

# PARAMOUNT GLOBAL

February 28, 2024



# IMPORTANT INFORMATION

## CAUTIONARY NOTE CONCERNING FORWARD-LOOKING STATEMENTS

This communication 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 advertising market conditions, changes in consumer viewership 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 ongoing changes in business strategy, including investments in new businesses, products, services, technologies and other strategic activities; 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; risks related to environmental, social and governance (ESG) matters; evolving business continuity, cybersecurity, privacy and data protection and similar risks; content infringement; domestic and global political, economic and regulatory factors affecting our businesses generally; disruptions to our operations as a result of labor disputes; the inability to hire or retain key employees or secure creative talent; 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 communication are made only as of the date of this communication, and we do not undertake any obligation to publicly update any forward-looking statements to reflect subsequent events or circumstances.

## NON-GAAP FINANCIAL MEASURES

This communication contains non-GAAP financial measures. We provide reconciliations of any non-GAAP financial measures to the most directly comparable GAAP financial measures in the Supplemental Disclosures at the end of this presentation, in our Form 8-K announcing our earnings results, which can be found on the SEC’s website at [www.sec.gov](http://www.sec.gov) and our website at [ir.paramount.com](http://ir.paramount.com), or in our trending schedules, which can also be found on our website at [ir.paramount.com](http://ir.paramount.com).



# PARAMOUNT: A PREEMINENT CONTENT CREATOR

200K+  
TV EPISODES

4K+  
FILMS

**ENTERTAINMENT**



**NEWS**

**CBS NEWS**



**KIDS**



**SPORTS**



**FILM**

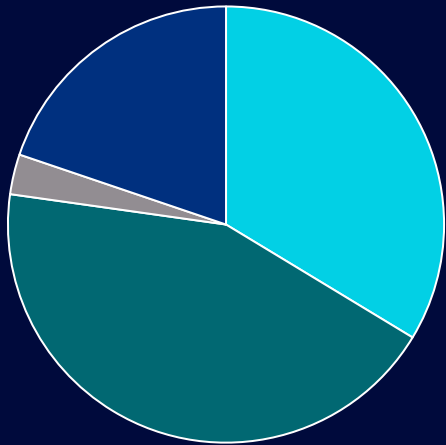


# BUSINESS SEGMENTS

## 2023 Financials

### TOTAL COMPANY

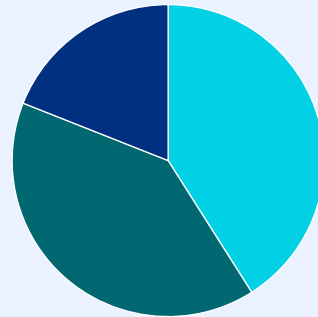
Total Revenue **\$29.7B**  
 Total Adj. OIBDA\* **\$2.4B**



- Advertising
- Affiliate & Subscription
- Theatrical
- Licensing & Other

### TV MEDIA

Total Revenue **\$20.1B**  
 Total Adj. OIBDA **\$4.8B**

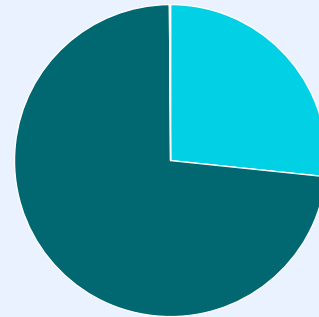


- Advertising
- Affiliate and Subscription
- Licensing & Other



### DIRECT-TO-CONSUMER

Total Revenue **\$6.7B**  
 Total Adj. OIBDA **\$(1.7)B**

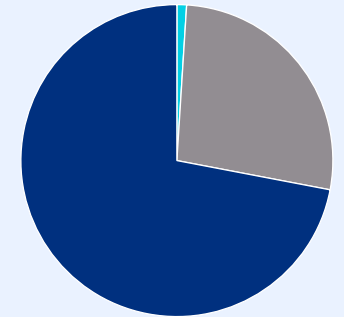


- Advertising
- Subscription
- Licensing



### FILMED ENTERTAINMENT

Total Revenue **\$3.0B**  
 Total Adj. OIBDA **\$(0.1)B**



- Advertising
- Theatrical
- Licensing & Other



\*See page 1 for information regarding non-GAAP financial measures

# PARAMOUNT: INVESTMENT HIGHLIGHTS

Leveraging world-class content across multiple platforms to drive earnings growth

