collectively, “Sony”), filed a civil complaint for damages against CBS Studios Inc. in the Superior Court of the State of California, for Los Angeles County, asserting a breach of contract claim against us relating to our exclusive right to distribute Wheel of Fortune and Jeopardy! (the “Distribution Agreements”). In December 2024, we filed a cross-complaint against Sony seeking, among other things, a declaration that the Distribution Agreements remain in full force and effect. On February 3, 2025, Sony purported to assume our distribution functions, and on February 4, 2025, we filed an ex parte application, seeking a temporary restraining order preventing Sony from assuming these distribution functions, which the trial court granted on February 5, 2025. On April 10, 2025, the trial court declined to issue a preliminary injunction preventing Sony from assuming these distribution functions for the duration of the litigation. On April 11, 2025, we appealed the trial court’s ruling and requested a stay of the order denying the preliminary injunction, which was granted on April 16, 2025. Further proceedings are ongoing in the appeals court and the trial court.

***Claims Related to Former Businesses***

*Asbestos*

We are a defendant in lawsuits claiming various personal injuries related to asbestos and other materials, which allegedly occurred as a result of exposure caused by various products manufactured by Westinghouse, a predecessor, generally prior to the early 1970s. Westinghouse was neither a producer nor a manufacturer of asbestos. We are typically named as one of a large number of defendants in both state and federal cases. In the majority of asbestos lawsuits, the plaintiffs have not identified which of our products is the basis of a claim. Claims against us in which a product has been identified most commonly relate to allegations of exposure to asbestos-containing insulating material used in conjunction with turbines and electrical equipment.

Claims are frequently filed and/or settled in groups, which may make the amount and timing of settlements, and the number of pending claims, subject to significant fluctuation from period to period. We do not report as pending those claims on inactive, stayed, deferred or similar dockets that some jurisdictions have established for claimants who allege minimal or no impairment. As of June 30, 2025, we had pending approximately 17,790 asbestos claims, as compared with approximately 18,310 as of December 31, 2024. During the second quarter of 2025, we received approximately 740 new claims and closed or moved to an inactive docket approximately 670 claims. We report claims as closed when we become aware that a dismissal order has been entered by a court or when we have reached agreement with the claimants on the material terms of a settlement. Settlement costs depend on the seriousness of the injuries that form the basis of the claims, the quality of evidence supporting the claims and other factors. Our total costs for the years 2024 and 2023 for settlement and defense of asbestos claims after insurance recoveries and net of tax were approximately \$34 million and \$54 million, respectively. Our costs for settlement and defense of asbestos claims may vary year to year and insurance proceeds are not always recovered in the same period as the insured portion of the expenses.

Filings include claims for individuals suffering from mesothelioma, a rare cancer, the risk of which is allegedly increased by exposure to asbestos; lung cancer, a cancer which may be caused by various factors, one of which is alleged to be asbestos exposure; other cancers, and conditions that are substantially less serious, including claims brought on behalf of individuals who are asymptomatic as to an allegedly asbestos-related disease. A significant number of pending claims against us are non-cancer claims. It is difficult to predict long-term future asbestos

**PARAMOUNT GLOBAL AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)**  
**(Tabular dollars in millions, except per share amounts)**

liabilities, as events and circumstances may impact the estimate. We record an accrual for a loss contingency when it is both probable that a liability has been incurred and when the amount of the loss can be reasonably estimated. The reasonably estimable period for our long-term asbestos liability is 10 years, which we determined in consultation with a third-party firm with expertise in estimating asbestos liability and is due to the inherent uncertainties in the tort litigation system. Our estimated asbestos liability is based upon many factors, including the number of outstanding claims, estimated average cost per claim, the breakdown of claims by disease type, historic claim filings, costs per claim of resolution and the filing of new claims, and is assessed in consultation with the third-party firm. Changes in circumstances in future periods could cause our actual liabilities to be higher or lower than our current accrual. We will continue to evaluate our estimates and update our accrual as needed.

*Other*

From time to time, we receive claims from federal and state environmental regulatory agencies and other entities asserting that we are or may be liable for environmental cleanup costs and related damages principally relating to our historical and predecessor operations. In addition, from time to time we receive personal injury claims including toxic tort and product liability claims (other than asbestos) arising from our historical operations and predecessors. While we believe that our accruals for these matters are adequate, there can be no assurance that circumstances will not change in future periods and, as a result, our actual liabilities may be higher or lower than our accrual.

**14) SUPPLEMENTAL FINANCIAL INFORMATION**

*Supplemental Cash Flow Information*

	Six Months Ended	
	June 30,	
	2025	2024
Cash paid for interest	\$ 411	\$ 418
Cash paid for income taxes	\$ 180	\$ 174
Noncash additions to operating lease assets	\$ 76	\$ 60

*Lease Income*

We enter into operating leases for the use of our owned production facilities and office buildings. Lease payments received under these agreements consist of fixed payments for the rental of space and certain building operating costs, as well as variable payments based on usage of production facilities and services, and escalating costs of building operations. We recorded total lease income, including both fixed and variable amounts, of \$12 million and \$21 million for the three and six months ended June 30, 2025, respectively, and \$9 million and \$15 million for the three and six months ended June 30, 2024, respectively.

*Dispositions*

During the first quarter of 2025, we recorded gains totaling \$35 million, principally associated with the disposition of a noncore business.

*Discontinued Operations*

On October 30, 2023, we completed the sale of Simon & Schuster to affiliates of Kohlberg Kravis Roberts & Co. During the first quarter of 2024, we recorded an additional pretax gain of \$12 million on the sale as a result of a working capital adjustment.

**Item 2. Management’s Discussion and Analysis of Results of Operations and Financial Condition.**  
**(Tabular dollars in millions, except per share amounts)**

Management’s discussion and analysis of the results of operations and financial condition of Paramount Global should be read in conjunction with the consolidated financial statements and related notes in our Annual Report on Form 10-K for the year ended December 31, 2024. References in this document to “Paramount,” the “Company,” “we,” “us” and “our” refer to Paramount Global.

*Skydance Transactions*—On July 7, 2024, Paramount entered into a transaction agreement (the “Transaction Agreement”) with Skydance Media, LLC (“Skydance”) and other parties pursuant to which Paramount and Skydance will become subsidiaries of a new holding company, currently referred to as New Paramount (the transactions contemplated by the Transaction Agreement, the “Transactions”). Immediately following the completion of the Transactions, New Paramount will be renamed Paramount Skydance Corporation.

Concurrent with the execution of the Transaction Agreement, certain affiliates of existing investors of Skydance (the “NAI Equity Investors”), including entities controlled by members of the Ellison family, and affiliates of RedBird Capital Partners, entered into an agreement with National Amusements, Inc. (“NAI”), the controlling stockholder of the Company, to purchase all of the outstanding equity interests of NAI (the “NAI Transaction”). In addition, the NAI Equity Investors and certain other affiliates of investors of Skydance will make an investment of up to \$6.0 billion into New Paramount in exchange for up to 400 million newly issued shares of Class B Common Stock of New Paramount (“New Paramount Class B Common Stock”), subject to ratable reduction, for a purchase price of \$15.00 per share, and the NAI Equity Investors will also receive warrants to purchase 200 million shares of New Paramount Class B Common Stock at an initial exercise price of \$30.50 per share (subject to customary anti-dilution adjustments), which expire five years after issuance. Up to \$4.5 billion of the proceeds from this investment will be used to fund the cash-stock election discussed below and a minimum of \$1.5 billion of cash (less a subscription discount of 1.875%) will remain at New Paramount. If the cash-stock elections are undersubscribed, up to an additional \$1.5 billion (less a subscription discount of 1.875%) of the unused portion of the \$4.5 billion will also remain at New Paramount.

The Transactions will also include: (1) a transaction pursuant to which existing Skydance investors will receive 317 million shares of New Paramount Class B Common Stock, and (2) a cash-stock election pursuant to which (a) shares of our Class A Common Stock held by stockholders other than NAI will be converted, at the stockholders’ election, into the right to receive either \$23.00 in cash or 1.5333 shares of New Paramount Class B Common Stock, and (b) shares of our Class B Common Stock held by stockholders other than NAI, the NAI Equity Investors and certain other affiliates of investors of Skydance referred to above will be converted, at the stockholders’ election, into the right to receive either \$15.00 in cash (subject to proration) or one share of New Paramount Class B Common Stock. The shares that are settled in cash will cease to exist after the completion of the Transactions.

The Transactions are expected to close on August 7, 2025, subject to customary closing conditions. Consummation of the foregoing transactions is also subject to the contemporaneous consummation of each other transaction described above. In the event of a termination of the Transaction Agreement under certain specified circumstances, we will be required to pay Skydance a termination fee in the amount of \$400 million.

We have certain contracts that may require us to obtain consents from other parties in connection with the Transactions. If these consents cannot be obtained, the counterparties to these contracts (and, as a result, other third parties with which we have contractual agreements) may have the right to terminate, reduce the scope of or otherwise alter their relationships with New Paramount following the Transactions. Accordingly, the failure to obtain such consents could have a material adverse effect on our business, financial condition and results of operations.

**Management’s Discussion and Analysis of  
Results of Operations and Financial Condition (Continued)  
(Tabular dollars in millions, except per share amounts)**

Significant components of management’s discussion and analysis of results of operations and financial condition include:

- *Overview*—Summary of our business and operational highlights.
- *Consolidated Results of Operations*—Analysis of our results on a consolidated basis for the three and six months ended June 30, 2025, including a comparison to the three and six months ended June 30, 2024.
- *Segment Results of Operations*—Analysis of our results on a reportable segment basis for the three and six months ended June 30, 2025, including a comparison to the three and six months ended June 30, 2024.
- *Liquidity and Capital Resources*—Discussion of our cash flows, including sources and uses of cash, for the six months ended June 30, 2025 and 2024; and of our outstanding debt as of June 30, 2025.
- *Legal Matters*—Discussion of legal matters to which we are involved.

**Overview**

*Operational Highlights - Three Months Ended June 30, 2025 versus Three Months Ended June 30, 2024*

<b>Consolidated Results of Operations</b>			<b>Increase/(Decrease)</b>	
	<b>2025</b>	<b>2024</b>	<b>\$</b>	<b>%</b>
<b>Three Months Ended June 30,</b>				
<i>GAAP:</i>				
Revenues	\$ 6,849	\$ 6,813	\$ 36	1 %
Operating income (loss)	\$ 399	\$ (5,318)	\$ 5,717	n/m
Net earnings (loss) from continuing operations attributable to Paramount	\$ 57	\$ (5,413)	\$ 5,470	n/m
Diluted EPS from continuing operations	\$ .08	\$ (8.12)	\$ 8.20	n/m
<i>Non-GAAP: (a)</i>				
Adjusted OIBDA	\$ 824	\$ 867	\$ (43)	(5)%
Adjusted net earnings from continuing operations attributable to Paramount	\$ 315	\$ 361	\$ (46)	(13)%
Adjusted diluted EPS from continuing operations	\$ .46	\$ .54	\$ (.08)	(15)%

n/m - not meaningful

(a) See “*Reconciliation of Non-GAAP Measures*” for reconciliations of these non-GAAP measures to the most directly comparable financial measures in accordance with accounting principles generally accepted in the United States (“U.S. GAAP” or “GAAP”). These non-GAAP measures exclude certain items identified as affecting comparability that are not part of our normal operations.

For the three months ended June 30, 2025, revenues increased 1% to \$6.85 billion. The comparison reflects growth for Paramount+ and higher theatrical revenues, driven by the second quarter release of *Mission: Impossible - The Final Reckoning*, offset by lower revenues from our linear networks and content licensing.

We reported operating income of \$399 million for the three months ended June 30, 2025 compared with an operating loss of \$5.32 billion for the comparable prior-year period. 2025 includes restructuring charges and transaction-related items totaling \$181 million and an impairment charge of \$157 million to reduce FCC licenses in certain markets to their fair value, while 2024 includes impairment charges for goodwill and FCC licenses totaling \$6.00 billion and restructuring charges and transaction-related items totaling \$88 million. Adjusted operating income before depreciation and amortization (“Adjusted OIBDA”), which excludes these items, decreased 5%, driven by declines at our linear networks, partially offset by improved results for our *Direct-to-Consumer* segment. See *Reconciliation of Non-GAAP Measures*.

**Management's Discussion and Analysis of  
Results of Operations and Financial Condition (Continued)  
(Tabular dollars in millions, except per share amounts)**

We reported net earnings from continuing operations attributable to Paramount of \$57 million, or \$.08 per diluted share, compared with a net loss from continuing operations attributable to Paramount of \$5.41 billion, or \$8.12 per diluted share, for the same prior-year period. The comparison was affected by the charges described above. Adjusted net earnings from continuing operations attributable to Paramount and adjusted diluted EPS, which exclude these items, decreased \$46 million, or \$.08 per diluted share, primarily reflecting the lower Adjusted OIBDA. See *Reconciliation of Non-GAAP Measures*.

*Operational Highlights - Six Months Ended June 30, 2025 versus Six Months Ended June 30, 2024*

<b>Consolidated Results of Operations</b> <b>Six Months Ended June 30,</b>			<b>Increase/(Decrease)</b>	
	<b>2025</b>	<b>2024</b>	<b>\$</b>	<b>%</b>
<i>GAAP:</i>				
Revenues	\$ 14,041	\$ 14,498	\$ (457)	(3)%
Operating income (loss)	\$ 949	\$ (5,735)	\$ 6,684	n/m
Net earnings (loss) from continuing operations attributable to Paramount	\$ 209	\$ (5,976)	\$ 6,185	n/m
Diluted EPS from continuing operations	\$ .31	\$ (9.08)	\$ 9.39	n/m
<i>Non-GAAP: <sup>(a)</sup></i>				
Adjusted OIBDA	\$ 1,512	\$ 1,854	\$ (342)	(18)%
Adjusted net earnings from continuing operations attributable to Paramount	\$ 510	\$ 785	\$ (275)	(35)%
Adjusted diluted EPS from continuing operations	\$ .75	\$ 1.16	\$ (.41)	(35)%

n/m - not meaningful

(a) See "Reconciliation of Non-GAAP Measures" for reconciliations of these non-GAAP measures to the most directly comparable financial measures in accordance with U.S. GAAP. These non-GAAP measures exclude certain items identified as affecting comparability that are not part of our normal operations.

Revenues decreased 3% to \$14.04 billion, principally reflecting a decrease of 4% from the comparison against CBS's broadcast of *Super Bowl LVIII* in the first quarter of 2024. We have the rights to broadcast the Super Bowl on a rotational basis with other networks, and therefore did not have a comparable broadcast in 2025. The revenue comparison also includes growth in subscription fees for our streaming services, partially offset by lower revenues at our linear networks.

We reported operating income of \$949 million for the six months ended June 30, 2025 compared with an operating loss of \$5.74 billion for the comparable prior-year period. Operating income in 2025 includes restructuring charges and transaction-related items totaling \$266 million, an impairment charge of \$157 million to reduce FCC licenses in certain markets to their fair value, and gains on dispositions totaling \$35 million, while 2024 includes programming charges of \$1.12 billion, impairment charges for goodwill and FCC licenses totaling \$6.00 billion, and restructuring charges and transaction-related items totaling \$274 million. Adjusted OIBDA, which excludes these items, decreased 18%, driven by lower profits from our linear networks, including the comparison to the Super Bowl broadcast in 2024, partially offset by improved results from our *Direct-to-Consumer* segment. See *Reconciliation of Non-GAAP Measures*.

For the six months ended June 30, 2025, we reported net earnings from continuing operations attributable to Paramount of \$209 million, or \$.31 per diluted share, compared with a net loss from continuing operations attributable to Paramount of \$5.98 billion, or \$9.08 per diluted share, for the same prior-year period. The comparison was impacted by the items noted above. Adjusted net earnings from continuing operations attributable

**Management's Discussion and Analysis of  
Results of Operations and Financial Condition (Continued)**  
**(Tabular dollars in millions, except per share amounts)**

to Paramount and adjusted diluted EPS, which exclude these items, decreased \$275 million, or \$.41 per diluted share, primarily reflecting the lower Adjusted OIBDA. See *Reconciliation of Non-GAAP Measures*.

We are exposed to political risks inherent in conducting a global business such as retaliatory actions by governments reacting to changes in the U.S. and other countries, including in connection with the imposition of tariffs and other changes in trade policies. Growing macroeconomic uncertainty relating to the imposition of tariffs and other changes in trade policies may negatively affect our results, in particular from potential impacts on the advertising market.

*Reconciliation of Non-GAAP Measures*

Adjusted OIBDA, adjusted earnings from continuing operations before income taxes, adjusted provision for income taxes, adjusted net earnings from continuing operations attributable to Paramount, adjusted diluted EPS from continuing operations, and adjusted effective income tax rate, which are measures of performance not calculated in accordance with U.S. GAAP (together, the "adjusted measures"), exclude certain items identified as affecting comparability that are not part of our normal operations, including impairment charges, restructuring charges, transaction-related items, programming charges, gain on dispositions, loss from investment, and discrete tax items, each where applicable. Programming charges consist only of charges related to major strategic changes, which are further described under *Programming Charges*, and do not include impairment charges that occur as part of our normal operations, which are recorded within "Operating expenses" on the Consolidated Statements of Operations, and are not excluded in our adjusted measures.

We use these measures to, among other things, evaluate our operating performance. These measures are among the primary measures used by management for planning and forecasting of future periods, and they are important indicators of our operational strength and business performance. In addition, we use Adjusted OIBDA to, among other things, value prospective acquisitions. We believe these measures are relevant and useful for investors because they allow investors to view performance in a manner similar to the method used by our management; and because they exclude items that are not representative of our normal, recurring operations, they provide a clearer perspective on our underlying performance; and make it easier for investors, analysts and peers to compare our operating performance to other companies in our industry and to compare our year-over-year results.

Because the adjusted measures are measures of performance not calculated in accordance with U.S. GAAP, they should not be considered in isolation of, or as a substitute for, operating income (loss), earnings (loss) from continuing operations before income taxes, (provision for) benefit from income taxes, net earnings (loss) from continuing operations attributable to Paramount, diluted EPS from continuing operations, and effective income tax rate, as applicable, as indicators of operating performance. These measures, as we calculate them, may not be comparable to similarly titled measures employed by other companies.

**Management's Discussion and Analysis of  
Results of Operations and Financial Condition (Continued)  
(Tabular dollars in millions, except per share amounts)**

The following tables reconcile the adjusted measures to their most directly comparable financial measures in accordance with U.S. GAAP. The tax impacts on the items identified as affecting comparability in the tables below have been calculated using the tax rate applicable to each item.

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2025	2024	2025	2024
Operating income (loss) (GAAP)	\$ 399	\$ (5,318)	\$ 949	\$ (5,735)
Depreciation and amortization	87	101	175	201
Programming charges <sup>(a)</sup>	—	—	—	1,118
Impairment charges <sup>(a)</sup>	157	5,996	157	5,996
Restructuring charges <sup>(a)</sup>	177	70	242	256
Transaction-related items <sup>(a)</sup>	4	18	24	18
Gain on dispositions <sup>(a)</sup>	—	—	(35)	—
Adjusted OIBDA (Non-GAAP)	\$ 824	\$ 867	\$ 1,512	\$ 1,854

(a) See notes on the following tables for additional information on items affecting comparability.

	Three Months Ended June 30, 2025			
	Earnings from Continuing Operations Before Income Taxes	Provision for Income Taxes	Net Earnings from Continuing Operations Attributable to Paramount	Diluted EPS from Continuing Operations
Reported (GAAP)	\$ 178	\$ (50) <sup>(c)</sup>	\$ 57	\$ .08
Items affecting comparability:				
Impairment charges <sup>(a)</sup>	157	(39)	118	.17
Restructuring charges <sup>(b)</sup>	177	(42)	135	.20
Transaction-related items	4	(1)	3	.01
Discrete tax items	—	2	2	—
Adjusted (Non-GAAP)	\$ 516	\$ (130) <sup>(c)</sup>	\$ 315	\$ .46

(a) Reflects a charge to reduce the carrying values of FCC licenses in certain markets to their estimated fair values.

(b) Reflects severance costs associated with strategic changes in our global workforce in order to streamline our organization.

(c) The reported effective income tax rate for the three months ended June 30, 2025 was 28.1% and the adjusted effective income tax rate, which is calculated as the adjusted provision for income taxes of \$130 million divided by adjusted earnings from continuing operations before income taxes of \$516 million, was 25.2%. These adjusted measures exclude the items affecting comparability detailed above.

**Management's Discussion and Analysis of  
Results of Operations and Financial Condition (Continued)**  
(Tabular dollars in millions, except per share amounts)

	Three Months Ended June 30, 2024			
	Earnings (Loss) from Continuing Operations Before Income Taxes	Benefit from (Provision for) Income Taxes	Net Earnings (Loss) from Continuing Operations Attributable to Paramount	Diluted EPS from Continuing Operations
Reported (GAAP)	\$ (5,547)	\$ 215 <sup>(e)</sup>	\$ (5,413)	\$ (8.12) <sup>(f)</sup>
Items affecting comparability:				
Impairment charges <sup>(a)</sup>	5,996	(349)	5,647	8.44
Restructuring charges <sup>(b)</sup>	70	(6)	64	.10
Transaction-related items <sup>(c)</sup>	18	(3)	15	.02
Discrete tax items <sup>(d)</sup>	—	48	48	.07
Impact of antidilution	—	—	—	.03
Adjusted (Non-GAAP)	\$ 537	\$ (95) <sup>(e)</sup>	\$ 361	\$ .54 <sup>(f)</sup>

(a) Reflects a goodwill impairment charge for our Cable Networks reporting unit of \$5.98 billion, as well as a charge of \$15 million to reduce the carrying values of FCC licenses in certain markets to their estimated fair values.

(b) Reflects severance costs related to the exit of our former CEO as well as other management changes.

(c) Reflects legal and advisory fees relating to the Transactions.

(d) Primarily attributable to the establishment of a valuation allowance on a deferred tax asset that was not expected to be realized because of a reduction in our deferred tax liabilities caused by the goodwill impairment charge in the second quarter of 2024. This impact was partially offset by amounts realized in connection with the filing of our tax returns in certain international jurisdictions.

(e) The reported effective income tax rate for the three months ended June 30, 2024 was 3.9% and the adjusted effective income tax rate, which is calculated as the adjusted provision for income taxes of \$95 million divided by adjusted earnings from continuing operations before income taxes of \$537 million, was 17.7%. These adjusted measures exclude the items affecting comparability detailed above.

(f) For the three months ended June 30, 2024, the weighted average number of common shares outstanding used in the calculation of reported diluted EPS from continuing operations is 667 million and in the calculation of adjusted diluted EPS from continuing operations is 669 million. The dilutive impact was excluded in the calculation of reported diluted EPS from continuing operations because it would have been antidilutive since we reported a net loss from continuing operations.

**Management's Discussion and Analysis of  
Results of Operations and Financial Condition (Continued)**  
(Tabular dollars in millions, except per share amounts)

	Six Months Ended June 30, 2025			
	Earnings from Continuing Operations Before Income Taxes	Provision for Income Taxes	Net Earnings from Continuing Operations Attributable to Paramount	Diluted EPS from Continuing Operations
Reported (GAAP)	\$ 512	\$ (150) <sup>(e)</sup>	\$ 209	\$ .31
Items affecting comparability:				
Impairment charges <sup>(a)</sup>	157	(39)	118	.17
Restructuring charges <sup>(b)</sup>	242	(58)	184	.27
Transaction-related items <sup>(c)</sup>	24	(1)	23	.04
Gain on dispositions <sup>(d)</sup>	(35)	2	(33)	(.05)
Discrete tax items	—	9	9	.01
Adjusted (Non-GAAP)	\$ 900	\$ (237) <sup>(e)</sup>	\$ 510	\$ .75

(a) Reflects a charge to reduce the carrying values of FCC licenses in certain markets to their estimated fair values.

(b) Includes severance costs and charges for the impairment of lease assets, as further described under *Restructuring and Transaction-Related Items*.

(c) Reflects legal, advisory, and other professional fees relating to the Transactions.

(d) Principally reflects a gain associated with the disposition of a noncore business.

(e) The reported effective income tax rate for the six months ended June 30, 2025 was 29.3% and the adjusted effective income tax rate, which is calculated as the adjusted provision for income taxes of \$237 million divided by adjusted earnings from continuing operations before income taxes of \$900 million, was 26.3%. These adjusted measures exclude the items affecting comparability detailed above.

**Management's Discussion and Analysis of  
Results of Operations and Financial Condition (Continued)**  
(Tabular dollars in millions, except per share amounts)

	Six Months Ended June 30, 2024			
	Earnings (Loss) from Continuing Operations Before Income Taxes	Benefit from (Provision for) Income Taxes	Net Earnings (Loss) from Continuing Operations Attributable to Paramount	Diluted EPS from Continuing Operations
Reported (GAAP)	\$ (6,182)	\$ 387 <sup>(f)</sup>	\$ (5,976)	\$ (9.08) <sup>(g)</sup>
Items affecting comparability:				
Programming charges <sup>(a)</sup>	1,118	(275)	843	1.27
Impairment charges <sup>(b)</sup>	5,996	(349)	5,647	8.52
Restructuring charges <sup>(c)</sup>	256	(52)	204	.31
Transaction-related items <sup>(d)</sup>	18	(3)	15	.02
Loss from investment	4	(1)	3	.01
Discrete tax items <sup>(e)</sup>	—	49	49	.07
Impact of antidilution	—	—	—	.04
Adjusted (Non-GAAP)	\$ 1,210	\$ (244) <sup>(f)</sup>	\$ 785	\$ 1.16 <sup>(g)</sup>

(a) Reflects programming charges associated with major changes to our content strategy, which are further described under *Programming Charges*.

(b) Reflects a goodwill impairment charge for our Cable Networks reporting unit of \$5.98 billion, as well as a charge of \$15 million to reduce the carrying values of FCC licenses in certain markets to their estimated fair values.

(c) Consists of severance costs and charges for the impairment of lease assets, as further described under *Restructuring and Transaction-Related Items*.

(d) Reflects legal and advisory fees relating to the Transactions.

(e) Primarily attributable to the establishment of a valuation allowance on a deferred tax asset that was not expected to be realized because of a reduction in our deferred tax liabilities caused by the goodwill impairment charge in the second quarter of 2024. This impact was partially offset by amounts realized in connection with the filing of our tax returns in certain international jurisdictions.

(f) The reported effective income tax rate for the six months ended June 30, 2024 was 6.3% and the adjusted effective income tax rate, which is calculated as the adjusted provision for income taxes of \$244 million divided by adjusted earnings from continuing operations before income taxes of \$1.21 billion, was 20.2%. These adjusted measures exclude the items affecting comparability detailed above.

(g) For the six months ended June 30, 2024, the weighted average number of common shares outstanding used in the calculation of reported diluted EPS from continuing operations is 660 million and in the calculation of adjusted diluted EPS from continuing operations is 663 million. The dilutive impact was excluded in the calculation of reported diluted EPS from continuing operations because it would have been antidilutive since we reported a net loss from continuing operations.

**Management's Discussion and Analysis of  
Results of Operations and Financial Condition (Continued)**  
(Tabular dollars in millions, except per share amounts)

**Consolidated Results of Operations**

**Three and Six Months Ended June 30, 2025 versus Three and Six Months Ended June 30, 2024**

*Revenues*

Revenues by Type	Three Months Ended June 30,					
	2025	% of Total Revenues	2024	% of Total Revenues	Increase/(Decrease)	
					\$	%
Advertising	\$ 2,152	31 %	\$ 2,251	33 %	\$ (99)	(4)%
Affiliate and subscription	3,445	50	3,275	48	170	5
Theatrical	254	4	138	2	116	84
Licensing and other	998	15	1,149	17	(151)	(13)
<b>Total Revenues</b>	<b>\$ 6,849</b>	<b>100 %</b>	<b>\$ 6,813</b>	<b>100 %</b>	<b>\$ 36</b>	<b>1 %</b>

Revenues by Type	Six Months Ended June 30,					
	2025	% of Total Revenues	2024	% of Total Revenues	Increase/(Decrease)	
					\$	%
Advertising	\$ 4,665	33 %	\$ 5,347	37 %	\$ (682)	(13)%
Affiliate and subscription	6,842	49	6,632	46	210	3
Theatrical	402	3	291	2	111	38
Licensing and other	2,132	15	2,228	15	(96)	(4)
<b>Total Revenues</b>	<b>\$ 14,041</b>	<b>100 %</b>	<b>\$ 14,498</b>	<b>100 %</b>	<b>\$ (457)</b>	<b>(3)%</b>

*Advertising*

The decreases in advertising revenues of 4% and 13% for the three and six months ended June 30, 2025, respectively, reflect the impacts from declines in the linear advertising market and new entrants to the digital advertising market, and for the six-month period includes a negative impact of 11% from the comparison against the broadcast of *Super Bowl LVIII* on CBS and Paramount+ in the first quarter of 2024. We have the rights to broadcast the Super Bowl on a rotational basis with other networks, and therefore did not have a comparable broadcast in 2025.

*Affiliate and Subscription*

Affiliate and subscription revenues are principally comprised of affiliate fees we receive from distributors for their carriage of our cable networks (cable affiliate fees) and television stations (retransmission fees), as well as fees received from third-party television stations for their affiliation with the CBS Television Network (reverse compensation), and subscription fees for our streaming services.

The growth in affiliate and subscription revenues of 5% and 3% for the three- and six-month periods, respectively, reflects increases of 9% and 8% from higher streaming subscription fees, driven by subscriber growth and pricing increases for Paramount+, partially offset by decreases from lower linear affiliate fees. Paramount+ subscribers grew to 77.7 million at June 30, 2025 from 68.4 million at June 30, 2024.

*Theatrical*

The increases in theatrical revenues of \$116 million and \$111 million for the three- and six-month periods, respectively, were driven by the second quarter 2025 release of *Mission: Impossible - The Final Reckoning*. Releases in the second quarter of 2024 included *IF* and *A Quiet Place: Day One*.

**Management's Discussion and Analysis of  
Results of Operations and Financial Condition (Continued)**  
(Tabular dollars in millions, except per share amounts)

*Licensing and Other*

Licensing and other revenues are principally comprised of fees from the licensing of the rights to exhibit our internally-produced television and film programming on various platforms in the secondary market after its initial exhibition on our owned or third-party platforms; license fees from content produced or distributed for third parties; home entertainment revenues, which include the viewing of our content on a transactional basis through transactional video-on-demand (TVOD) and electronic sell-through services and the sale and distribution of our content through DVDs and Blu-ray discs to wholesale and retail partners; fees from the use of our trademarks and brands for consumer products, recreation and live events; and revenues from the rental of production facilities.

The decrease in licensing and other revenues of 13% and 4% for the three and six months ended June 30, 2025, respectively, primarily reflects lower revenues from secondary market licensing and content produced for third parties.