**1**

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

**2**

**DRIVING  
DIRECT-TO-  
CONSUMER TO  
PROFITABILITY**

**3**

**MAXIMIZING CASH  
FLOW FROM  
TRADITIONAL  
BUSINESSES**





# WORLD CLASS CONTENT ENGINE

Franchise-focused content strategy leveraging popular IP

## ICONIC MOVIES



SONIC THE HEDGEHOG



MISSION: IMPOSSIBLE



TEENAGE MUTANT NINJA TURTLES

## CBS HIT SHOWS



NCIS



FBI



GHOSTS

## GLOBAL REALITY



SURVIVOR



THE AMAZING RACE



DRAG RACE

## KIDS' FAVORITE CHARACTERS



SPONGEBOB SQUAREPANTS



DORA THE EXPLORER



PAW PATROL

## THE EXPANDING TAYLORVERSE



SPECIAL OPS: LIONESS



1883



TULSA KING

## MARQUEE SPORTS PROPERTIES



NFL



UEFA EUROPA LEAGUE CHAMPIONS LEAGUE



NCAA



# MULTIPLE REVENUE STREAMS

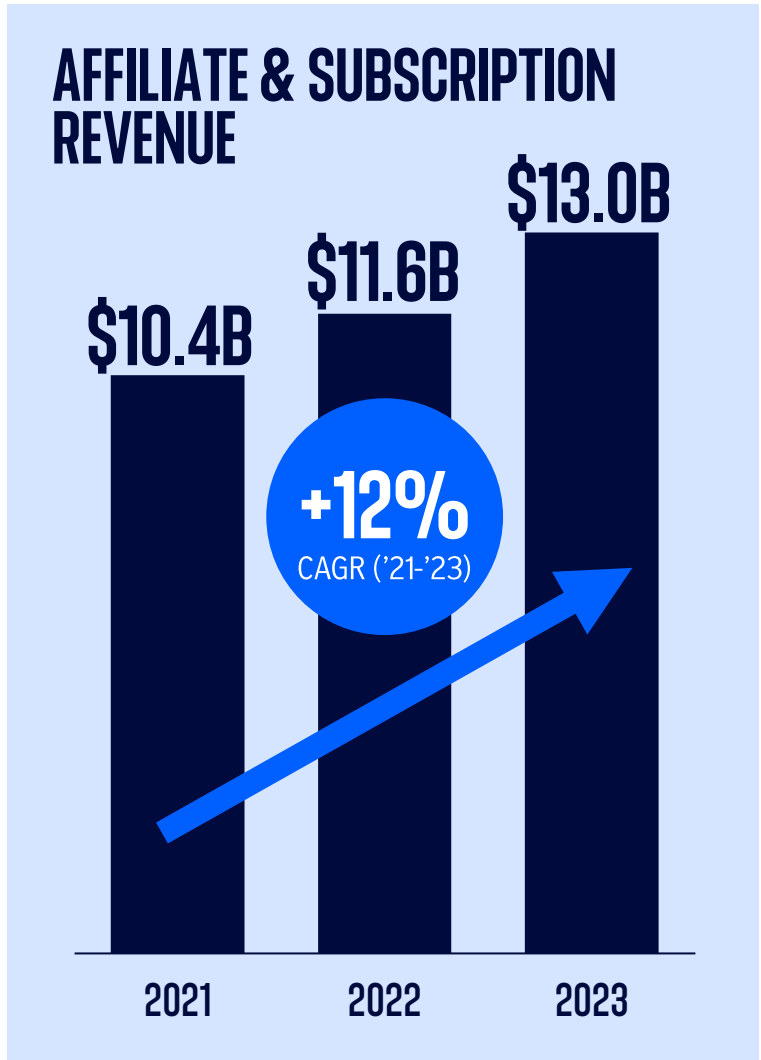
Improving returns on content investments by monetizing across streaming, linear, theatrical and more

									
<b>P+ SUBSCRIPTION</b>	✓	✓	✓	✓		✓	✓	✓	✓
<b>DIGITAL ADVERTISING</b>	✓	✓	✓	✓	✓	✓	✓		✓
<b>LINEAR AD &amp; AFFILIATE</b>	✓	✓	✓		✓	✓	✓	✓	✓
<b>CONTENT LICENSING</b>	✓	✓	✓	✓	✓		✓	✓	✓
<b>BOX OFFICE</b>	✓	✓		✓					
<b>CONSUMER PRODUCTS</b>	✓	✓	✓		✓			✓	✓





# MULTI-PLATFORM DISTRIBUTION



**#1 BROADCAST NETWORK**  
For 15 Consecutive Seasons\*



**PREMIUM STREAMING SERVICE**



**1 OF 5 MAJOR FILM STUDIOS**



**A LEADING FAST SERVICE**



\*Note: 15 consecutive seasons through the '22-'23 season. Source: Nielsen Media Research