*Operating Expenses*

Operating Expenses by Type	Three Months Ended June 30,					
	2025	% of Operating Expenses	2024	% of Operating Expenses	Increase/(Decrease)	
					\$	%
Content costs	\$ 3,424	74 %	\$ 3,282	75 %	\$ 142	4 %
Distribution and other	1,200	26	1,085	25	115	11
<b>Total Operating Expenses</b>	<b>\$ 4,624</b>	<b>100 %</b>	<b>\$ 4,367</b>	<b>100 %</b>	<b>\$ 257</b>	<b>6 %</b>

Operating Expenses by Type	Six Months Ended June 30,					
	2025	% of Operating Expenses	2024	% of Operating Expenses	Increase/(Decrease)	
					\$	%
Content costs	\$ 7,285	76 %	\$ 7,262	77 %	\$ 23	— %
Distribution and other	2,300	24	2,141	23	159	7
<b>Total Operating Expenses</b>	<b>\$ 9,585</b>	<b>100 %</b>	<b>\$ 9,403</b>	<b>100 %</b>	<b>\$ 182</b>	<b>2 %</b>

*Content Costs*

Content costs include the amortization of costs of internally-produced television and theatrical film content; amortization of acquired program rights; other television production costs, including on-air talent; and participation and residuals expenses, which reflect amounts owed to talent and other participants in our content pursuant to contractual and collective bargaining arrangements.

The content cost comparisons for the three and six months ended June 30, 2025 include higher costs for programming on our streaming services and for theatrical releases. The comparison for the six-month period includes a decrease of 5% from costs in 2024 associated with *Super Bowl LVIII*.

*Distribution and Other*

Distribution and other operating expenses primarily include costs relating to the distribution of our content, including marketing for theatrical releases; revenue-sharing costs, including for third-party distribution and to television stations affiliated with the CBS Television Network; compensation; and other costs associated with our operations.

**Management's Discussion and Analysis of  
Results of Operations and Financial Condition (Continued)  
(Tabular dollars in millions, except per share amounts)**

The increases of 11% and 7% for the three and six months ended June 30, 2025, respectively, primarily reflect higher revenue sharing costs for our streaming services, mainly for third-party distribution, which were driven by higher subscription revenues. The comparison for the three-month period also reflects higher costs for the distribution of theatrical releases.

*Programming Charges*

During the first quarter of 2024, we recorded programming charges totaling \$1.12 billion as a result of major changes to our content strategy. These changes, which were in connection with our shift to a global programming strategy, resulted in the removal of significant levels of content from our platforms, abandonment of development projects, and termination of programming agreements, particularly internationally, including locally-produced content and domestic titles that no longer aligned with our global strategy. The removal of this content from our platforms was a triggering event that required us to assess whether the affected programming assets were impaired. Our impairment review compared the current carrying value of each title with its fair value, which considered (1) that the titles were no longer being utilized on our platforms and we had no intention to use the titles on our platforms in the future and (2) the estimated future cash flows associated with any anticipated licensing of the titles to third parties, which was minimal. The programming charges were comprised of \$909 million for the impairment of content to its estimated fair value, as well as \$209 million for development cost write-offs and contract termination costs.

*Selling, General and Administrative Expenses*

	Three Months Ended June 30,				Six Months Ended June 30,			
	2025	2024	Increase/(Decrease)		2025	2024	Increase/(Decrease)	
			\$	%			\$	%
Selling, general and administrative expenses	\$ 1,401	\$ 1,579	\$ (178)	(11)%	\$ 2,944	\$ 3,241	\$ (297)	(9)%

Selling, general and administrative (“SG&A”) expenses include costs incurred for advertising and marketing for our linear networks and streaming services, research, occupancy, professional service fees, and back office support, including employee compensation and technology. For the three and six months ended June 30, 2025, SG&A expenses decreased 11% and 9%, respectively, primarily reflecting lower compensation costs following the restructuring of our global workforce in 2024.

*Depreciation and Amortization*

	Three Months Ended June 30,				Six Months Ended June 30,			
	2025	2024	Increase/(Decrease)		2025	2024	Increase/(Decrease)	
			\$	%			\$	%
Depreciation and amortization	\$ 87	\$ 101	\$ (14)	(14)%	\$ 175	\$ 201	\$ (26)	(13)%

Depreciation and amortization expense reflects depreciation of fixed assets and amortization of finite-lived intangible assets. For the three and six months ended June 30, 2025, depreciation and amortization decreased 14% and 13%, respectively, primarily due to technology assets that became fully depreciated.

**Management's Discussion and Analysis of  
Results of Operations and Financial Condition (Continued)  
(Tabular dollars in millions, except per share amounts)**

*Impairment Charges*

During the second quarter of 2025, we performed interim impairment tests of FCC licenses in six markets, which resulted in an impairment charge of \$157 million to write down the carrying values of FCC licenses in these markets to their aggregate estimated fair value of \$913 million. See Note 3 to the Consolidated Financial Statements for discussion of the methodology and inputs used for these impairment tests. For the six markets tested, an increase to the discount rate of 50 basis points, or a decrease to the long-term growth rate of 50 basis points, assuming no changes to other factors, would cause the aggregate fair value of FCC licenses to fall below the aggregate carrying value by \$76 million and \$59 million, respectively.

During the second quarter of 2024, we recorded a goodwill impairment charge for our Cable Networks reporting unit of \$5.98 billion, as well as a charge of \$15 million to write down the carrying values of FCC licenses in certain markets to their estimated fair values. The goodwill impairment charge resulted from a downward adjustment to the reporting unit's expected cash flows, primarily as a result of indicators in the linear affiliate marketplace, and the estimated total company market value indicated by the Transactions and the NAI Transaction.

*Restructuring and Transaction-Related Items*

During the three and six months ended June 30, 2025 and 2024, we recorded the following restructuring charges and transaction-related items.

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2025	2024	2025	2024
Severance <sup>(a)</sup>	\$ 177	\$ 70	\$ 177	\$ 225
Exit costs	—	—	65	31
Restructuring charges	177	70	242	256
Transaction-related items	4	18	24	18
Restructuring and transaction-related items	\$ 181	\$ 88	\$ 266	\$ 274

(a) Severance costs include the accelerated vesting of stock-based compensation.

Restructuring charges for the second quarter of 2025 included severance costs of \$177 million associated with strategic changes in our global workforce in order to streamline our organization. Restructuring charges for the six months ended June 30, 2024 included severance costs of \$225 million, which consisted of \$155 million recorded during the first quarter associated with strategic changes in our global workforce and \$70 million recorded during the second quarter related to the exit of our former CEO and other management changes.

Additionally, during the six months ended June 30, 2025 and 2024, we recorded exit costs of \$65 million and \$31 million, respectively, primarily for the impairment of lease assets that we ceased use of in connection with initiatives to reduce our real estate footprint and create cost synergies.

We also recorded legal, advisory, and other professional fees relating to the Transactions of \$4 million and \$24 million during the three and six months ended June 30, 2025, respectively, and \$18 million during the three months ended June 30, 2024.

**Management's Discussion and Analysis of  
Results of Operations and Financial Condition (Continued)**  
(Tabular dollars in millions, except per share amounts)

*Gain on Dispositions*

During the first quarter of 2025, we recorded gains totaling \$35 million, principally associated with the disposition of a noncore business.

*Interest Expense/Income*

	Three Months Ended June 30,				Six Months Ended June 30,			
	2025	2024	Increase/(Decrease)		2025	2024	Increase/(Decrease)	
			\$	%			\$	%
Interest expense	\$ 214	\$ 215	\$ (1)	— %	\$ 431	\$ 436	\$ (5)	(1)%
Interest income	\$ 32	\$ 35	\$ (3)	(9)%	\$ 70	\$ 80	\$ (10)	(13)%

The following table presents our outstanding debt balances, excluding finance leases, and the weighted average interest rates as of June 30, 2025 and 2024.

	At June 30,					
	2025	Weighted Average		2024	Weighted Average	
		\$	Interest Rate		\$	Interest Rate
Total notes and debentures	\$ 14,513	5.17 %	\$ 14,613	5.17 %		

*Loss from Investment*

During the first quarter of 2024, we recorded a loss of \$4 million associated with the sale of an investment.

*Other Items, Net*

The following table presents the components of "Other items, net."

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Pension and postretirement benefit costs	\$ (34)	\$ (35)	\$ (68)	\$ (69)
Foreign exchange loss	(5)	(15)	(8)	(19)
Other	—	1	—	1
Other items, net	\$ (39)	\$ (49)	\$ (76)	\$ (87)

*Provision for/Benefit from Income Taxes*

The provision for/benefit from income taxes represents federal, state and local, and foreign taxes on earnings (loss) from continuing operations before income taxes and equity in loss of investee companies. For the three and six months ended June 30, 2025, we recorded a provision for income taxes of \$50 million and \$150 million, reflecting an effective income tax rate of 28.1% and 29.3%, respectively. These income tax provisions include tax benefits of \$42 million and \$58 million on pretax restructuring charges of \$177 million and \$242 million for the three- and six-month periods, respectively, and a tax benefit of \$39 million on a pretax impairment charge for FCC licenses of \$157 million for each of the three- and six-month periods. Our adjusted effective income tax rates, which exclude the impacts from restructuring and impairment charges, as well as the other items impacting comparability described under *Reconciliation of Non-GAAP Measures*, were 25.2% and 26.3% for the three and six months ended June 30, 2025, respectively.

**Management's Discussion and Analysis of  
Results of Operations and Financial Condition (Continued)  
(Tabular dollars in millions, except per share amounts)**

For the three and six months ended June 30, 2024, we recorded a benefit from income taxes of \$215 million and \$387 million, reflecting an effective income tax rate of 3.9% and 6.3%, respectively. These income tax benefits are primarily the result of a tax benefit of \$349 million on impairment charges for goodwill and FCC licenses totaling \$6.00 billion for both the three- and six-month periods and, for the six-month period, a tax benefit of \$275 million on programming charges of \$1.12 billion. Our adjusted effective income tax rates, which exclude the impacts from impairment and programming charges, as well as the other items impacting comparability described under *Reconciliation of Non-GAAP Measures*, were 17.7% and 20.2% for the three and six months ended June 30, 2024, respectively.

On July 4, 2025, the U.S. government enacted tax legislation, which includes the extension of certain expired or expiring tax provisions, including a favorable change to the interest deduction limitation, and modifications to certain international tax provisions. The legislation has multiple effective dates with certain provisions effective in 2025. We are currently evaluating the impact on our future financial results, including a reassessment of the valuation allowance on our interest limitation carryforward deferred tax asset.

*Equity in Loss of Investee Companies, Net of Tax*

The following table presents equity in loss of investee companies for our equity-method investments.

	Three Months Ended June 30,				Six Months Ended June 30,			
			Increase/(Decrease)				Increase/(Decrease)	
	2025	2024	\$	%	2025	2024	\$	%
Equity in loss of investee companies	\$ (64)	\$ (71)	\$ 7	10 %	\$ (138)	\$ (162)	\$ 24	15 %
Tax provision	(3)	(1)	(2)	(200)	(2)	—	(2)	n/m
Equity in loss of investee companies, net of tax	\$ (67)	\$ (72)	\$ 5	7 %	\$ (140)	\$ (162)	\$ 22	14 %

n/m - not meaningful

*Net Earnings (Loss) from Continuing Operations Attributable to Paramount and Diluted EPS from Continuing Operations*

	Three Months Ended June 30,				Six Months Ended June 30,			
			Increase/(Decrease)				Increase/(Decrease)	
	2025	2024	\$	%	2025	2024	\$	%
Net earnings (loss) from continuing operations attributable to Paramount	\$ 57	\$ (5,413)	\$ 5,470	n/m	\$ 209	\$ (5,976)	\$ 6,185	n/m
Diluted EPS from continuing operations	\$ .08	\$ (8.12)	\$ 8.20	n/m	\$ .31	\$ (9.08)	\$ 9.39	n/m

n/m - not meaningful

For the three months ended June 30, 2025, we reported net earnings from continuing operations attributable to Paramount of \$57 million, or \$.08 per diluted share, compared with a net loss from continuing operations attributable to Paramount of \$5.41 billion, or \$8.12 per diluted share, for the same prior-year period. For the six months ended June 30, 2025, we reported net earnings from continuing operations attributable to Paramount of \$209 million, or \$.31 per diluted share, compared with a net loss from continuing operations attributable to Paramount of \$5.98 billion, or \$9.08 per diluted share, for the same prior-year period. 2025 includes an impairment charge in the second quarter of \$157 million (\$118 million, net of tax) to reduce FCC licenses in certain markets to

**Management's Discussion and Analysis of  
Results of Operations and Financial Condition (Continued)**  
**(Tabular dollars in millions, except per share amounts)**

their fair value, and 2024 includes the second quarter goodwill impairment charge of \$5.98 billion (\$5.64 billion, net of tax) and the first quarter programming charges of \$1.12 billion (\$843 million, net of tax).

*Net Earnings from Discontinued Operations*

On October 30, 2023, we completed the sale of Simon & Schuster to affiliates of Kohlberg Kravis Roberts & Co. During the first quarter of 2024, we recorded an additional pretax gain of \$12 million on the sale as a result of a working capital adjustment.

**Segment Results of Operations**

We are a global media, streaming and entertainment company that creates premium content and experiences for audiences worldwide, and are comprised of the following segments:

- *TV Media*—Our *TV Media* segment consists of our (1) broadcast operations—the CBS Television Network, our domestic broadcast television network; CBS Stations, our owned television stations; and our international free-to-air networks, Network 10, Channel 5, Telefe, and Chilevisión; (2) domestic premium and basic cable networks, including Paramount+ with Showtime, MTV, Comedy Central, Paramount Network, The Smithsonian Channel, Nickelodeon, BET Media Group, CBS Sports Network, and international extensions of certain of these brands; and (3) domestic and international television studio operations, including CBS Studios and Showtime/MTV Entertainment Studios, as well as CBS Media Ventures, which produces and distributes first-run syndicated programming. *TV Media* also includes a number of digital properties such as CBS News Streaming for 24 hour news and CBS Sports HQ for sports news and analysis.
- *Direct-to-Consumer*—Our *Direct-to-Consumer* segment includes our portfolio of domestic and international pay and free streaming services, including Paramount+, Pluto TV, and BET+.
- *Filmed Entertainment*—Our *Filmed Entertainment* segment consists of Paramount Pictures, Paramount Players, Paramount Animation, Nickelodeon Studio, Awesomeness, and Miramax.

The tables below set forth our financial information by reportable segment. We present operating income excluding depreciation and amortization, stock-based compensation, impairment charges, restructuring charges, transaction-related items, programming charges, and gain on dispositions, each where applicable (“Adjusted OIBDA”), as the primary measure of profit and loss for our operating segments in accordance with Financial Accounting Standards Board (FASB) guidance for segment reporting. Programming charges consist only of charges related to major strategic changes, which are further described under *Programming Charges*, and do not include impairment charges that occur as part of our normal operations, which are recorded within content costs in the tables below, where applicable, and are not excluded in Adjusted OIBDA. Stock-based compensation is excluded from our segment measure of profit and loss because it is set and approved by our Board of Directors in consultation with corporate executive management. See *Reconciliation of Non-GAAP Measures* for a reconciliation of total Adjusted OIBDA to Operating Income (Loss), the most directly comparable financial measure in accordance with U.S. GAAP.

**Management's Discussion and Analysis of  
Results of Operations and Financial Condition (Continued)**  
(Tabular dollars in millions, except per share amounts)

Three Months Ended June 30, 2025 and 2024

	Three Months Ended June 30,					
	2025	% of Total Revenues	2024	% of Total Revenues	Increase/(Decrease)	
					\$	%
<b>Revenues:</b>						
TV Media	\$ 4,011	59 %	\$ 4,271	63 %	\$ (260)	(6)%
Direct-to-Consumer	2,160	31	1,880	27	280	15
Filmed Entertainment	690	10	679	10	11	2
Eliminations	(12)	—	(17)	—	5	29
<b>Total Revenues</b>	<b>\$ 6,849</b>	<b>100 %</b>	<b>\$ 6,813</b>	<b>100 %</b>	<b>\$ 36</b>	<b>1 %</b>

	Three Months Ended June 30,			
	2025	2024	Increase/(Decrease)	
			\$	%
<b>Adjusted OIBDA:</b>				
TV Media	\$ 863	\$ 1,018	\$ (155)	(15)%
Direct-to-Consumer	157	26	131	504
Filmed Entertainment	(84)	(54)	(30)	(56)
Corporate/Eliminations	(73)	(73)	—	—
Stock-based compensation <sup>(a)</sup>	(39)	(50)	11	22
<b>Total Adjusted OIBDA</b>	<b>824</b>	<b>867</b>	<b>(43)</b>	<b>(5)</b>
Depreciation and amortization	(87)	(101)	14	14
Impairment charges	(157)	(5,996)	5,839	97
Restructuring and transaction-related items <sup>(a)</sup>	(181)	(88)	(93)	(106)
<b>Total Operating Income (Loss)</b>	<b>\$ 399</b>	<b>\$ (5,318)</b>	<b>\$ 5,717</b>	<b>n/m</b>

n/m - not meaningful

(a) For the three months ended June 30, 2025 and 2024, stock-based compensation expense of \$4 million and \$12 million, respectively, is included in "Restructuring and transaction-related items."