# POWER OF PARTNERSHIP

Attaining ubiquitous distribution & reaching the widest addressable audience

## EXTENDING REACH ACROSS DISTRIBUTION CHANNELS...



## AND AROUND THE GLOBE



# SCALED DIGITAL VIDEO AD CAPABILITIES

EyeQ has rapidly become a leader in Connected TV advertising

# EyeQ

**+20%**  
Revenue CAGR  
(2020-2023)

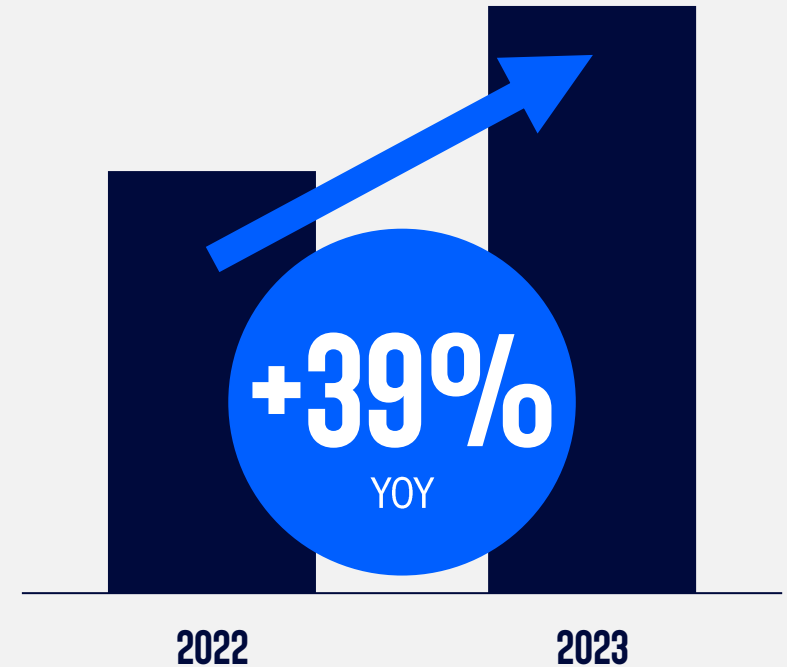
*Paramount+*

pluto tv

Other Paramount Digital  
Video Properties

**100M+**  
FULL EPISODE VIEWERS

## GLOBAL TOTAL VIEWING HOURS ACROSS PARAMOUNT+ AND PLUTO TV



# STRATEGIC CONTENT LICENSING

Delivering financial and franchise-building benefits

# \$5.8B

## 2023 Content Licensing & Other Revenue

INCLUDES

Co-exclusive or non-exclusive library licensing

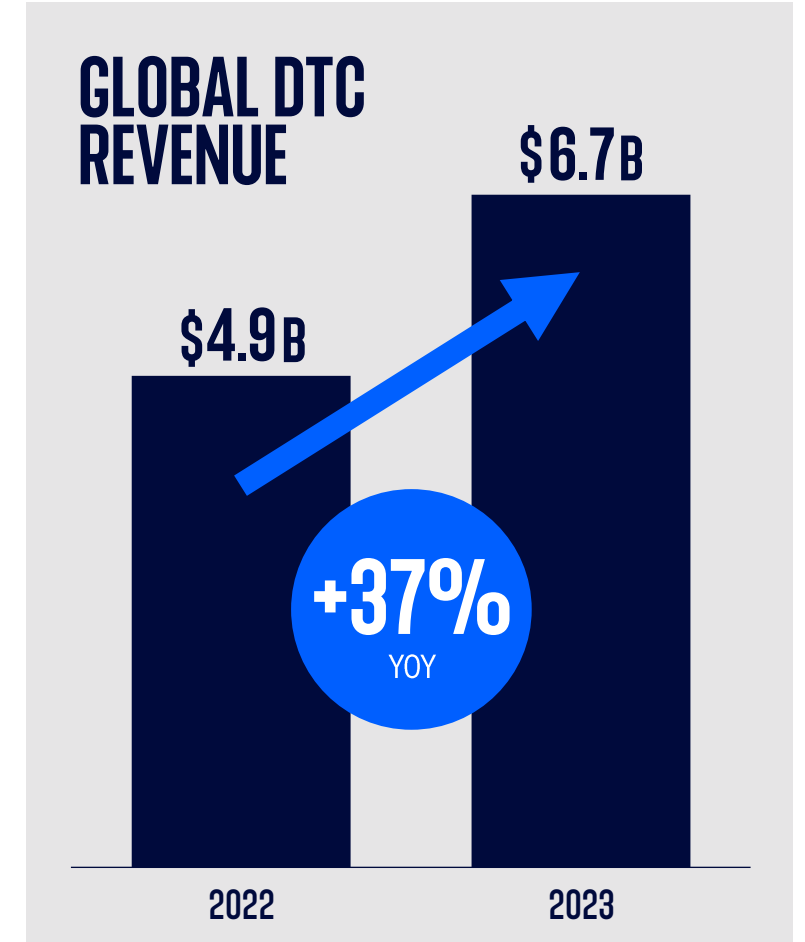
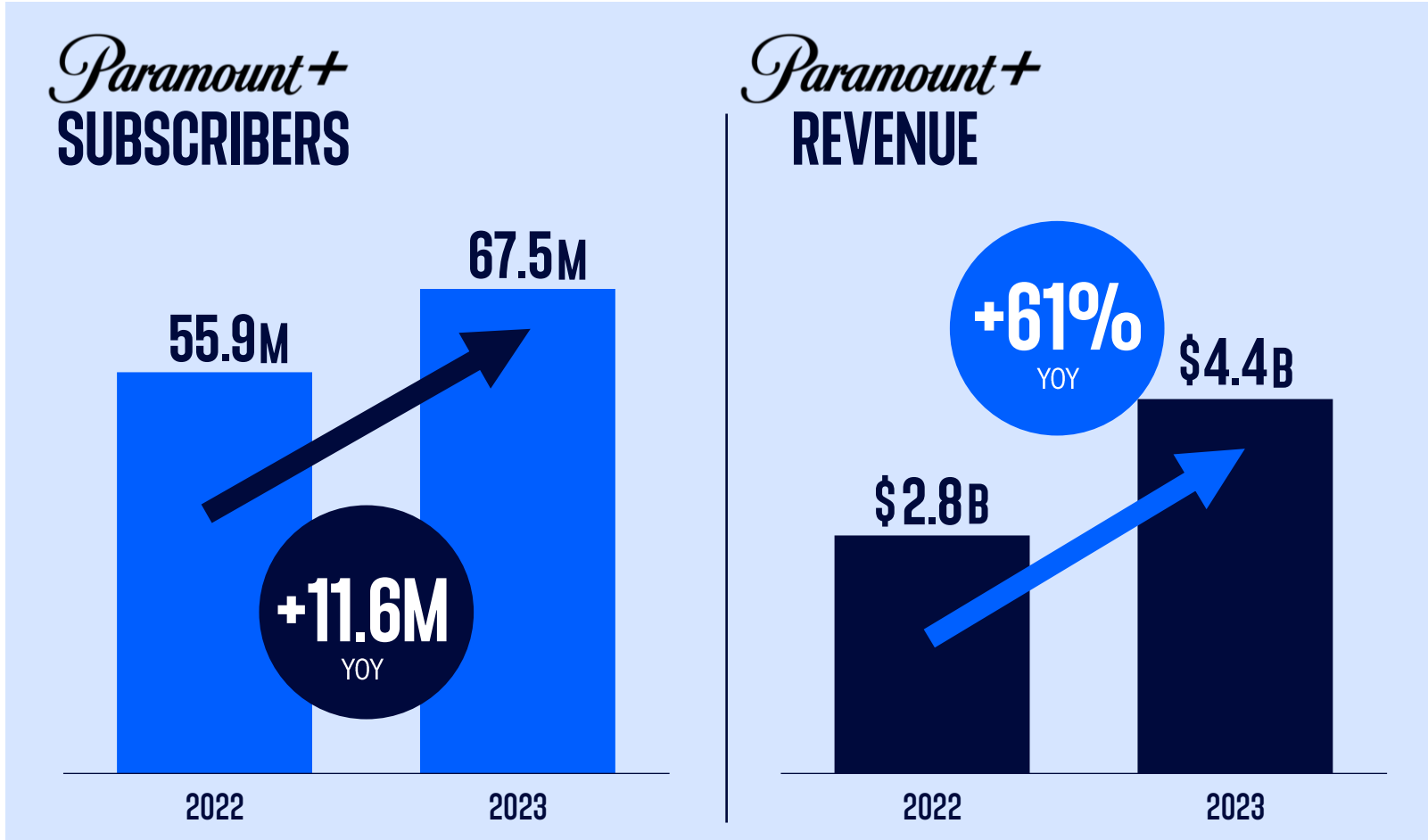
PLUS

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



# LEADING DTC GROWTH

Strong momentum in subscriber and revenue growth






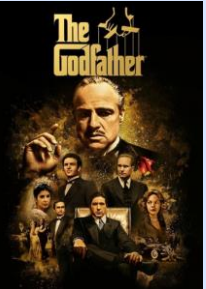




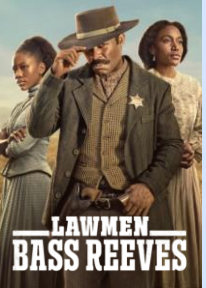





# PARAMOUNT+

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

### SPORTS, NEWS, AND A MOUNTAIN OF ENTERTAINMENT

<b>ORIGINALS</b> 	<b>LOCAL NEWS</b> 	<b>LIVE SPORTS</b> 	<b>REALITY</b> 	<b>BLOCKBUSTERS</b> 	<b>CLASSICS</b> 
<b>KIDS</b> 	<b>MUSIC</b> 	<b>DOCUMENTARY</b> 	<b>NEWS</b> 	<b>DRAMAS</b> 	<b>COMEDIES</b> 