Six Months Ended June 30, 2025 and 2024

	Six Months Ended June 30,					
	2025	% of Total Revenues	2024	% of Total Revenues	Increase/(Decrease)	
					\$	%
<b>Revenues:</b>						
TV Media	\$ 8,549	61 %	\$ 9,502	65 %	\$ (953)	(10)%
Direct-to-Consumer	4,204	30	3,759	26	445	12
Filmed Entertainment	1,317	9	1,284	9	33	3
Eliminations	(29)	—	(47)	—	18	38
<b>Total Revenues</b>	<b>\$ 14,041</b>	<b>100 %</b>	<b>\$ 14,498</b>	<b>100 %</b>	<b>\$ (457)</b>	<b>(3)%</b>

**Management's Discussion and Analysis of  
Results of Operations and Financial Condition (Continued)**  
(Tabular dollars in millions, except per share amounts)

	Six Months Ended June 30,			
	2025	2024	Increase/(Decrease)	
			\$	%
<b>Adjusted OIBDA:</b>				
TV Media	\$ 1,785	\$ 2,463	\$ (678)	(28)%
Direct-to-Consumer	48	(260)	308	n/m
Filmed Entertainment	(64)	(57)	(7)	(12)
Corporate/Eliminations <sup>(a)</sup>	(174)	(197)	23	12
Stock-based compensation <sup>(b)</sup>	(83)	(95)	12	13
<b>Total Adjusted OIBDA</b>	<b>1,512</b>	<b>1,854</b>	<b>(342)</b>	<b>(18)</b>
Depreciation and amortization	(175)	(201)	26	13
Programming charges	—	(1,118)	1,118	n/m
Impairment charges	(157)	(5,996)	5,839	97
Restructuring and transaction-related items <sup>(b)</sup>	(266)	(274)	8	3
Gain on dispositions	35	—	35	n/m
<b>Total Operating Income (Loss)</b>	<b>\$ 949</b>	<b>\$ (5,735)</b>	<b>\$ 6,684</b>	<b>n/m</b>

n/m - not meaningful

(a) Primarily reflects lower compensation costs following the restructuring of our global workforce in 2024.

(b) For the six months ended June 30, 2025 and 2024, stock-based compensation expense of \$4 million and \$14 million, respectively, is included in "Restructuring and transaction-related items."

**TV Media**

Three Months Ended June 30, 2025 and 2024

	Three Months Ended June 30,			
	2025	2024	Increase/(Decrease)	
			\$	%
<b>TV Media</b>				
Advertising	\$ 1,657	\$ 1,733	\$ (76)	(4)%
Affiliate and subscription	1,780	1,908	(128)	(7)
Licensing and other	574	630	(56)	(9)
Revenues	4,011	4,271	(260)	(6)
Content costs	1,956	1,968	(12)	(1)
Advertising and marketing	116	111	5	5
Other <sup>(a)</sup>	1,076	1,174	(98)	(8)
Expenses	3,148	3,253	(105)	(3)
Adjusted OIBDA	\$ 863	\$ 1,018	\$ (155)	(15)%

(a) Other segment expenses for our *TV Media* segment include employee compensation; revenue-sharing costs to television stations affiliated with the CBS Television Network; costs relating to the distribution of our content; costs for research, occupancy, technology, and professional services; and other costs associated with our operations.

**Revenues**

Revenues decreased 6% to \$4.01 billion.

*Advertising*

The 4% decrease in advertising revenues was primarily driven by declines in the linear advertising market. Domestic advertising revenues decreased 1% to \$1.39 billion, reflecting the declines in the linear advertising market, partially offset by an increase of 8% from CBS's broadcast in the second quarter of 2025 of the National

**Management's Discussion and Analysis of  
Results of Operations and Financial Condition (Continued)**  
**(Tabular dollars in millions, except per share amounts)**

Semifinals and National Championship games of the *NCAA Division I Men's Basketball Championship* ("NCAA Tournament"), which we have the rights to broadcast every other year. International advertising revenues decreased 20% to \$265 million, which included a decrease of 18% from the comparison against amounts recognized during the second quarter of 2024 relating to the underreporting of revenue by an international sales partner in previous periods.

*Affiliate and Subscription*

Affiliate and subscription revenues decreased 7%, reflecting linear subscriber declines.

*Licensing and Other*

Licensing and other revenues decreased 9%, primarily due to the timing of content produced for third parties and lower revenues from secondary market licensing.

**Expenses**

*Content Costs*

The content costs comparison includes an increase from costs for CBS's broadcast of the National Semifinals and National Championship games of the NCAA Tournament in the second quarter of 2025, which was more than offset by a decrease in other content costs.

*Advertising and Marketing*

Advertising and marketing expenses increased \$5 million.

*Other*

Other expenses decreased 8%, primarily driven by lower employee costs.

**Adjusted OIBDA**

Adjusted OIBDA decreased 15%, reflecting the decline in revenues, partially offset by the decrease in expenses described above.

**Management's Discussion and Analysis of  
Results of Operations and Financial Condition (Continued)  
(Tabular dollars in millions, except per share amounts)**

**TV Media**

Six Months Ended June 30, 2025 and 2024

TV Media	Six Months Ended June 30,			
	2025	2024	Increase/(Decrease)	
			\$	%
Advertising	\$ 3,695	\$ 4,315	\$ (620)	(14)%
Affiliate and subscription	3,606	3,906	(300)	(8)
Licensing and other	1,248	1,281	(33)	(3)
Revenues	8,549	9,502	(953)	(10)
Content costs	4,299	4,462	(163)	(4)
Advertising and marketing	269	280	(11)	(4)
Other <sup>(a)</sup>	2,196	2,297	(101)	(4)
Expenses	6,764	7,039	(275)	(4)
Adjusted OIBDA	\$ 1,785	\$ 2,463	\$ (678)	(28)%

(a) Other segment expenses for our *TV Media* segment include employee compensation; revenue-sharing costs to television stations affiliated with the CBS Television Network; costs relating to the distribution of our content; costs for research, occupancy, technology, and professional services; and other costs associated with our operations.

**Revenues**

Revenues decreased 10%, driven by a decrease of 6% from the comparison against CBS's broadcast of the Super Bowl in the first quarter of 2024, and lower affiliate revenues.

**Advertising**

Advertising revenues decreased 14%, primarily reflecting a decrease of 12% from the comparison against CBS's broadcast of *Super Bowl LVIII* in the first quarter of 2024. We have the rights to broadcast the Super Bowl on a rotational basis with other networks, and therefore did not have a comparable broadcast in 2025. Domestic advertising revenues decreased 15% to \$3.19 billion, reflecting the comparison against revenues from the Super Bowl in the first quarter of 2024 and declines in the linear advertising market, partially offset by the benefit from CBS's broadcast in the second quarter of 2025 of the National Semifinals and National Championship games of the NCAA Tournament, which we have the rights to broadcast every other year. International advertising revenues decreased 12% to \$505 million, primarily due to the comparison against amounts recognized during the second quarter of 2024 relating to the underreporting of revenue by an international sales partner in previous periods.

**Affiliate and Subscription**

Affiliate and subscription revenues decreased 8%, reflecting decreases of 7% from linear subscriber declines and 1% from contractual pricing, which was impacted by recent renewals.

**Licensing and Other**

Licensing and other revenues decreased 3%.

**Management's Discussion and Analysis of  
Results of Operations and Financial Condition (Continued)**  
(Tabular dollars in millions, except per share amounts)

***Expenses***

***Content Costs***

The 4% decrease in content costs primarily reflects a decrease of 5% from the comparison against costs associated with CBS's broadcast of *Super Bowl LVIII* in the first quarter of 2024, partially offset by costs associated with CBS's broadcast of the National Semifinals and National Championship games of the NCAA Tournament in the second quarter of 2025.

***Advertising and Marketing***

Advertising and marketing expenses decreased 4%, primarily driven by the comparison against marketing costs incurred in the first quarter of 2024 associated with CBS's broadcast of the Super Bowl.

***Other***

Other expenses decreased 4%, primarily driven by lower employee costs.

***Adjusted OIBDA***

Adjusted OIBDA decreased 28%, primarily reflecting the comparison against the broadcast of the Super Bowl in the first quarter of 2024, as well as the decline in affiliate revenues and other advertising revenues.

**Management's Discussion and Analysis of  
Results of Operations and Financial Condition (Continued)**  
(Tabular dollars in millions, except per share amounts)

**Direct-to-Consumer**

Three Months Ended June 30, 2025 and 2024

<b>Direct-to-Consumer</b>	<b>Three Months Ended June 30,</b>			
	<b>2025</b>	<b>2024</b>	<b>Increase/(Decrease)</b>	
			<b>\$</b>	<b>%</b>
Advertising	\$ 494	\$ 513	\$ (19)	(4)%
Subscription	1,665	1,367	298	22
Licensing <sup>(a)</sup>	1	—	1	n/m
Revenues	2,160	1,880	280	15
Content costs	1,085	995	90	9
Advertising and marketing	294	265	29	11
Other <sup>(b)</sup>	624	594	30	5
Expenses	2,003	1,854	149	8
Adjusted OIBDA	\$ 157	\$ 26	\$ 131	504 %

n/m - not meaningful

(a) Primarily reflects revenues from the licensing of content rights acquired by BET+.

(b) Other segment expenses for our Direct-to-Consumer segment include employee compensation; revenue-sharing costs, including for third-party distribution; costs for occupancy, technology, and professional services; and other costs associated with our operations.

<b>(in millions)</b>	<b>Three Months Ended June 30,</b>			
	<b>2025</b>	<b>2024</b>	<b>Increase/(Decrease)</b>	
<b>Paramount+ (Global)</b>				
Subscribers <sup>(a)</sup>	77.7	68.4	9.3	14 %
Revenues	\$ 1,771	\$ 1,445	\$ 326	23 %

(a) Subscribers include customers who are registered for Paramount+, either directly through our owned and operated apps and websites, or through third-party distributors. Subscribers also include customers who are provided with access through a subscription bundle with a domestic linear video streaming service (vMVPD) or an international third-party distributor. 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.

**Revenues**

Revenues increased 15%, primarily driven by growth from Paramount+.

**Advertising**

Advertising revenue decreased 4%, primarily reflecting the impact on pricing from new entrants to the digital advertising market.

**Subscription**

The 22% increase in subscription revenues was driven by growth in Paramount+ subscribers and pricing increases. Paramount+ subscribers increased 9.3 million, or 14%, compared with June 30, 2024, reflecting growth in both domestic and international subscribers.

**Management's Discussion and Analysis of  
Results of Operations and Financial Condition (Continued)**  
(Tabular dollars in millions, except per share amounts)

During the quarter, global Paramount+ subscribers decreased 1.3 million, or 2%, to 77.7 million, compared with 79.0 million at March 31, 2025, primarily reflecting the expiration of an international distribution agreement and the timing of premieres on Paramount+.

***Expenses***

*Content Costs*

Content costs increased 9%, principally reflecting higher costs for original programming.

*Advertising and Marketing*

Advertising and marketing expenses increased 11%, primarily driven by higher costs to promote Paramount+ original series, including *MobLand*.

*Other*

Other expenses increased 5%, primarily reflecting higher revenue sharing costs, mainly for third-party distribution, which were driven by the higher subscription revenues, partially offset by lower employee costs.

***Adjusted OIBDA***

Adjusted OIBDA improved \$131 million to \$157 million, reflecting the revenue growth partially offset by the higher costs described above.

**Management's Discussion and Analysis of  
Results of Operations and Financial Condition (Continued)**  
(Tabular dollars in millions, except per share amounts)

**Direct-to-Consumer**

Six Months Ended June 30, 2025 and 2024

Direct-to-Consumer	Six Months Ended June 30,			
	2025	2024	Increase/(Decrease)	
			\$	%
Advertising	\$ 967	\$ 1,033	\$ (66)	(6)%
Subscription	3,236	2,726	510	19
Licensing <sup>(a)</sup>	1	—	1	n/m
Revenues	4,204	3,759	445	12
Content costs	2,300	2,215	85	4
Advertising and marketing	635	612	23	4
Other <sup>(b)</sup>	1,221	1,192	29	2
Expenses	4,156	4,019	137	3
Adjusted OIBDA	\$ 48	\$ (260)	\$ 308	n/m

n/m - not meaningful

(a) Primarily reflects revenues from the licensing of content rights acquired by BET+.

(b) Other segment expenses for our *Direct-to-Consumer* segment include employee compensation; revenue-sharing costs, including for third-party distribution; costs for occupancy, technology, and professional services; and other costs associated with our operations.

Paramount+ (Global)	Six Months Ended June 30,			
	2025	2024	Increase/(Decrease)	
			\$	%
Revenues	\$ 3,457	\$ 2,904	\$ 553	19 %

**Revenues**

Revenues increased 12%, primarily driven by growth from Paramount+.

**Advertising**

The 6% decrease in advertising revenues principally reflects a decrease of 4% from the comparison against revenues from *Super Bowl LVIII* in the first quarter of 2024, and the impact on pricing from new entrants to the digital advertising market.

**Subscription**

The 19% increase in subscription revenues was driven by growth in Paramount+ subscribers and pricing increases.

**Expenses**

**Content Costs**

Content costs increased 4%, principally reflecting higher costs for original programming, partially offset by a decrease of 5% from the comparison against costs associated with CBS's broadcast of *Super Bowl LVIII* in the first quarter of 2024.

**Management's Discussion and Analysis of  
Results of Operations and Financial Condition (Continued)**  
(Tabular dollars in millions, except per share amounts)

*Advertising and Marketing*

Advertising and marketing expenses increased 4%, primarily driven by higher costs to promote Paramount+ original series.

*Other*

Other expenses increased 2%.

**Adjusted OIBDA**

Adjusted OIBDA improved \$308 million, reflecting the revenue growth partially offset by the higher costs described above.

**Filmed Entertainment**

Three Months Ended June 30, 2025 and 2024

<b>Filmed Entertainment</b>	<b>Three Months Ended June 30,</b>			
	<b>2025</b>	<b>2024</b>	<b>Increase/(Decrease)</b>	
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>%</b>
Advertising <sup>(a)</sup>	\$ 2	\$ 7	\$ (5)	(71)%
Theatrical	254	138	116	84
Licensing and other	434	534	(100)	(19)
Revenues	690	679	11	2
Content costs	394	342	52	15
Advertising and marketing	195	190	5	3
Other <sup>(b)</sup>	185	201	(16)	(8)
Expenses	774	733	41	6
Adjusted OIBDA	\$ (84)	\$ (54)	\$ (30)	(56)%

(a) Primarily reflects advertising revenues earned from the use of *Filmed Entertainment* content on third-party digital platforms.

(b) Other segment expenses for our *Filmed Entertainment* segment include employee compensation; costs relating to the distribution of our content; costs for occupancy, technology, and professional services; and other costs associated with our operations.

**Revenues**

Revenues increased 2%, reflecting higher theatrical revenues, which were largely offset by lower licensing revenues.

*Theatricals*

Theatrical revenues increased 84%, or \$116 million, driven by the second quarter 2025 release of *Mission: Impossible - The Final Reckoning*. Releases in the second quarter of 2024 included *IF* and *A Quiet Place: Day One*.

*Licensing and Other*

Licensing and other revenues decreased 19%, principally reflecting lower revenues from the licensing of animated content.

**Management's Discussion and Analysis of  
Results of Operations and Financial Condition (Continued)**  
(Tabular dollars in millions, except per share amounts)

**Expenses**

*Content Costs*

The 15% increase in content costs primarily reflects higher costs associated with recent theatrical releases, led by *Mission: Impossible - The Final Reckoning*, partially offset by lower costs associated with the lower licensing revenues.

*Advertising and Marketing*

Advertising and marketing expenses increased 3%.

*Other*

Other expenses decreased 8%, primarily reflecting lower employee costs.

**Adjusted OIBDA**

Adjusted OIBDA decreased \$30 million, primarily reflecting lower profits from licensing.

Fluctuations in results for the *Filmed Entertainment* segment may occur as a result of the timing of the recognition of distribution costs, including marketing costs, which are generally incurred before and throughout the theatrical release of a film, while the revenues for the respective film are recognized as earned through the film's theatrical exhibition and distribution to other platforms.

**Filmed Entertainment**

*Six Months Ended June 30, 2025 and 2024*

<b>Filmed Entertainment</b>	<b>Six Months Ended June 30,</b>			
	<b>2025</b>	<b>2024</b>	<b>Increase/(Decrease)</b>	
			<b>\$</b>	<b>%</b>
Advertising <sup>(a)</sup>	\$ 5	\$ 8	\$ (3)	(38)%
Theatrical	402	291	111	38
Licensing and other	910	985	(75)	(8)
Revenues	1,317	1,284	33	3
Content costs	715	631	84	13
Advertising and marketing	311	325	(14)	(4)
Other <sup>(b)</sup>	355	385	(30)	(8)
Expenses	1,381	1,341	40	3
Adjusted OIBDA	\$ (64)	\$ (57)	\$ (7)	(12)%

(a) Primarily reflects advertising revenues earned from the use of *Filmed Entertainment* content on third-party digital platforms.

(b) Other segment expenses for our *Filmed Entertainment* segment include employee compensation; costs relating to the distribution of our content; costs for occupancy, technology, and professional services; and other costs associated with our operations.

**Revenues**

Revenues increased 3%, driven by higher theatrical revenues, partially offset by lower licensing revenues.

**Management's Discussion and Analysis of  
Results of Operations and Financial Condition (Continued)**  
**(Tabular dollars in millions, except per share amounts)**

*Theatrical*

Theatrical revenues increased 38%, driven by the above-mentioned release of *Mission: Impossible - The Final Reckoning*. Theatrical revenues in the current-year period also benefited from the fourth quarter 2024 release of *Sonic the Hedgehog 3*. The comparable prior-year period reflects the previously mentioned second quarter 2024 releases as well as the first quarter 2024 releases of *Bob Marley: One Love* and *Mean Girls*.

*Licensing and Other*

Licensing and other revenues decreased 8%, driven by lower revenues from the licensing of animated content.

**Expenses**

*Content Costs*

The 13% increase in content costs primarily reflects higher costs associated with recent theatrical releases, led by *Mission: Impossible - The Final Reckoning*, partially offset by lower costs associated with the lower licensing revenues.

*Advertising and Marketing*

Advertising and marketing expenses decreased 4%, driven by the number and timing of theatrical releases in each year.

*Other*

Other expenses decreased 8%, primarily reflecting lower employee costs.

**Adjusted OIBDA**

Adjusted OIBDA decreased \$7 million, primarily reflecting lower profits from licensing, partially offset by higher profits from films in theaters during the 2025 period.

**Liquidity and Capital Resources**

*Sources and Uses of Cash*

We project anticipated cash requirements for our operating, investing and financing needs as well as cash flows expected to be generated and available to meet these needs. Our operating needs include, among other items, expenditures for content for our broadcast and cable networks and streaming services, including television and film programming, sports rights, and talent contracts, as well as advertising and marketing costs to promote our content and platforms; payments for leases, interest, and income taxes; and pension funding obligations.

Our investing and financing spending includes capital expenditures; acquisitions; funding of investments, including our streaming joint venture, SkyShowtime, under which we and our joint venture partner committed to support initial operations over a multiyear period; discretionary share repurchases; dividends; and principal payments on our outstanding indebtedness. Our long-term debt obligations due over the next five years were \$2.52 billion as of June 30, 2025. We routinely assess our capital structure and opportunistically enter into transactions to manage our outstanding debt maturities, which could result in a charge from the early extinguishment of debt.

Funding for both our short-term and long-term operating, investing and financing needs will come primarily from cash flows from operating activities, cash and cash equivalents, which were \$2.74 billion as of June 30, 2025, and

**Management's Discussion and Analysis of  
Results of Operations and Financial Condition (Continued)  
(Tabular dollars in millions, except per share amounts)**

our ability to refinance our debt. Any additional cash funding requirements are financed with short-term borrowings, including commercial paper, and long-term debt. To the extent that commercial paper is not available to us, the borrowing capacity under our \$3.50 billion Credit Facility described below is sufficient to satisfy short-term borrowing needs. In addition, if necessary, we can increase our liquidity position by reducing non-committed spending.

Pursuant to the Transactions, the NAI Equity Investors and certain other affiliates of investors of Skydance have agreed to make an investment of up to \$6.0 billion into New Paramount in exchange for up to 400 million newly issued shares of New Paramount Class B Common Stock. Up to \$4.5 billion of these proceeds will be used to fund a cash-stock election for Paramount stockholders (other than NAI, the NAI Equity Investors and certain other affiliates of investors of Skydance) and a minimum of \$1.5 billion of cash (less a subscription discount of 1.875%) will remain at New Paramount. If the cash-stock elections are undersubscribed, up to an additional \$1.5 billion (less a subscription discount of 1.875%) of the unused portion of the \$4.5 billion will also remain at New Paramount.

Our access to capital markets and the cost of any new borrowings are impacted by factors outside our control, including economic and market conditions, as well as by ratings assigned by independent rating agencies. As a result, there can be no assurance that we will be able to access capital markets on terms and conditions that will be favorable to us.

**Cash Flows**

The changes in cash and cash equivalents were as follows:

	Six Months Ended June 30,		
	2025	2024	Increase/(Decrease)
Net cash flow provided by operating activities	\$ 339	\$ 319	\$ 20
<b>Net cash flow (used for) provided by investing activities from:</b>			
Continuing operations	(184)	(245)	61
Discontinued operations	—	48	(48)
Net cash flow used for investing activities	(184)	(197)	13
Net cash flow used for financing activities	(161)	(237)	76
Effect of exchange rate changes on cash and cash equivalents	84	(30)	114
Net increase (decrease) in cash and cash equivalents	\$ 78	\$ (145)	\$ 223

*Operating Activities*

The operating cash flow comparison benefited from lower spending for content and was negatively impacted by lower collections, as well as payments of \$111 million in 2025 to fund the Company's qualified pension plans. Additionally, net cash flow provided by operating activities includes payments of \$178 million and \$100 million for the six months ended June 30, 2025 and 2024, respectively, associated with restructuring, transaction-related costs and transformation initiatives, net of insurance recoveries received related to litigation associated with the 2019 merger of Viacom Inc. and CBS Corporation. Our transformation initiatives are related to advancing our technology, including the unification and evolution of systems and platforms, and migration to the cloud.

**Management's Discussion and Analysis of  
Results of Operations and Financial Condition (Continued)  
(Tabular dollars in millions, except per share amounts)**

*Investing Activities*

	Six Months Ended June 30,	
	2025	2024
Investments	\$ (148)	\$ (166)
Capital expenditures <sup>(a)</sup>	(102)	(100)
Proceeds from dispositions <sup>(b)</sup>	66	21
Net cash flow used for investing activities from continuing operations	(184)	(245)
Net cash flow provided by investing activities from discontinued operations <sup>(c)</sup>	—	48
Net cash flow used for investing activities	\$ (184)	\$ (197)

(a) Includes payments associated with the implementation of our transformation initiatives of \$1 million and \$5 million for 2025 and 2024, respectively.

(b) 2025 primarily reflects proceeds received from the disposition of a noncore business, and both periods include the collection of receivables associated with the 2022 sale of a 37.5% interest in The CW.

(c) 2024 reflects additional proceeds received from a working capital adjustment related to the sale of Simon & Schuster in 2023.

*Financing Activities*

	Six Months Ended June 30,	
	2025	2024
Dividends paid on preferred stock	\$ —	\$ (29)
Dividends paid on common stock	(70)	(68)
Payment of payroll taxes in lieu of issuing shares for stock-based compensation	(26)	(18)
Payments to noncontrolling interests	(65)	(97)
Other financing activities	—	(25)
Net cash flow used for financing activities	\$ (161)	\$ (237)

**Dividends**

The following table presents dividends declared per share and total dividends for our Class A and Class B Common Stock for the three and six months ended June 30, 2025 and 2024, and our 5.75% Series A Mandatory Convertible Preferred Stock (“Mandatory Convertible Preferred Stock”) for the six months ended June 30, 2024. On April 1, 2024, each outstanding share of our Mandatory Convertible Preferred Stock automatically and mandatorily converted into 1.1765 shares of our Class B Common Stock. The final dividend on the Mandatory Convertible Preferred Stock was declared during the first quarter of 2024 and paid on April 1, 2024.

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2025	2024	2025	2024
<b><u>Class A and Class B Common Stock</u></b>				
Dividends declared per common share	\$ .05	\$ .05	\$ .10	\$ .10
Total common stock dividends	\$ 35	\$ 34	\$ 70	\$ 69
<b><u>Mandatory Convertible Preferred Stock</u></b>				
Dividends declared per preferred share	n/a	n/a	n/a	\$ 1.4375
Total preferred stock dividends	n/a	n/a	n/a	\$ 14

n/a - not applicable

**Management’s Discussion and Analysis of  
Results of Operations and Financial Condition (Continued)  
(Tabular dollars in millions, except per share amounts)**

**Capital Structure**

The following table sets forth our debt.

	At June 30, 2025	At December 31, 2024
Senior debt	\$ 12,879	\$ 12,868
Junior debt	1,634	1,633
Obligations under finance leases	1	—
Total debt <sup>(a)</sup>	14,514	14,501
Less current portion	346	—
Total long-term debt, net of current portion	\$ 14,168	\$ 14,501

(a) At June 30, 2025 and December 31, 2024, the senior and junior debt balances included (i) a net unamortized discount of \$391 million and \$401 million, respectively, and (ii) unamortized deferred financing costs of \$72 million and \$74 million, respectively. The face value of our total debt was \$14.98 billion at both June 30, 2025 and December 31, 2024.

**Senior Debt**

At June 30, 2025, our senior debt was comprised of senior notes and debentures due between 2026 and 2050 with interest rates ranging from 2.90% to 7.875%.

**Junior Debt**

At June 30, 2025, our junior debt was comprised of \$644 million 6.25% junior subordinated debentures due 2057 and \$990 million 6.375% junior subordinated debentures due 2062. The subordination and extended term, as well as an interest deferral option of our junior subordinated debentures provide significant credit protection measures for senior creditors and, as a result of these features, the debentures received a 50% equity credit by Standard & Poor’s Rating Services, Fitch Ratings Inc., and Moody’s Investors Service, Inc.

**Commercial Paper**

At both June 30, 2025 and December 31, 2024, we had no outstanding commercial paper borrowings.

**Credit Facility**

At June 30, 2025, we had a \$3.50 billion revolving credit facility that matures in January 2027 (the “Credit Facility”). The Credit Facility is used for general corporate purposes and to support commercial paper borrowings, if any. We may, at our option, also borrow in certain foreign currencies up to specified limits under the Credit Facility. Borrowing rates under the Credit Facility are determined at the time of each borrowing and are generally based on either the prime rate in the U.S. or an applicable benchmark rate plus a margin (based on our senior unsecured debt rating), depending on the type and tenor of the loans entered into. The benchmark rate for loans denominated in U.S. dollars is Term SOFR, and for loans denominated in euros, sterling and yen is based on EURIBOR, SONIA and TIBOR, respectively. At June 30, 2025, we had no borrowings outstanding under the Credit Facility and the availability under the Credit Facility was \$3.50 billion.

The Credit Facility has one principal financial covenant which sets a maximum Consolidated Total Leverage Ratio (“Leverage Ratio”) at the end of each quarter. The maximum Leverage Ratio was 5.25x for the quarter ended June 30, 2025 and will decrease 0.25x for each subsequent quarter until the quarter ending March 31, 2026 when it will be 4.5x, and will remain at this level until maturity. The Leverage Ratio reflects the ratio of our Consolidated Indebtedness, net of unrestricted cash and cash equivalents at the end of a quarter, to our Consolidated EBITDA (each as defined in the credit agreement) for the trailing twelve-month period. In May 2025, we entered into an

**Management's Discussion and Analysis of  
Results of Operations and Financial Condition (Continued)**  
**(Tabular dollars in millions, except per share amounts)**

amendment to our Credit Facility, which increased the maximum amount of unrestricted cash and cash equivalents that can be netted against Consolidated Indebtedness, in the calculation of the Leverage Ratio, from \$1.50 billion to \$3.0 billion, effective immediately, and amended the definition of Consolidated EBITDA to include an additional add-back (which is capped at 15% of Consolidated EBITDA after giving effect to such add-back) for cash items associated with provisions for restructuring or other business optimization programs, litigation and environmental reserves and losses on the disposition of businesses. Under the August 2024 amendment to the Credit Facility (which is further described below), the increase to the maximum amount of unrestricted cash and cash equivalents that can be netted against Consolidated Indebtedness would have become operative upon closing of the Transactions. We met the covenant as of June 30, 2025.

The Credit Facility also includes a provision that the occurrence of a change of control of Paramount will be an event of default that would give the lenders the right to accelerate any outstanding loans and terminate their commitments. In August 2024, we entered into amendments to the Credit Facility and our \$1.9 billion standby letter of credit facility (see *Letters of Credit and Surety Bonds*), which, among other things, revise the change of control provision and related definitions to reflect the ownership structure of Paramount after giving effect to the Transactions and the NAI Transaction. These amendments will only become operative upon closing of the Transactions (see *Skydance Transactions*).

*Other Bank Borrowings*

At both June 30, 2025 and December 31, 2024, we had no outstanding bank borrowings under Miramax's \$50 million credit facility that matures in November 2025.

**Guarantees**

*Letters of Credit and Surety Bonds*

At June 30, 2025, we had outstanding letters of credit and surety bonds of \$1.18 billion that were not recorded on the Consolidated Balance Sheet, including \$960 million issued under a \$1.9 billion standby letter of credit facility in accordance with the contractual requirements of one of our commitments. The amount outstanding under the letter of credit decreases throughout 2025 as we make payments under the related contractual commitment. Letters of credit and surety bonds are primarily used as security against non-performance in the normal course of business under contractual requirements of certain of our commitments. The standby letter of credit facility, which matures in May 2026, is subject to provisions similar to the Credit Facility, including the same principal financial covenant (see *Capital Structure — Credit Facility*).

*Lease Guarantees*

We have certain indemnification obligations with respect to leases primarily associated with the previously discontinued operations of Famous Players Inc. Our guarantee liability relating to these lease commitments totaled \$8 million at June 30, 2025, and is presented within "Other liabilities" on the Consolidated Balance Sheet. The amount of lease commitments varies over time depending on the expiration or termination of individual underlying leases, or the related indemnification obligation, and foreign exchange rates, among other things. We may also have exposure for certain other expenses related to the leases, such as property taxes and common area maintenance. We believe our accrual is sufficient to meet any future obligations based on our consideration of available financial information, the lessees' historical performance in meeting their lease obligations and the underlying economic factors impacting the lessees' business models.