<b>67.5M</b> GLOBAL SUBSCRIBERS	<b>45+</b> GLOBAL MARKETS	<b>~35K</b> DOMESTIC CONTENT HOURS
------------------------------------	------------------------------	---------------------------------------

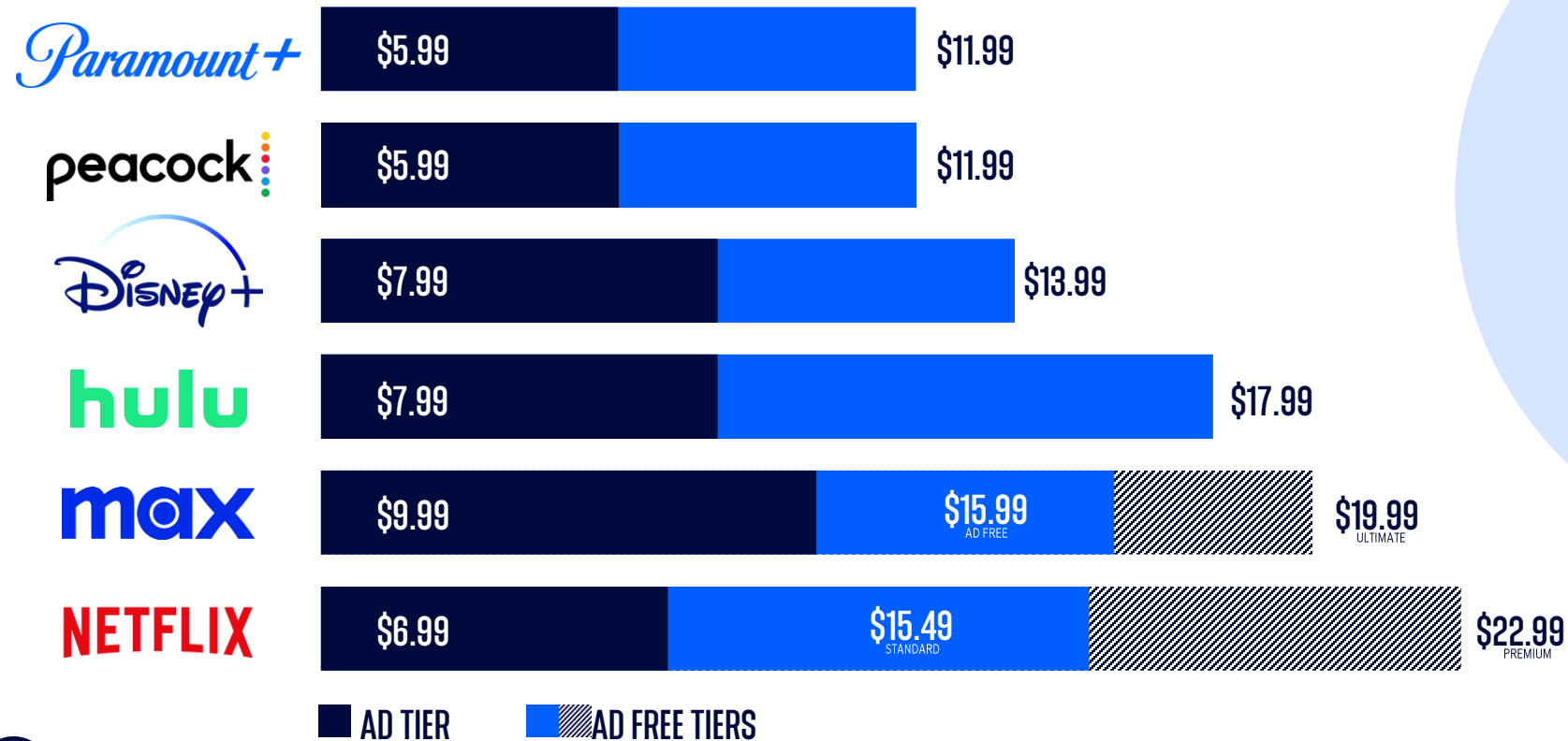
### TWO TIERS, TWO REVENUE STREAMS

<b>Paramount+ ESSENTIAL</b>  <b>\$5.99</b> AD-SUPPORTED TIER  ✓ Tens of thousands of episodes & movies ✓ NFL on CBS & top soccer live ✓ 24/7 live news with CBS News ✓ Limited ad load	<b>Paramount+ WITH SHOWTIME</b>  <b>\$11.99</b>  ✓ Everything in Essential + SHOWTIME originals, movies & sports + Local live CBS station + Download shows to mobile devices
---	---



# PARAMOUNT+ PRICING HEADROOM ENHANCES ARPU GROWTH OPPORTUNITY

Compelling value proposition relative to peers



**+20%**  
**PARAMOUNT+ GLOBAL ARPU EXPANSION**  
*Expected in 2024*



Note: Data reflects current domestic pricing on a per month basis.

# DRIVING DIRECT-TO-CONSUMER TO PROFITABILITY

1 2 3

Expect significant DTC margin improvement in '24; reach Paramount+ domestic profitability in '25

## STRONG REVENUE GROWTH

- Improved engagement and retention
- ARPU expansion
- Continued sub growth

## IMPROVED CONTENT EFFICIENCY

- Leaning into global hits
- Multi-platform monetization
- Paramount+/SHOWTIME integration