**Management's Discussion and Analysis of  
Results of Operations and Financial Condition (Continued)**  
**(Tabular dollars in millions, except per share amounts)**

*Other*

In the course of our business, we both provide and receive indemnities that are intended to allocate certain risks associated with business transactions. Similarly, we may remain contingently liable for various obligations of a business that has been divested in the event that a third party does not live up to its obligations under an indemnification obligation. We record a liability for our indemnification obligations and other contingent liabilities when probable and reasonably estimable.

**Legal Matters**

*General*

On an ongoing basis, we vigorously defend ourselves in numerous lawsuits and proceedings and respond to various investigations and inquiries from federal, state, local and international authorities (collectively, "Litigation"). Litigation may be brought against us without merit, is inherently uncertain and always difficult to predict. However, based on our understanding and evaluation of the relevant facts and circumstances, we believe that the following matters are not likely, in the aggregate, to result in a material adverse effect on our business, financial condition and results of operations.

***Litigation Relating to the Transactions***

In connection with the Transactions, on July 24, 2024, Scott Baker, a purported holder of Class B Common Stock, filed a putative class action lawsuit in the Court of Chancery of the State of Delaware (the "Court") against NAI, Shari E. Redstone, Barbara M. Byrne, Linda M. Griego, Judith A. McHale, Charles E. Phillips, Jr., Susan Schuman, Skydance and David Ellison (the "Baker Action"). The complaint alleges breaches of fiduciary duties to Class B stockholders in connection with the negotiation and approval of the Transaction Agreement, among other claims, and seeks unspecified damages, costs and expenses, as well as other relief. On November 4, 2024, the Court granted the parties' stipulation in the Baker Action agreeing to (i) postpone briefing on motions to dismiss until the filing or designation of an operative complaint following the resolution of the plaintiff's motion to appoint him and the Baerlocher Family Trust, a purported holder of Class B Common Stock, as co-lead plaintiffs and Berger Montague PC as interim class counsel (the "Baker Leadership Motion"), and (ii) stay discovery until the resolution of any motions to dismiss any operative complaint following resolution of the Baker Leadership Motion. Throughout October 2024, various purported stockholders filed motions for intervention to oppose the Baker Leadership Motion. On December 31, 2024, the plaintiff, along with Mark Baerlocher, as trustee for the Baerlocher Family Trust, filed an amended complaint alleging the same breaches of fiduciary duties against the same defendants as in the original complaint. On June 27, 2025, counsel for Mr. Baker informed the Court that the Baker Leadership Motion would be withdrawn without prejudice and that the group of purported stockholders seeking lead plaintiff status would meet and confer to propose a schedule for resolving lead plaintiff applications.

Further, on April 30, 2024, a purported holder of Class B Common Stock filed a verified complaint for the inspection of books and records under Section 220 of the General Corporation Law of the State of Delaware (the "DGCL") in the Court against us, seeking the inspection of our books and records in order to investigate whether our Board of Directors, NAI, Shari E. Redstone and/or our executive officers may have breached their fiduciary duties to our stockholders for alleged diversion of corporate opportunities (the "220 Action"). The magistrate judge held a trial on July 24, 2024 relating to the 220 Action and denied the request for the inspection of books and records. The plaintiff in the 220 Action noticed an exception to the Court, and on January 29, 2025, the Court ruled that the plaintiff is entitled to obtain books and records that are both necessary and sufficient to fulfill the purpose of its request. On February 25, 2025, the Court granted an implementing order that returned the 220 Action to the magistrate judge for further proceedings on the scope of production. On March 24, 2025, the Court granted our application for certification of interlocutory appeal to the Delaware Supreme Court, and on April 30, 2025, the

**Management's Discussion and Analysis of  
Results of Operations and Financial Condition (Continued)  
(Tabular dollars in millions, except per share amounts)**

Delaware Supreme Court accepted the interlocutory appeal. Briefing on the appeal is complete. Certain other purported holders of Class B Common Stock and Class A Common Stock have delivered demand letters to investigate similar alleged breaches of fiduciary duties in connection with the Transactions and are requesting the inspection of books and records. We have also received demand letters from purported holders of Class B Common Stock related to alleged omissions in New Paramount's registration statement on Form S-4.

Additionally, on August 20, 2024, LiveVideo.AI Corp. filed a lawsuit in the Southern District of New York against Shari E. Redstone, NAI, Christine Varney and Monica Seligman, alleging that defendants did not fairly consider its offer to purchase Paramount. The complaint asserts claims for unfair competition, tortious interference, unjust enrichment and aiding and abetting breach of fiduciary duty, among others, and seeks unspecified monetary damages, costs and other relief. The defendants have not been served.

On December 30, 2024, a purported holder of Class B Common Stock and Class A Common Stock filed a complaint for the inspection of books and records under Section 220 of the DGCL in the Court against us to investigate possible breaches of fiduciary duties in connection with the Transactions. The complaint alleges that the documents produced to such purported stockholder thus far pursuant to its Section 220 demand are insufficient to determine whether our officers, Board of Directors, Special Committee, NAI or Skydance breached their fiduciary duties (or aided and abetted such breaches). The complaint seeks an order requiring us to produce the documents identified in the Section 220 demand, among other relief. The magistrate judge held a trial on April 1, 2025 and denied the stockholder's request for the inspection of additional books and records.

On February 4, 2025, New York City Employees' Retirement System, the New York City Fire Department Pension Fund, the New York City Police Pension Fund, the New York City Board Of Education Retirement System, and the Teachers' Retirement System of the City of New York, purported holders of Class B Common Stock and Class A Common Stock, filed a putative class action lawsuit in the Court against Barbara M. Byrne, Linda M. Griego, Judith A. McHale and Susan Schuman, which alleges breaches of fiduciary duties for their alleged failure to sufficiently consider an alternate offer that the plaintiffs claim is superior to the Transactions (the "NYCERS Action"). The plaintiffs argue that the no-shop provision in the Transaction Agreement should be declared invalid and unenforceable because it prevents the parties from engaging in further deal discussions and negotiations with companies other than Skydance, including, specifically, Project Rise Partners, after the no-shop period begins. The plaintiffs further assert that the Court has the power to invalidate this provision because Skydance allegedly aided and abetted NAI's and Shari E. Redstone's breach of fiduciary duties, including by agreeing to indemnify Shari E. Redstone (through Skydance's separate agreement with NAI) for any breach of fiduciary duty claims arising out of the Transactions up to a certain amount. Skydance, NAI, Shari E. Redstone and Paramount were not named as defendants in the original complaint. The NYCERS Action originally sought, among other forms of relief, an order from the Court enjoining the closing of the Transactions until the Court has reached a final resolution on the plaintiffs' claims and an order compelling the Special Committee to evaluate Project Rise Partners' alternative offer to, among other things, acquire Class A Common Stock for \$23.00 per share and Class B Common Stock for \$19.00 per share. The Project Rise Partners offer was made after the go-shop period in the Transaction Agreement had ended. The complaint does not seek compensatory damages at this time. The plaintiffs filed a motion for expedited proceedings along with their complaint. On February 18, 2025, the plaintiffs moved to join Paramount and Skydance (and various other entities named in the Transaction Agreement) as necessary parties to the litigation and moved for a temporary restraining order preventing the closing of the Transactions until the Court considers the plaintiffs' anticipated motion for injunctive relief following expedited discovery. The same day, Project Rise Partners moved the Court to grant it leave to file an affidavit under seal. The parties reached agreement to withdraw plaintiffs' request for expedition and their application for injunctive relief in exchange for targeted discovery from certain of the defendants and third parties.

**Management's Discussion and Analysis of  
Results of Operations and Financial Condition (Continued)**  
**(Tabular dollars in millions, except per share amounts)**

On April 8, 2025, purported holders of Class B Common Stock filed a complaint for the inspection of books and records under Section 220 of the DGCL in the Court against us to maintain standing to enforce their statutory inspection rights and seek an order that Paramount produce all the books and records identified in their Section 220 demands to investigate possible breaches of fiduciary duties in connection with the Transactions. The complaint alleges that the documents produced to such purported stockholders thus far pursuant to their Section 220 demands are insufficient. The complaint seeks an order requiring us to produce the documents identified in their Section 220 demands, among other relief. On April 21, 2025, the Court approved a stipulation by the parties to stay all proceedings in the action in an effort to resolve the dispute.

***Litigation Related to Distribution Agreements***

In October 2024, Sony Pictures Television Inc., along with Jeopardy Productions, Inc. and Califon Productions, Inc. (collectively, "Sony"), filed a civil complaint for damages against CBS Studios Inc. in the Superior Court of the State of California, for Los Angeles County, asserting a breach of contract claim against us relating to our exclusive right to distribute Wheel of Fortune and Jeopardy! (the "Distribution Agreements"). In December 2024, we filed a cross-complaint against Sony seeking, among other things, a declaration that the Distribution Agreements remain in full force and effect. On February 3, 2025, Sony purported to assume our distribution functions, and on February 4, 2025, we filed an ex parte application, seeking a temporary restraining order preventing Sony from assuming these distribution functions, which the trial court granted on February 5, 2025. On April 10, 2025, the trial court declined to issue a preliminary injunction preventing Sony from assuming these distribution functions for the duration of the litigation. On April 11, 2025, we appealed the trial court's ruling and requested a stay of the order denying the preliminary injunction, which was granted on April 16, 2025. Further proceedings are ongoing in the appeals court and the trial court.

***Claims Related to Former Businesses***

*Asbestos*

We are a defendant in lawsuits claiming various personal injuries related to asbestos and other materials, which allegedly occurred as a result of exposure caused by various products manufactured by Westinghouse, a predecessor, generally prior to the early 1970s. Westinghouse was neither a producer nor a manufacturer of asbestos. We are typically named as one of a large number of defendants in both state and federal cases. In the majority of asbestos lawsuits, the plaintiffs have not identified which of our products is the basis of a claim. Claims against us in which a product has been identified most commonly relate to allegations of exposure to asbestos-containing insulating material used in conjunction with turbines and electrical equipment.

Claims are frequently filed and/or settled in groups, which may make the amount and timing of settlements, and the number of pending claims, subject to significant fluctuation from period to period. We do not report as pending those claims on inactive, stayed, deferred or similar dockets that some jurisdictions have established for claimants who allege minimal or no impairment. As of June 30, 2025, we had pending approximately 17,790 asbestos claims, as compared with approximately 18,310 as of December 31, 2024. During the second quarter of 2025, we received approximately 740 new claims and closed or moved to an inactive docket approximately 670 claims. We report claims as closed when we become aware that a dismissal order has been entered by a court or when we have reached agreement with the claimants on the material terms of a settlement. Settlement costs depend on the seriousness of the injuries that form the basis of the claims, the quality of evidence supporting the claims and other factors. Our total costs for the years 2024 and 2023 for settlement and defense of asbestos claims after insurance recoveries and net of tax were approximately \$34 million and \$54 million, respectively. Our costs for settlement and defense of asbestos claims may vary year to year and insurance proceeds are not always recovered in the same period as the insured portion of the expenses.

**Management's Discussion and Analysis of  
Results of Operations and Financial Condition (Continued)  
(Tabular dollars in millions, except per share amounts)**

Filings include claims for individuals suffering from mesothelioma, a rare cancer, the risk of which is allegedly increased by exposure to asbestos; lung cancer, a cancer which may be caused by various factors, one of which is alleged to be asbestos exposure; other cancers, and conditions that are substantially less serious, including claims brought on behalf of individuals who are asymptomatic as to an allegedly asbestos-related disease. A significant number of pending claims against us are non-cancer claims. It is difficult to predict long-term future asbestos liabilities, as events and circumstances may impact the estimate. We record an accrual for a loss contingency when it is both probable that a liability has been incurred and when the amount of the loss can be reasonably estimated. The reasonably estimable period for our long-term asbestos liability is 10 years, which we determined in consultation with a third-party firm with expertise in estimating asbestos liability and is due to the inherent uncertainties in the tort litigation system. Our estimated asbestos liability is based upon many factors, including the number of outstanding claims, estimated average cost per claim, the breakdown of claims by disease type, historic claim filings, costs per claim of resolution and the filing of new claims, and is assessed in consultation with the third-party firm. Changes in circumstances in future periods could cause our actual liabilities to be higher or lower than our current accrual. We will continue to evaluate our estimates and update our accrual as needed.

*Other*

From time to time, we receive claims from federal and state environmental regulatory agencies and other entities asserting that we are or may be liable for environmental cleanup costs and related damages principally relating to our historical and predecessor operations. In addition, from time to time we receive personal injury claims including toxic tort and product liability claims (other than asbestos) arising from our historical operations and predecessors. While we believe that our accruals for these matters are adequate, there can be no assurance that circumstances will not change in future periods and, as a result, our actual liabilities may be higher or lower than our accrual.

**Related Parties**

See Note 4 to the consolidated financial statements.

**Accounting Pronouncements Not Yet Adopted**

See Note 1 to the consolidated financial statements.

**Cautionary Note Concerning Forward-Looking Statements**

This Quarterly Report on Form 10-Q contains both historical and forward-looking statements, including statements related to our future results, performance and achievements. 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 behavior, advertising market conditions and deficiencies in audience measurement; risks related to operating in highly competitive and dynamic industries, including cost increases; the unpredictable nature of consumer behavior, as well as evolving technologies and distribution models; risks related to our decisions to make investments in new businesses, products, services and technologies, and the evolution of our

**Management's Discussion and Analysis of  
Results of Operations and Financial Condition (Continued)  
(Tabular dollars in millions, except per share amounts)**

business strategy; 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; losses due to asset impairment charges for goodwill, intangible assets, FCC licenses and content; liabilities related to discontinued operations and former businesses; increasing scrutiny of, and evolving expectations for, sustainability initiatives; 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, including tariffs and other changes in trade policies; the inability to hire or retain key employees or secure creative talent; disruptions to our operations as a result of labor disputes; challenges realizing synergies and other anticipated benefits expected from the Transactions, including integrating the Company's and Skydance's businesses successfully; the dilution to the earnings per share of New Paramount which may negatively affect the price of New Paramount Class B Common Stock; any negative effects following the completion of the Transactions on the market price of New Paramount Class B Common Stock; the uncertainty of the Company's stockholders with respect to the value of the stock consideration they will receive; the risks that holders of our Class B Common Stock may not receive all merger consideration in the form they elect; the reduced ownership and economic interest of our existing stockholders in New Paramount; the cutbacks the PIPE Transaction is subject to in the event that stock elections exceed specified thresholds; the risks that the Transactions may be prevented or delayed or the anticipated benefits of the Transactions could be reduced if we do not obtain certain regulatory approvals; the conditions to the closing to which the Transactions are subject; our and New Paramount's continued incurrence of significant transaction and merger-related transaction costs in connection with the Transactions; business uncertainties, including the effect of the Transactions on the Company's employees, commercial partners, clients and customers, and contractual restrictions while the Transactions are pending; the Transaction Agreement's limitation on our ability to pursue alternatives to the Transactions; tax consequences of the Transactions that may adversely affect holders of our Common Stock; the imposition of a new U.S. federal excise tax on us or on New Paramount in connection with redemptions by us or New Paramount of our respective shares; interests of our executive officers, directors and affiliates of Paramount that are different from, or in addition to, the rights of our stockholders; risks related to a failure to complete the Transactions which could negatively impact our businesses or financial results and the stock price of our Common Stock; lawsuits relating to the Transactions potentially preventing or delaying the closing of the Transactions and/or resulting in substantial costs; the waiver of one or more of the conditions to closing without re-obtaining stockholder approval; difficulties retaining, motivating and recruiting executives and other key employees before and following the completion of the Transactions in light of uncertainty regarding the Transactions; the Transactions triggering change of control or other provisions in certain agreements which may allow third parties to terminate or alter existing contracts or relationships; our stockholders not being entitled to appraisal rights in connection with the Transactions; changes and uncertainties with respect to taxes in the jurisdictions in which New Paramount will operate which may have an adverse effect on New Paramount's business; volatility in the prices 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 Quarterly Report on Form 10-Q are made only as of the date of this report, and we do not undertake any obligation to publicly update any forward-looking statements to reflect subsequent events or circumstances.