## INCREMENTAL OPERATING LEVERAGE

- Marketing efficiencies
- Slowing growth in other operating expenses



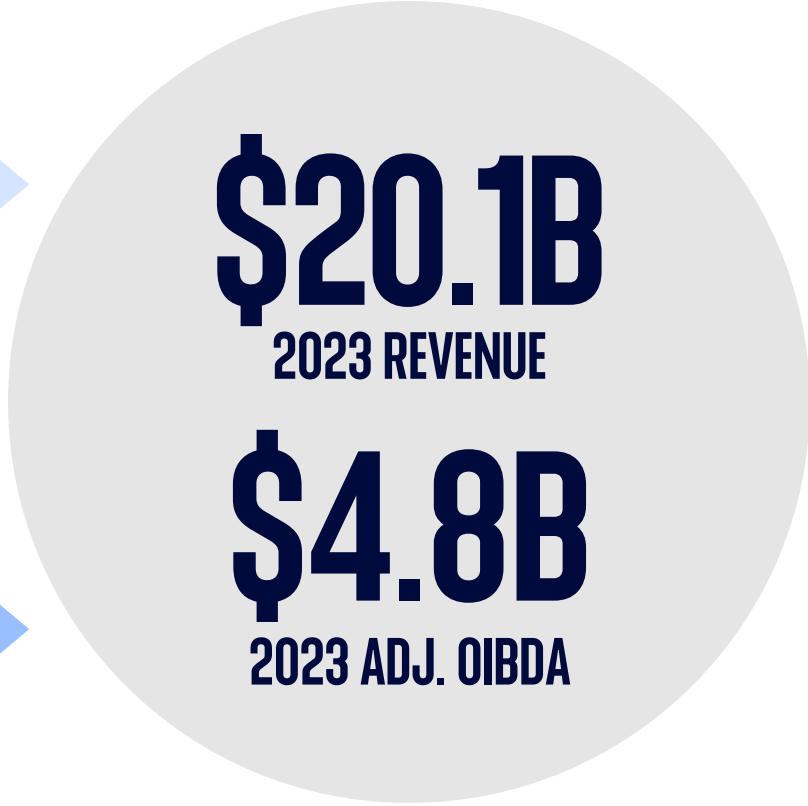
# MAXIMIZE CASH FLOW FROM TV MEDIA BUSINESS

**MULTIPLE MONETIZATION OPPORTUNITIES**

- ADVERTISING →
- AFFILIATE & SUBSCRIPTION →
- CONTENT LICENSING →

**UNLOCKING SYNERGIES**

- PROGRAMMING MIX →
- MARKETING EFFICIENCIES →
- ORGANIZATION →





# ICONIC FILMED ENTERTAINMENT BUSINESS

Drives considerable value across the company - in theatrical, streaming & licensing

## 2023 RESULTS




**\$2B** GLOBAL BOX OFFICE


**FIVE #1 DOMESTIC BOX OFFICE DEBUTS**

-  SCREAM VI
-  DUNGEONS & DRAGONS: HONOR AMONG THIEVES
-  TRANSFORMERS: RISE OF THE BEASTS
-  MISSION: IMPOSSIBLE - DEAD RECKONING PART 1
-  PAW PATROL: THE MIGHTY MOVIE


## 2024 THEATRICAL SLATE




#1




#1




IF




A QUIET PLACE DAY ONE




TRANSFORMERS ONE



SMILE II



GLADIATOR II



SONIC 3 THE HEDGEHOG



# EXPECT SIGNIFICANT EARNINGS GROWTH IN 2024

## Lean Into Content with Biggest Impact

- Focus on global franchises, films and series that work in every market
- Prioritize efficiency through lower cost formats, cross platform utilization & new windowing opportunities

## Deliver Significant Improvement in DTC Profitability

- Through greater engagement, reduction in churn and increased monetization
- Moderating growth of DTC content and marketing expenses

## Continue to Unlock Synergies Across Paramount

- Expand digital advertising opportunity
- Reduce non-sports linear entertainment content spend and continue to optimize cost structure





# **SUPPLEMENTAL INFORMATION**



# SUMMARIZED REPORTED RESULTS (GAAP)

(unaudited; in millions, except per share amounts)

	12 Months Ended	Quarter Ended				12 Months Ended	Quarter Ended				12 Months Ended
	12/31/21	3/31/22	6/30/22	9/30/22	12/31/22	12/31/22	3/31/23	6/30/23	9/30/23	12/31/23	12/31/23
Advertising	\$ 11,412	\$ 2,864	\$ 2,545	\$ 2,337	\$ 3,144	\$ 10,890	\$ 2,651	\$ 2,395	\$ 2,133	\$ 2,810	\$ 9,989
Affiliate and subscription	10,442	2,840	2,888	2,863	2,960	11,551	3,179	3,235	3,262	3,342	13,018
Theatrical	241	131	764	231	97	1,223	127	231	377	78	813
Licensing and other	6,491	1,493	1,582	1,485	1,930	6,490	1,308	1,755	1,361	1,408	5,832
<b>Revenues</b>	<b>\$ 28,586</b>	<b>\$ 7,328</b>	<b>\$ 7,779</b>	<b>\$ 6,916</b>	<b>\$ 8,131</b>	<b>\$ 30,154</b>	<b>\$ 7,265</b>	<b>\$ 7,616</b>	<b>\$ 7,133</b>	<b>\$ 7,638</b>	<b>\$ 29,652</b>
Expenses	(24,142)	(6,415)	(6,816)	(6,130)	(7,517)	(26,878)	(6,717)	(7,010)	(6,417)	(7,118)	(27,262)
Programming charges	—	—	—	—	—	—	(1,674)	(697)	—	—	(2,371)
Impairment charges	—	—	—	—	(27)	(27)	—	—	—	(83)	(83)
Restructuring and other corporate matters	(100)	(57)	(50)	(169)	(309)	(585)	—	(54)	10	75	31
Net gains on dispositions	2,343	15	—	41	—	56	—	—	—	—	—
Depreciation and amortization	(390)	(96)	(94)	(92)	(96)	(378)	(100)	(105)	(105)	(108)	(418)
<b>Operating income (loss)</b>	<b>\$ 6,297</b>	<b>\$ 775</b>	<b>\$ 819</b>	<b>\$ 566</b>	<b>\$ 182</b>	<b>\$ 2,342</b>	<b>\$ (1,226)</b>	<b>\$ (250)</b>	<b>\$ 621</b>	<b>\$ 404</b>	<b>\$ (451)</b>
<b>Amounts attributable to Paramount:</b>											
Net earnings (loss) from continuing operations	\$ 4,381	\$ 391	\$ 358	\$ 153	\$ (177)	\$ 725	\$ (1,163)	\$ (372)	\$ 247	\$ 4	\$ (1,284)
Discontinued operations, net of tax	162	42	61	78	198	379	45	73	48	510	676
Net earnings (loss) attributable to Paramount	\$ 4,543	\$ 433	\$ 419	\$ 231	\$ 21	\$ 1,104	\$ (1,118)	\$ (299)	\$ 295	\$ 514	\$ (608)
<b>Diluted earnings (loss) per share attributable to Paramount: <sup>(1)</sup></b>											
Continuing operations	\$ 6.69	\$ .58	\$ .53	\$ .21	\$ (.29)	\$ 1.03	\$ (1.81)	\$ (.59)	\$ .36	\$ (.02)	\$ (2.06)
Discontinued operations	\$ .25	\$ .06	\$ .09	\$ .12	\$ .30	\$ .58	\$ .07	\$ .11	\$ .07	\$ .78	\$ 1.04
Net earnings (loss)	\$ 6.94	\$ .64	\$ .62	\$ .33	\$ .01	\$ 1.61	\$ (1.74)	\$ (.48)	\$ .43	\$ .77	\$ (1.02)
<b>Weighted average number of diluted shares outstanding</b>	<b>655</b>	<b>651</b>	<b>650</b>	<b>650</b>	<b>651</b>	<b>650</b>	<b>651</b>	<b>651</b>	<b>652</b>	<b>653</b>	<b>652</b>