**Item 3. Quantitative and Qualitative Disclosures About Market Risk.**

There have been no significant changes to market risk since reported in our Annual Report on Form 10-K for the year ended December 31, 2024.

**Item 4. Controls and Procedures.**

Our principal executive officer and principal financial officer have concluded that, as of the end of the period covered by this report, our disclosure controls and procedures (as defined in Rules 13a-15(e) or 15d-15(e) of the Securities Exchange Act of 1934, as amended) were effective, based on the evaluation of these controls and procedures required by Rule 13a-15(b) or 15d-15(b) of the Securities Exchange Act of 1934, as amended.

No change in our internal control over financial reporting occurred during our last fiscal quarter that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

## **PART II – OTHER INFORMATION**

### **Item 1. Legal Proceedings.**

The information set forth in Note 13 to the consolidated financial statements appearing in Item 1 of Part I of this Quarterly Report on Form 10-Q under the caption “Legal Matters” is incorporated by reference herein.

### **Item 1A. Risk Factors.**

There have been no material changes to the risk factors previously disclosed in Item 1A of our Annual Report on Form 10-K for the year ended December 31, 2024 (filed with the Securities and Exchange Commission on February 26, 2025).

### **Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.**

#### **Company Purchases of Equity Securities**

In November 2010, we announced that our Board of Directors approved a program to repurchase \$1.5 billion of our common stock in open market purchases or other types of transactions (including accelerated stock repurchases or privately negotiated transactions). Since then, various increases totaling \$16.4 billion have been approved and announced, including most recently, an increase to the share repurchase program to a total availability of \$6.0 billion on July 28, 2016. During the second quarter of 2025, we did not purchase any shares under our publicly announced share repurchase program, which had remaining authorization of \$2.36 billion at June 30, 2025.

**Item 6. Exhibits.**

<b>Exhibit No.</b>	<b>Description of Document</b>
<b>(10)</b>	<b>Material Contracts</b>
	(a) Paramount Global Amended and Restated Long-Term Incentive Plan, effective as of July 2, 2025 (incorporated by reference to <a href="#">Annex A</a> to the Definitive Proxy Statement of Paramount Global filed June 2, 2025) (File No. 001-09553).*
	(b) Form of Terms and Conditions for Restricted Share Units under the Paramount Global Amended and Restated Long-Term Incentive Plan ( <a href="#">filed herewith</a> ).*
	(c) Paramount Global Amended and Restated Equity Plan for Outside Directors, effective as of July 2, 2025 (incorporated by reference to <a href="#">Annex B</a> to the Definitive Proxy Statement of Paramount Global filed June 2, 2025) (File No. 001-09553).*
<b>(31)</b>	<b>Rule 13a-14(a)/15d-14(a) Certifications</b>
	(a) Certification of the principal executive officer of Paramount Global pursuant to Rule 13a-14(a), or 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes Oxley Act of 2002 ( <a href="#">filed herewith</a> ).
	(b) Certification of the principal financial officer of Paramount Global pursuant to Rule 13a-14(a), or 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes Oxley Act of 2002 ( <a href="#">filed herewith</a> ).
<b>(32)</b>	<b>Section 1350 Certifications</b>
	(a) Certification of the principal executive officer of Paramount Global furnished pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes Oxley Act of 2002 ( <a href="#">furnished herewith</a> ).
	(b) Certification of the principal financial officer of Paramount Global furnished pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes Oxley Act of 2002 ( <a href="#">furnished herewith</a> ).
<b>(101)</b>	<b>Interactive Data File</b>
	101. INS XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
	101. SCH Inline XBRL Taxonomy Extension Schema.
	101. CAL Inline XBRL Taxonomy Extension Calculation Linkbase.
	101. DEF Inline XBRL Taxonomy Extension Definition Linkbase.
	101. LAB Inline XBRL Taxonomy Extension Label Linkbase.
	101. PRE Inline XBRL Taxonomy Extension Presentation Linkbase.
<b>(104)</b>	<b>Cover Page Interactive Data File</b> (formatted as Inline XBRL and contained in Exhibit 101).

---

\*Management contract or compensatory plan or arrangement.

## SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

**PARAMOUNT GLOBAL**  
(Registrant)

Date: July 31, 2025

/s/ Andrew Warren

---

Andrew Warren  
*Executive Vice President,  
Interim Chief Financial Officer*

Date: July 31, 2025

/s/ Katherine Gill-Charest

---

Katherine Gill-Charest  
*Executive Vice President, Controller and  
Chief Accounting Officer*

**Paramount Global****20[ ] Terms and Conditions to the Restricted Share Units****Granted under the Paramount Global Amended and Restated Long-Term Incentive Plan****ARTICLE I  
TERMS OF RESTRICTED SHARE UNITS**

Section 1.1 Grant of Restricted Share Units. Paramount Global, a Delaware corporation (the “Company”), has awarded the Participant Restricted Share Units (the “RSUs”) under the Paramount Global Amended and Restated Long-Term Incentive Plan (f/k/a the ViacomCBS Inc. 2009 Long-Term Incentive Plan, as amended from time to time, the “Plan”). The RSUs have been awarded to the Participant subject to the terms and conditions contained in (A) the certificate for the grant of RSUs, dated [ ], that was previously delivered to the Participant (the “Restricted Share Units Certificate” or the “Certificate”), (B) the terms and conditions contained herein and (C) the Plan, the terms of which are hereby incorporated by reference (the items listed in (A), (B), and (C), collectively, the “Terms and Conditions”). A copy of the Plan and the Prospectus dated [ ] has been or will be made available to the Participant on the Morgan Stanley (or its successor’s) website or has been attached hereto.

Capitalized terms that are not otherwise defined herein have the meanings assigned to them in the Terms and Conditions. Each Restricted Share Unit represents the right to receive one share of Class B Common Stock, subject to the Terms and Conditions.

**Section 1.2 Terms of RSUs**

(a) General and Vesting. Subject to the other terms and conditions in the Certificate and in the Plan, the RSUs shall vest in three (3) installments of an approximately equal whole number of RSUs on each of [ ], [ ] and [ ], except that any fractional RSUs resulting from this vesting schedule will be aggregated and will vest on whichever of such vesting dates as shall be determined by the Company in its discretion; *provided, however*, the RSUs shall vest in accordance with the circumstances described in Section 1.2(d) hereof.

(b) Settlement and Delivery of Shares. On the date each portion of the RSUs vests, that portion of the RSUs that has vested shall be payable in shares of Class B Common Stock, which may be evidenced in such manner as the Committee in its discretion shall deem appropriate, including, without limitation, book-entry registration; *provided, however*, that such shares shall bear such legends as the Committee, in its discretion, may determine to be necessary or advisable. The Company currently does not issue share certificates for the Class B Common Stock. Settlement of vested RSUs shall occur as soon as administratively practicable, and in any event within 60 days following the applicable vesting date. The Company will settle vested RSUs by delivering the corresponding number of shares of Class B Common Stock (subject to withholding to satisfy Tax-Related Items) to the Participant's stock plan account maintained with Morgan Stanley (or its successor as service provider to the Company's equity compensation plans). Following settlement, the Participant may direct Morgan Stanley (or its successor) to sell some or all of such shares, may leave such shares in such stock plan account or may transfer them to an account that the Participant maintains with a bank or broker by following the instructions made

available to the Participant by the Company or on behalf of the Company by Morgan Stanley or its successor, as applicable. To the extent such shares are automatically swept from the Participant's Morgan Stanley stock plan account to a companion brokerage account maintained by an affiliate of Morgan Stanley, references to Morgan Stanley in the immediately preceding sentence shall include such Morgan Stanley affiliate that maintains the companion brokerage account.

(c) Dividend Equivalents. If the Company pays regular cash dividends on Class B Common Stock, Dividend Equivalents shall accrue on the RSUs until the RSUs are settled. The Company will credit such Dividend Equivalents when it pays the corresponding dividend on the Class B Common Stock. Accrued Dividend Equivalents will be subject to the same vesting and forfeiture conditions as the underlying RSUs on which the Dividend Equivalents were accrued. Accrued Dividend Equivalents that have been credited to the Participant's account shall be paid in cash (reduced by amounts necessary to satisfy the Tax Related Items) through payroll in a lump sum as soon as administratively practicable after the date the RSUs on which the Dividend Equivalents accrued and are settled; provided, however, if RSUs are scheduled to vest and be settled between a dividend record date and a dividend payment date, the Dividend Equivalents payable with respect to the RSUs on account of such dividend will be paid in a lump sum based on the dividend payment date. Notwithstanding the foregoing, in no event shall Dividend Equivalents be paid later than March 15<sup>th</sup> of the calendar year following the calendar year in which the RSUs vest.

The decision to pay a dividend and, if so, the amount of any such dividend, is determined by the Company in its sole discretion. Accrued Dividend Equivalents will not be paid with respect to any RSUs that do not vest and are cancelled. Dividend Equivalents will not be credited with any interest or other return between the date they accrue and the date they are paid to the Participant.

(d) Termination of Employment.

(1) If, at the time of a Participant's Termination of Employment, the Participant is a party to an employment agreement with the Company or one of its Subsidiaries or is covered by a written severance arrangement for the benefit of Company employees, in either case that contains provisions more favorable than those set forth in Section 1.2(d)(2) below, then such different provisions will control so long as they are in effect and applicable to the Participant at the time of the Participant's Termination of Employment. In the event that any such provision would cause the RSUs to be subject to the requirements of Section 409A, the vesting and settlement of the RSUs shall also comply with Section 4.6 hereof.

(2) Otherwise, in the event that the Participant incurs a Termination of Employment prior to the date or dates on which the RSUs vest in accordance with Section 1.2(a) hereof:

(a) due to the Participant's death or Permanent Disability, then the unvested RSUs (and all unvested Dividend Equivalents accrued thereon) shall immediately vest; or

(b) for any reason other than due to the Participant's death or Permanent Disability, then, unless the Committee determines otherwise and provides that some or all of such Participant's unvested RSUs shall vest as of the date of such event, the Participant shall forfeit all unvested RSUs (and all unvested Dividend Equivalents accrued thereon) as of the date of such Termination of Employment; provided, however, that if such Termination of Employment (x) is by the Company without Cause (as defined in the Plan) or by the Participant for Good Reason (provided such right to resign for Good Reason applies to the Participant through their employment agreement) and (y) occurs within 24 months following the consummation of the pending transactions pursuant to the definitive transaction agreement, dated July 7, 2024, among the Company, Skydance Media, LLC and certain other parties, then any then outstanding and unvested RSUs (and all unvested Dividend Equivalents accrued thereon) shall immediately vest.

(3) In all cases of vesting, shares of Class B Common Stock shall be settled in accordance with Section 1.2(b) hereof to the Participant or, in the case of the Participant's death, to the person or persons who acquired the right to receive such shares by will, the laws of descent and distribution, or beneficiary designation.

## **ARTICLE II EFFECT OF CERTAIN CORPORATE CHANGES**

In the event of a merger, consolidation, stock split, reverse stock split, dividend, distribution, combination, reclassification, reorganization, split-up, spin-off, split off or recapitalization that changes the character, value or amount of the Class B Common Stock or any other changes in the corporate structure, equity securities or capital structure of the Company, the Committee shall make such adjustments, if any, to the number and kind of securities subject to the RSUs, as it deems appropriate. The Committee may, in its sole discretion, also make such other adjustments as it deems appropriate in order to preserve the benefits or potential benefits intended to be made available hereunder. Such determinations by the Committee shall be conclusive and binding on all persons for all purposes.

## **ARTICLE III DEFINITIONS**

As used herein, the following terms shall have the following meanings:

- (a) "Board" shall mean the Board of Directors of the Company.
- (b) "Certificate" shall have the meaning set forth in Section 1.1 hereof.
- (c) "Class B Common Stock" shall mean shares of Class B Common Stock, par value \$0.001 per share, of the Company.
- (d) "Code" shall mean the U.S. Internal Revenue Code of 1986, as amended, including any successor law thereto and the rules, regulations and guidance promulgated thereunder.

(e) “Committee” shall mean the Compensation Committee of the Board (or such other committee(s) as may be appointed or designated by the Board to administer the Plan).

(f) “Company” shall mean Paramount Global, a Delaware corporation, or any successor.

(g) “Date of Grant” shall mean the grant date set forth on the Certificate.

(h) “Dividend Equivalent” shall mean an amount in cash equal to the regular cash dividend, if any, that would have been paid on the number of shares of Class B Common Stock underlying the RSUs.

(i) “Fair Market Value” of a share of Class B Common Stock on a given date shall be, unless otherwise determined by the Committee, the closing price on such date on the NASDAQ Global Select Market or, if different, the principal stock exchange on which the Class B Common Stock is then listed, as reported by any authoritative source selected by the Company in its discretion. If such date is not a business day on which the Fair Market Value can be determined, then the Fair Market Value shall be determined as of the last preceding business day on which the Fair Market Value can be determined.

(j) “Good Reason” has the meaning assigned to such term in the Participant’s employment agreement with the Company or a Subsidiary as then in effect, if any.

(k) “Participant” shall mean the employee named in the Certificate.

(l) “Permanent Disability” shall have the same meaning as such term or a similar term has under the long-term disability plan or policy maintained by the Company or a Subsidiary under which the Participant has coverage and which is in effect on the date of the onset of the Participant's disability; *provided, however*, that if the Participant is not covered by a long-term disability plan or policy, then “Permanent Disability” shall have the meaning set forth in Section 22(e) of the Code. In either case, the determination as to whether a Participant meets this definition shall be made by the Paramount Global Administrative Committee (or its designee) or such party as provided under the applicable long-term disability plan or policy.

(m) “Plan” shall mean the Paramount Global Amended and Restated Long-Term Incentive Plan, as may be amended from time to time.

(n) “Restricted Share Units” or “RSUs” shall mean the contractual right granted to the Participant to receive shares of Class B Common Stock pursuant to this Award, subject to the Terms and Conditions.

(o) “Section 409A” shall mean Section 409A of the Code and the rules, regulations and guidance promulgated thereunder from time to time.

(p) “Subsidiary” shall mean a corporation or other entity with respect to which the Company owns or controls, directly or indirectly, 50% or more of the outstanding shares of stock normally entitled to vote for the election of directors (or comparable voting power), provided that the Committee may also designate any other corporation or other entity in which the Company,

directly or indirectly, has an equity or similar interest corresponding to less than 50% of such voting power as a Subsidiary for purposes of the Plan.

(q) “Tax-Related Items” means any federal, national, provincial, state, and/or local tax liability (including, but not limited to, income tax, social insurance contributions, payment on account, employment tax obligations, stamp taxes, and any other taxes) that may be due or required by law to be withheld, and/or any employer tax liability shifted to a Participant.

(r) “Termination of Employment” shall mean, for purposes of the RSUs, when a Participant is no longer an employee of the Company or any of its Subsidiaries for any reason, including, without limitation, a reduction in force, a sale or divestiture or shut-down of the business for which the Participant works, the Participant's voluntary resignation; the Participant's resignation with Good Reason (provided such right to resign for Good Reason applies to the Participant through their employment agreement); the Participant's termination with or without cause; or the Participant's retirement, death or Permanent Disability. Also, unless the Committee determines otherwise, the employment of a Participant who works for a Subsidiary shall terminate, for purposes of the RSUs, on the date on which the Participant's employing company ceases to be a Subsidiary. Further, unless the Committee determines or a Participant's employment agreement provides otherwise, a Participant's resignation in connection with the Participant's acceptance of an offer of employment with the purchaser in a sale of the Participant's employing company's assets will be a “voluntary resignation.”

(s) “Terms and Conditions” shall have the meaning set forth in section 1.1 hereof.