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





# SUMMARIZED ADJUSTED RESULTS (Non-GAAP)

(unaudited; in millions, except per share amounts)

	12 Months Ended	Quarter Ended				12 Months Ended	Quarter Ended				12 Months Ended
	12/31/21	3/31/22	6/30/22	9/30/22	12/31/22	12/31/22	3/31/23	6/30/23	9/30/23	12/31/23	12/31/23
Advertising	\$ 11,412	\$ 2,864	\$ 2,545	\$ 2,337	\$ 3,144	\$ 10,890	\$ 2,651	\$ 2,395	\$ 2,133	\$ 2,810	\$ 9,989
Affiliate and subscription	10,442	2,840	2,888	2,863	2,960	11,551	3,179	3,235	3,262	3,342	13,018
Theatrical	241	131	764	231	97	1,223	127	231	377	78	813
Licensing and other	6,491	1,493	1,582	1,485	1,930	6,490	1,308	1,755	1,361	1,408	5,832
<b>Revenues</b>	<b>\$ 28,586</b>	<b>\$ 7,328</b>	<b>\$ 7,779</b>	<b>\$ 6,916</b>	<b>\$ 8,131</b>	<b>\$ 30,154</b>	<b>\$ 7,265</b>	<b>\$ 7,616</b>	<b>\$ 7,133</b>	<b>\$ 7,638</b>	<b>\$ 29,652</b>
Expenses	(24,142)	(6,415)	(6,816)	(6,130)	(7,517)	(26,878)	(6,717)	(7,010)	(6,417)	(7,118)	(27,262)
<b>Adjusted OIBDA</b>	<b>\$ 4,444</b>	<b>\$ 913</b>	<b>\$ 963</b>	<b>\$ 786</b>	<b>\$ 614</b>	<b>\$ 3,276</b>	<b>\$ 548</b>	<b>\$ 606</b>	<b>\$ 716</b>	<b>\$ 520</b>	<b>\$ 2,390</b>
<b>Adjusted net earnings from continuing operations attributable to Paramount</b>	<b>\$ 2,292</b>	<b>\$ 403</b>	<b>\$ 429</b>	<b>\$ 270</b>	<b>\$ 69</b>	<b>\$ 1,171</b>	<b>\$ 72</b>	<b>\$ 80</b>	<b>\$ 207</b>	<b>\$ 41</b>	<b>\$ 400</b>
<b>Adjusted diluted EPS from continuing operations attributable to Paramount</b>	<b>\$ 3.48</b>	<b>\$ .60</b>	<b>\$ .64</b>	<b>\$ .39</b>	<b>\$ .08</b>	<b>\$ 1.71</b>	<b>\$ .09</b>	<b>\$ .10</b>	<b>\$ .30</b>	<b>\$ .04</b>	<b>\$ .52</b>
<b>Weighted average number of diluted shares outstanding<sup>(1)</sup></b>	<b>646</b>	<b>651</b>	<b>650</b>	<b>650</b>	<b>651</b>	<b>650</b>	<b>652</b>	<b>652</b>	<b>652</b>	<b>653</b>	<b>652</b>

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



# TV MEDIA FINANCIAL RESULTS

(unaudited; in millions)

	12 Months Ended	Quarter Ended				12 Months Ended	Quarter Ended				12 Months Ended
	12/31/21	3/31/22	6/30/22	9/30/22	12/31/22	12/31/22	3/31/23	6/30/23	9/30/23	12/31/23	12/31/23
Advertising	\$ 10,105	\$ 2,521	\$ 2,174	\$ 1,973	\$ 2,682	\$ 9,350	\$ 2,256	\$ 1,946	\$ 1,703	\$ 2,283	\$ 8,188
Affiliate and subscription	8,413	2,098	2,058	2,000	2,024	8,180	2,067	2,011	2,004	2,003	8,085
Licensing and other	4,216	1,026	1,024	975	1,177	4,202	870	1,200	860	882	3,812
<b>Revenues</b>	<b>\$ 22,734</b>	<b>\$ 5,645</b>	<b>\$ 5,256</b>	<b>\$ 4,948</b>	<b>\$ 5,883</b>	<b>\$ 21,732</b>	<b>\$ 5,193</b>	<b>\$ 5,157</b>	<b>\$ 4,567</b>	<b>\$ 5,168</b>	<b>\$ 20,085</b>
<b>Adjusted OIBDA</b>	<b>\$ 5,892</b>	<b>\$ 1,544</b>	<b>\$ 1,380</b>	<b>\$ 1,231</b>	<b>\$ 1,296</b>	<b>\$ 5,451</b>	<b>\$ 1,306</b>	<b>\$ 1,194</b>	<b>\$ 1,149</b>	<b>\$ 1,142</b>	<b>\$ 4,791</b>



# DIRECT-TO-CONSUMER FINANCIAL RESULTS AND OTHER METRICS

(unaudited; in millions)

	12 Months Ended	Quarter Ended				12 Months Ended	Quarter Ended				12 Months Ended
	12/31/21	3/31/22	6/30/22	9/30/22	12/31/22	12/31/22	3/31/23	6/30/23	9/30/23	12/31/23	12/31/23
Advertising	\$ 1,298	\$ 347	\$ 363	\$ 363	\$ 460	\$ 1,533	\$ 398	\$ 441	\$ 430	\$ 526	\$ 1,795
Subscription	2,029	742	830	863	936	3,371	1,112	1,224	1,258	1,339	4,933
Licensing	—	—	—	—	—	—	—	—	4	4	8
<b>Revenues</b>	<b>\$ 3,327</b>	<b>\$ 1,089</b>	<b>\$ 1,193</b>	<b>\$ 1,226</b>	<b>\$ 1,396</b>	<b>\$ 4,904</b>	<b>\$ 1,510</b>	<b>\$ 1,665</b>	<b>\$ 1,692</b>	<b>\$ 1,869</b>	<b>\$ 6,736</b>
<b>Adjusted OIBDA</b>	<b>\$ (992)</b>	<b>\$ (456)</b>	<b>\$ (445)</b>	<b>\$ (343)</b>	<b>\$ (575)</b>	<b>\$ (1,819)</b>	<b>\$ (511)</b>	<b>\$ (424)</b>	<b>\$ (238)</b>	<b>\$ (490)</b>	<b>\$ (1,663)</b>
<b><u>Paramount+ (Global)</u></b>											
Subscribers <sup>(1)</sup>	32.8	39.6	43.3	46.0	55.9	55.9	60.0	60.7	63.4	67.5	67.5
Revenues	\$ 1,347	\$ 585	\$ 672	\$ 708	\$ 802	\$ 2,767	\$ 965	\$ 990	\$ 1,138	\$ 1,353	\$ 4,446

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



# FILMED ENTERTAINMENT FINANCIAL RESULTS

(unaudited; in millions)

	12 Months Ended	Quarter Ended				12 Months Ended	Quarter Ended				12 Months Ended
	12/31/21	3/31/22	6/30/22	9/30/22	12/31/22	12/31/22	3/31/23	6/30/23	9/30/23	12/31/23	12/31/23
Advertising	\$ 18	\$ 2	\$ 12	\$ 3	\$ 6	\$ 23	\$ 5	\$ 11	\$ 5	\$ 3	\$ 24
Theatrical	241	131	764	231	97	1,223	127	231	377	78	813
Licensing and other	2,428	491	587	549	833	2,460	456	589	509	566	2,120
<b>Revenues</b>	<b>\$ 2,687</b>	<b>\$ 624</b>	<b>\$ 1,363</b>	<b>\$ 783</b>	<b>\$ 936</b>	<b>\$ 3,706</b>	<b>\$ 588</b>	<b>\$ 831</b>	<b>\$ 891</b>	<b>\$ 647</b>	<b>\$ 2,957</b>
<b>Adjusted OIBDA</b>	<b>\$ 207</b>	<b>\$ (37)</b>	<b>\$ 181</b>	<b>\$ 41</b>	<b>\$ 87</b>	<b>\$ 272</b>	<b>\$ (99)</b>	<b>\$ 5</b>	<b>\$ (49)</b>	<b>\$ 24</b>	<b>\$ (119)</b>



# RECONCILIATION OF ADJUSTED OIBDA (Non-GAAP)

(unaudited; in millions)

	12 Months Ended	Quarter Ended				12 Months Ended	Quarter Ended				12 Months Ended
	12/31/21	3/31/22	6/30/22	9/30/22	12/31/22	12/31/22	3/31/23	6/30/23	9/30/23	12/31/23	12/31/23
TV Media	\$ 5,892	\$ 1,544	\$ 1,380	\$ 1,231	\$ 1,296	\$ 5,451	\$ 1,306	\$ 1,194	\$ 1,149	\$ 1,142	\$ 4,791
Direct-to-Consumer	(992)	(456)	(445)	(343)	(575)	(1,819)	(511)	(424)	(238)	(490)	(1,663)
Filmed Entertainment	207	(37)	181	41	87	272	(99)	5	(49)	24	(119)
Corporate/Eliminations	(491)	(104)	(112)	(104)	(150)	(470)	(109)	(124)	(103)	(111)	(447)
Stock-based compensation	(172)	(34)	(41)	(39)	(44)	(158)	(39)	(45)	(43)	(45)	(172)
<b>Adjusted OIBDA</b>	<b>4,444</b>	<b>913</b>	<b>963</b>	<b>786</b>	<b>614</b>	<b>3,276</b>	<b>548</b>	<b>606</b>	<b>716</b>	<b>520</b>	<b>2,390</b>
Depreciation and amortization	(390)	(96)	(94)	(92)	(96)	(378)	(100)	(105)	(105)	(108)	(418)
Programming charges <sup>(1)</sup>	—	—	—	—	—	—	(1,674)	(697)	—	—	(2,371)
Impairment charges <sup>(1)</sup>	—	—	—	—	(27)	(27)	—	—	—	(83)	(83)
Restructuring and other corporate matters <sup>(1)</sup>	(100)	(57)	(50)	(169)	(309)	(585)	—	(54)	10	75	31
Net gains on dispositions <sup>(1)</sup>	2,343	15	—	41	—	56	—	—	—	—	—
<b>Operating income</b>	<b>\$ 6,297</b>	<b>\$ 775</b>	<b>\$ 819</b>	<b>\$ 566</b>	<b>\$ 182</b>	<b>\$ 2,342</b>	<b>\$ (1,226)</b>	<b>\$ (250)</b>	<b>\$ 621</b>	<b>\$ 404</b>	<b>\$ (451)</b>

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





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

(unaudited; in millions, except per share amounts)

	12 Months Ended	Quarter Ended				12 Months Ended	Quarter Ended				12 Months Ended
	12/31/21	3/31/22	6/30/22	9/30/22	12/31/22	12/31/22	3/31/23	6/30/23	9/30/23	12/31/23	12/31/23
<b>Net earnings (loss) from continuing operations attributable to Paramount:</b>											
Reported net earnings (loss) from continuing operations	\$ 4,381	\$ 391	\$ 358	\$ 153	\$ (177)	\$ 725	\$ (1,163)	\$ (372)	\$ 247	\$ 4	\$ (1,284)
Impact of adjustments on net earnings (loss) from continuing operations <sup>(1)</sup>	(2,089)	12	71	117	246	446	1,235	452	(40)	37	1,684
Adjusted net earnings from continuing operations	\$ 2,292	\$ 403	\$ 429	\$ 270	\$ 69	\$ 1,171	\$ 72	\$ 80	\$ 207	\$ 41	\$ 400
<b>Per share information attributable to Paramount:</b>											
Reported diluted earnings (loss) per share from continuing operations	\$ 6.69	\$ .58	\$ .53	\$ .21	\$ (.29)	\$ 1.03	\$ (1.81)	\$ (.59)	\$ .36	\$ (.02)	\$ (2.06)
Impact of adjustments on diluted earnings (loss) per share from continuing operations <sup>(1)</sup>	(3.21)	.02	.11	.18	.37	.68	1.90	.69	(.06)	.06	2.58
Adjusted diluted EPS from continuing operations	\$ 3.48	\$ .60	\$ .64	\$ .39	\$ .08	\$ 1.71	\$ .09	\$ .10	\$ .30	\$ .04	\$ .52
<b>Weighted average number of diluted shares outstanding, reported <sup>(2)(3)</sup></b>	655	651	650	650	650	650	651	651	652	653	652
<b>Weighted average number of diluted shares outstanding, adjusted</b>	646	651	650	650	651	650	652	652	652	653	652