#### **ARTICLE IV MISCELLANEOUS**

Section 4.1 No Rights to Awards or Continued Employment. None of the Certificate, the Plan, these terms and conditions, or any action taken in accordance with such documents shall confer upon the Participant any right to be employed by or to continue in the employment of the Company or any Subsidiary, or to be entitled to any remuneration or benefits not set forth in the Terms and Conditions, including the right to receive any future awards under the Plan or any other plan of the Company or any Subsidiary or interfere with or limit the right of the Company or any Subsidiary to modify the terms of or terminate the Participant's employment at any time for any reason. This Award is conditioned on the Participant remaining, on the Grant Date, (i) a paid employee or (ii) an employee on unpaid leave under the Family Medical Leave Act (or its local law equivalent in the Participant's state and/or country of residence and/or employment, if different, in each case, “Protected Leave”). Subject to applicable law, the Company reserves the right to cancel or otherwise nullify an Award to a Participant who was on unpaid leave on the Grant Date that was not Protected Leave or otherwise related to the Participant's status as a member of a protected class or person with a protected characteristic, in each case, under applicable law in the Participant's country of residence and/or employment, if different.

Section 4.2 Taxes. The Company or a Subsidiary, as appropriate, shall be entitled to deduct and withhold from any RSUs that vest and from any payment (including payment of accrued Dividend Equivalents) made with respect to the RSUs or otherwise under the Plan to the Participant, a Participant's estate or any permitted transferee or beneficiary an amount sufficient

to satisfy any Tax-Related Items. The amount sufficient to satisfy the Tax-Related Items with respect to the vesting of RSUs shall be calculated by valuing the shares of Class B Common Stock on the date of vesting or such other date as determined by the Committee, in its sole discretion. Further, any shares of Class B Common Stock that are retained to satisfy the Tax-Related Items shall be valued based on the Fair Market Value on the date that the amount sufficient to satisfy the Tax-Related Items is to be determined in accordance with the foregoing sentence.

In order to satisfy such Tax-Related Items, the Company may, in its discretion and subject to such conditions as it may determine, direct, or permit, as a condition of the settlement of the RSUs, payment of the Dividend Equivalents, or delivery of any shares of Class B Common Stock, that such Tax-Related Items be satisfied by (i) withholding shares of Class B Common Stock (or in the case of Dividend Equivalents, cash) subject to the applicable RSUs (and/or Dividend Equivalents); (ii) selling a portion of the shares of Class B Common Stock subject to the applicable RSUs and using the proceeds of such sale to satisfy the applicable Tax-Related Items; (iii) payment by the Participant of an additional cash amount equal to the amount of such Tax-Related Items; (iv) delivery of Class B Common Stock already owned by the Participant having a Fair Market Value equal to the amount of such Tax-Related Items; or (v) any other means available under applicable law and the Plan that the Company, in its sole discretion, determines to be appropriate in order to satisfy the Tax-Related Items.

As a condition to receiving this grant of RSUs, the Participant has agreed to take, or to allow the Company to take, in its discretion, the foregoing actions to satisfy such Tax Related Items.

**Section 4.3 Stockholder Rights: Unsecured Creditor Status.** The grant of RSUs under the Terms and Conditions shall not entitle the Participant, the Participant's estate, or any permitted transferee or beneficiary to any rights of a holder of shares of Class B Common Stock, unless, and only when, the Participant, the Participant's estate, or any permitted transferee or beneficiary, as applicable, is registered on the books and records of the Company as a stockholder with respect to the shares of Class B Common Stock underlying the RSUs (or where the shares are permitted to be held in "street" name by a broker designated by the Participant (or the Participant's estate, permitted transferee or beneficiary, as applicable) until such broker has been so registered), and shares are delivered to such party upon settlement of the RSUs or payment of the Dividend Equivalents. Unless otherwise determined by the Committee in its discretion or as specified herein, no adjustment shall be made for dividends or distributions or other rights in respect of any shares of Class B Common Stock for which the record date is prior to the date on which the Participant, a Participant's estate, or any permitted transferee or beneficiary (or broker of any of the foregoing, if applicable) shall become the registered or beneficial holder of such shares of Class B Common Stock. RSUs constitute unsecured and unfunded obligations of the Company. As a holder of RSUs, the Participant shall have only the rights of a general unsecured creditor of the Company.

**Section 4.4 No Restriction on Right of Company to Effect Corporate Changes.** Neither the Plan nor the Certificate (nor the terms and conditions set forth herein) shall affect in any way the right or power of the Company or its stockholders to make or authorize any or all adjustments, recapitalizations, reorganizations or other changes in the Company's capital structure or its business, or any merger or consolidation of the Company, or any issue of stock or of options,

warrants or rights to purchase stock or of bonds, debentures, preferred or prior preference stocks whose rights are superior to or affect the Class B Common Stock or the rights thereof or which are convertible into or exchangeable for Class B Common Stock, or the dissolution or liquidation of the Company, or any sale or transfer of all or any part of its assets or business, or any other corporate act or proceeding, whether of a similar character or otherwise.

Section 4.5 No Advice Regarding Award. The Company is not providing any tax, legal or financial advice, nor is the Company making any recommendations regarding the Participant's participation in the Plan, or his or her acquisition or sale of the shares of Class B Common Stock underlying the RSUs. The Participant should consult with his or her own personal tax, legal and financial advisors regarding his or her participation in the Plan before taking any action in relation thereto.

Section 4.6 Section 409A. To the extent applicable to the Participant, the intent of the Company is that payments and distributions under the Terms and Conditions comply with Section 409A of the Code and, accordingly, to the maximum extent permitted, the Terms and Conditions shall be interpreted to be in compliance therewith. If any provision of the Certificate (or set forth herein) contravenes any regulations or Treasury guidance promulgated under Section 409A or could cause the Participant to be required to recognize income for United States federal income tax purposes with respect to any RSUs before such RSUs are settled or to be subject to any additional tax or interest under Section 409A, such provision may be modified to maintain, to the maximum extent practicable, the original intent of the applicable provision without the imposition of any additional tax or interest under Section 409A. Moreover, any discretionary authority that the Board or the Committee may have pursuant to the Certificate shall not be applicable to RSUs that are subject to Section 409A to the extent such discretionary authority will contravene Section 409A.

Notwithstanding anything herein to the contrary, if the Participant is deemed on the date of his or her "separation from service" (as determined by the Company pursuant to Section 409A) to be one of the Company's "specified employees" (as determined by the Company pursuant to Section 409A), then any portion of any of the Participant's RSUs that constitutes deferred compensation within the meaning of Section 409A and is payable or distributable upon the Participant's separation from service shall not be made or provided prior to the earlier of (i) the six-month anniversary of the date of the Participant's separation from service or (ii) the date of Participant's death (the "Delay Period"). All payments and distributions delayed pursuant to this Section 4.6 shall be paid or distributed to the Participant within thirty days following the end of the Delay Period, subject to the satisfaction of any Tax-Related Items, and any remaining payments and distributions due thereafter under the Terms and Conditions shall be paid or distributed in accordance with the dates specified for them herein. In no event shall the Company or any of its Subsidiaries be liable for any tax, interest or penalties that may be imposed on the Participant with respect to Section 409A.

Section 4.7 Amendment. The Committee shall have broad authority to amend the Terms and Conditions without approval of the Participant to the extent necessary or desirable (a) to comply with, or take into account changes in, applicable tax laws, securities laws, accounting rules and other applicable laws, rules and regulations or (b) to ensure that the Participant is not required to recognize income for United States federal income tax purposes with respect to any

RSUs before such RSUs are settled and is not subject to additional tax or interest under Section 409A with respect to any RSUs. The Committee shall not be obligated to make any such amendment, however, and neither the Committee nor the Company makes any representation or guarantee that the RSUs will not be subject to additional tax or interest under Section 409A.

Section 4.8 Interpretation. In the event of any conflict between the provisions of the Certificate or these terms and conditions (including the definitions set forth herein) and those of the Plan, the provisions of the Plan will control. Additionally, in the event of a conflict or ambiguity between the provisions of the Terms and Conditions and the provisions of any employment agreement that is in effect and applicable to the Participant with respect to the RSUs, the provisions of such employment agreement will control to the extent such provisions are consistent with the provisions of the Plan and are more favorable to the Participant than the provisions of the Certificate and these terms and conditions.

Section 4.9 Breach of Covenants. In the event that (i) the Participant is party to an employment agreement or other agreement with the Company or one of its Subsidiaries containing restrictive covenants relating to non-competition, no solicitation of employees, confidential information or proprietary property, and (ii) the Committee makes a good faith determination at any time that the Participant committed a material breach of any such restrictive covenants during the Participant's employment or the one-year period after termination of the Participant's employment with the Company or a Subsidiary for any reason, then (x) the Participant shall be required to return to the Company all shares of Class B Common Stock received by him or her as a result of the vesting of the RSUs during the one year period prior to such breach or any time after such breach occurs, and the cash payment of related accrued Dividend Equivalents; provided, however, to the extent that any such shares of Class B Common Stock received in settlement of the Restricted Share Units within the one-year period prior to such breach were sold by the Participant, the Participant shall remit to the Company any proceeds realized on the sale of such shares of Class B Common Stock, whether such sale occurred during the one year period prior to such breach or any time after such breach occurs, and (y) notwithstanding any provision of the Terms and Conditions or any other agreement between the Company and the Participant, including any agreement referenced in Section 1.2(d) hereof, under no circumstances will any unvested RSUs vest following the Committee's determination that Participant has committed a material breach.

Section 4.10 Entire Agreement. Except to the extent provided in a valid and binding employment agreement or severance agreement, the Terms and Conditions constitute the entire understanding and agreement between the Company and the Participant with respect to the subject matter hereof and supersede all prior and contemporaneous agreements or understandings, inducements or conditions, express or implied, written or oral, between the Company and the Participant with respect hereto. The express terms of the Terms and Conditions control and supersede any course of performance or usage of the trade inconsistent with any of the terms hereof.

Section 4.11 Governmental Regulations. The RSUs shall be subject to all applicable rules and regulations of governmental or other authorities.

Section 4.12 Repayment / Forfeiture. Any benefits the Participant may receive hereunder shall be subject to repayment or forfeiture as may be required to comply with (i) Section 954 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (regarding recovery of erroneously awarded compensation) and any implementing rules, regulations and/or listing standards of the U.S. Securities and Exchange Commission and of the national securities exchange on which the Company is then listed adopted in accordance therewith, (ii) similar rules under the laws of any other jurisdiction and (iii) the Paramount Global Clawback Policy and any policies adopted by the Company to implement such requirements, all to the extent determined by the Company in its discretion to be applicable to the Participant.

Section 4.13 Headings. The headings of articles and sections herein are included solely for convenience of reference and shall not affect the meaning of any of the provisions of this document.

Section 4.14 Electronic Delivery and Acceptance. The Company may, in its sole discretion, deliver any documents related to Awards granted under the Plan and participation in the Plan, or future Awards that may be granted under the Plan, by electronic means or request the Participant's consent to participate in the Plan by electronic means. The Participant hereby consents to receive such documents by electronic delivery and, if requested, agrees to participate in the Plan through an on-line, electronic and/or voice activated system established and maintained by the Company or a third party designated by the Company. Further, unless the Participant declines an Award by written notice to the Company no later than 30 days following the grant date or such other date that may be communicated by the Company, the Company will automatically accept the Award, subject to all terms and conditions set forth in these Terms and Conditions, the Certificate and the Plan, on the Participant's behalf. If the Participant properly declines the Award, the Award will be cancelled and the Participant will not be entitled to any benefits from the Award nor any compensation or benefits in lieu of the cancelled Award.

Section 4.15 Severability. The provisions of this document are severable, and, if any one or more provisions are determined to be illegal or otherwise unenforceable, in whole or in part, the remaining provisions nevertheless shall be binding and enforceable.

Section 4.16 Governing Law and Venue. These terms and conditions and all rights hereunder shall be construed in accordance with and governed by the laws of the State of Delaware, without regard to the conflict of law provisions. For purposes of litigating any dispute that arises under this RSU grant or the Terms and Conditions, the parties hereby submit and consent to the exclusive jurisdiction of the State of New York, agree that such litigation shall be conducted exclusively in the courts of New York, New York, or the federal courts for the United States for the Southern District of New York, where this grant is made and/or to be performed.

Section 4.17 Waiver. The Participant acknowledges that a waiver by the Company of breach of the Terms and Conditions shall not operate or be construed as a waiver of any other provision of the Terms and Conditions, or of any subsequent breach by the Participant or any other Participant.

Section 4.18 Stock Plan Accounts. If the Participant is a Plan participant in the United States, the Company shall be entitled to access the information contained in the Participant's

individual stock plan account maintained by the applicable plan administrator; *provided, however*, that the Company may not disclose individual account information to third parties (other than the plan administrator), unless required by applicable law.

Section 4.19 Restriction on Transfer. The rights of the Participant with respect to the RSUs (including any Dividend Equivalents associated with such RSUs) shall not be transferable, except by will, the laws of descent and distribution, or by beneficiary designation (if permitted); *provided, however*, that the Committee may permit other transferability, subject to any conditions and limitations that it may, in its sole discretion, impose.

Section 4.20 Appendix. Notwithstanding any provisions of the Terms and Conditions to the contrary, the RSUs and any shares of Class B Common Stock acquired at vesting shall be subject to any special terms and conditions for the Participant's country of residence (and/or country of employment, if different) set forth in an appendix to the Terms and Conditions (the "Appendix"). Further, if the Participant transfers residence and/or employment to another country reflected in the Appendix, then, at the time of transfer, the special terms and conditions for such country will apply to the Participant to the extent the Company determines, in its sole discretion, that the application of such special terms and conditions is necessary or advisable in order to comply with local law, rules and regulations or to facilitate the operation and administration of the RSUs and the Plan (or the Company may establish alternative terms and conditions as may be necessary or advisable to accommodate the Participant's transfer). In all circumstances, any applicable Appendix provisions shall constitute part of the Terms and Conditions.

\*\*\*\*\*

**The Participant will be deemed to have agreed to all Terms and Conditions (as set forth in the Certificate, this document, and the Plan), unless the Participant provides the Company with a written notice of rejection within 30 days of receipt of the Terms and Conditions. Any such notice may be addressed to the Company at the following email address: [ ]@paramount.com. If a Participant properly declines the Award, the Award will be cancelled and such Participant will not be entitled to any benefits from the Award or any compensation or benefits in lieu of the cancelled Award.**

**If there is a discrepancy between any information set forth on the Paramount Stock Plans webpage and the official records maintained by the Company, the official records will prevail.**

**CERTIFICATION**

I, Christopher D. McCarthy, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Paramount Global;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: July 31, 2025

/s/ Christopher D. McCarthy

Christopher D. McCarthy

Office of the Chief Executive Officer

## CERTIFICATION

I, Andrew Warren, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Paramount Global;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: July 31, 2025

/s/ Andrew Warren

Andrew Warren

Executive Vice President, Interim Chief Financial Officer

**Certification Pursuant to 18 U.S.C. Section 1350,  
as adopted pursuant to  
Section 906 of the Sarbanes-Oxley Act of 2002**

In connection with the Quarterly Report of Paramount Global (the "Company") on Form 10-Q for the period ended June 30, 2025 as filed with the Securities and Exchange Commission (the "Report"), I, Christopher D. McCarthy, Office of the Chief Executive Officer of the Company, certify that to my knowledge:

1. the Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Christopher D. McCarthy

Christopher D. McCarthy

July 31, 2025

**Certification Pursuant to 18 U.S.C. Section 1350,  
as adopted pursuant to  
Section 906 of the Sarbanes-Oxley Act of 2002**

In connection with the Quarterly Report of Paramount Global (the "Company") on Form 10-Q for the period ended June 30, 2025 as filed with the Securities and Exchange Commission (the "Report"), I, Andrew Warren, Executive Vice President, Interim Chief Financial Officer of the Company, certify that to my knowledge:

1. the Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Andrew Warren

Andrew Warren

July 31, 2025