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

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

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



# ITEMS AFFECTING COMPARABILITY

(unaudited; in millions, except per share amounts)

	12 Months Ended	Quarter Ended				12 Months Ended	Quarter Ended				12 Months Ended
	12/31/21	3/31/22	6/30/22	9/30/22	12/31/22	12/31/22	3/31/23	6/30/23	9/30/23	12/31/23	12/31/23
Programming charges <sup>(1)</sup>	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 1,674	\$ 697	\$ —	\$ —	\$ 2,371
Impairment charges <sup>(2)</sup>	—	—	—	—	27	27	—	—	—	83	83
Restructuring and other corporate matters <sup>(3)</sup>	100	57	50	169	309	585	—	54	(10)	(75)	(31)
Net gains on dispositions <sup>(4)</sup>	(2,343)	(15)	—	(41)	—	(56)	—	—	—	—	—
(Gain) loss on extinguishment of debt	128	73	47	—	—	120	—	—	—	(29)	(29)
(Gain) loss from investments <sup>(5)</sup>	(47)	—	—	9	—	9	—	(168)	—	—	(168)
Pension settlement charge <sup>(6)</sup>	10	—	—	—	—	—	—	—	—	—	—
<b>Impact of adjustments on earnings (loss) from continuing operations before income taxes</b>	<b>(2,152)</b>	<b>115</b>	<b>97</b>	<b>137</b>	<b>336</b>	<b>685</b>	<b>1,674</b>	<b>583</b>	<b>(10)</b>	<b>(21)</b>	<b>2,226</b>
Income tax impact of above items <sup>(7)</sup>	546	(25)	(23)	(29)	(82)	(159)	(409)	(127)	3	6	(527)
Discrete tax items <sup>(8)</sup>	(517)	(78)	(3)	9	(8)	(80)	(30)	(4)	(33)	36	(31)
<b>Impact of adjustments on income taxes</b>	<b>29</b>	<b>(103)</b>	<b>(26)</b>	<b>(20)</b>	<b>(90)</b>	<b>(239)</b>	<b>(439)</b>	<b>(131)</b>	<b>(30)</b>	<b>42</b>	<b>(558)</b>
Impairment of equity-method investments, net of tax	34	—	—	—	—	—	—	—	—	16	16
<b>Impact of adjustments on net earnings (loss) from continuing operations attributable to Paramount</b>	<b>\$ (2,089)</b>	<b>\$ 12</b>	<b>\$ 71</b>	<b>\$ 117</b>	<b>\$ 246</b>	<b>\$ 446</b>	<b>\$ 1,235</b>	<b>\$ 452</b>	<b>\$ (40)</b>	<b>\$ 37</b>	<b>\$ 1,684</b>
<b>Impact of adjustments on diluted EPS from continuing operations attributable to Paramount<sup>(9)</sup></b>	<b>\$ (3.21)</b>	<b>\$ .02</b>	<b>\$ .11</b>	<b>\$ .18</b>	<b>\$ .37</b>	<b>\$ .68</b>	<b>\$ 1.90</b>	<b>\$ .69</b>	<b>\$ (.06)</b>	<b>\$ .06</b>	<b>\$ 2.58</b>

(1) Comprised of programming charges recorded during the first half of 2023 in connection with the integration of Showtime into Paramount+ and initiatives to rationalize and right-size our international operations to align with our streaming strategy and close or globalize certain of our international channels. These initiatives resulted in a change in strategy for certain content, which led to content being removed from our platforms or abandoned, the write-off of development costs, distribution changes, and termination of programming agreements.

(2) Reflects charges to reduce the carrying value of intangible assets to their fair value.

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

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

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

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

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

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

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



# FREE CASH FLOW (Non-GAAP)

(unaudited; in millions)

	12 Months Ended	Quarter Ended				12 Months Ended	Quarter Ended				12 Months Ended
	12/31/21	3/31/22	6/30/22	9/30/22	12/31/22	12/31/22	3/31/23	6/30/23	9/30/23	12/31/23	12/31/23
Net cash flow provided by (used for) operating activities from continuing operations	\$ 835	\$ 295	\$ 180	\$ (256)	\$ (361)	\$ (142)	\$ (483)	\$ (141)	\$ 450	\$ 558	\$ 384
Capital expenditures	(354)	(52)	(99)	(77)	(130)	(358)	(71)	(69)	(73)	(115)	(328)
<b>Free cash flow</b>	<b>\$ 481</b>	<b>\$ 243</b>	<b>\$ 81</b>	<b>\$ (333)</b>	<b>\$ (491)</b>	<b>\$ (500)</b>	<b>\$ (554)</b>	<b>\$ (210)</b>	<b>\$ 377</b>	<b>\$ 443</b>	<b>\$ 56</b>
Debt	\$ 17,709	\$ 16,812	\$ 15,810	\$ 15,834	\$ 15,846	\$ 15,846	\$ 15,853	\$ 15,800	\$ 15,665	\$ 14,602	\$ 14,602
Less: Cash and cash equivalents	6,267	5,302	4,037	3,383	2,885	2,885	2,109	1,714	1,804	2,460	2,460
<b>Net debt</b>	<b>\$ 11,442</b>	<b>\$ 11,510</b>	<b>\$ 11,773</b>	<b>\$ 12,451</b>	<b>\$ 12,961</b>	<b>\$ 12,961</b>	<b>\$ 13,744</b>	<b>\$ 14,086</b>	<b>\$ 13,861</b>	<b>\$ 12,142</b>	<b>\$ 12,142</b>

## Supplemental Cash Flow Information

	12 Months Ended	Quarter Ended				12 Months Ended	Quarter Ended				12 Months Ended
	12/31/21	3/31/22	6/30/22	9/30/22	12/31/22	12/31/22	3/31/23	6/30/23	9/30/23	12/31/23	12/31/23
Payments for restructuring, merger-related costs and transformation initiatives <sup>(1)</sup>	\$ 362	\$ 61	\$ 60	\$ 46	\$ 122	\$ 289	\$ 69	\$ 78	\$ 163	\$ (77)	\$ 233

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



