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

Form 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): February 26, 2026



WARNER BROS. DISCOVERY

Warner Bros. Discovery, Inc.
(Exact name of registrant as specified in its charter)

Commission File Number: 001-34177

Delaware	35-2333914
(State or other jurisdiction of incorporation)	(IRS Employer Identification No.)

230 Park Avenue South
New York, New York 10003
(Address of principal executive offices, including zip code)

212-548-5555
(Registrant's telephone number, including area code)

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

[☐] Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
[☐] Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
[☐] Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
[☐] Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Series A Common Stock	WBD	Nasdaq Global Select Market
4.302% Senior Notes due 2030	WBDI30, WBDI30A	Nasdaq Global Market
4.693% Senior Notes due 2033	WBDI33, WBDI33A	Nasdaq Global Market

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company ☐

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. ☐

Item 2.02 Results of Operations and Financial Condition

On February 26, 2026, Warner Bros. Discovery, Inc. ("we," “Warner Bros. Discovery” or the “Company”) released its earnings for the quarter and year ended December 31, 2025. A copy of Warner Bros. Discovery's earnings press release is furnished herewith as Exhibit 99.1 and is incorporated herein by reference.

The information in this Item 2.02, including Exhibit 99.1 attached hereto, is being furnished pursuant to Item 2.02 and shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liability of such section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended (the "Securities Act"), or the Exchange Act, except as shall be expressly set forth by specific reference in such filing.

Item 7.01 Regulation FD Disclosure

Shareholder Letter

On February 26, 2026, in conjunction with its earnings press release, the Company issued a letter to shareholders which was posted on the Company's Investor Relations website at ir.wbd.com. A copy of the letter to shareholders is furnished herewith as Exhibit 99.2 and is incorporated herein by reference.

Use of Website to Distribute Material Company Information

The Company's Investor Relations website is ir.wbd.com. We use our Investor Relations website as a means of disclosing material non-public information and for the purpose of complying with our disclosure obligations under Regulation FD. Therefore, we encourage investors, the media, and others interested in Warner Bros. Discovery to review the information we post on our Investor Relations website.

The information in this Item 7.01, including Exhibit 99.2 attached hereto, is being furnished pursuant to Item 7.01 and shall not be deemed “filed” for purposes of Section 18 of the Exchange Act, or otherwise subject to the liability of such section, nor shall it be deemed incorporated by reference in any filing under the Securities Act or the Exchange Act, except as shall be expressly set forth by specific reference in such filing.

Item 9.01. Financial Statements and Exhibits.

(d)

Exhibit Number	Description
99.1	Earnings Press Release of Warner Bros. Discovery, Inc., dated February 26, 2026
99.2	Shareholder Letter, dated February 26, 2026
101	Inline XBRL Instance Document - the instance document does not appear in the Interactive Date File because its XBRL tags are embedded within the Inline XBRL document
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

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 hereunto duly authorized.

Date: February 26, 2026

WARNER BROS. DISCOVERY, INC.

By: /s/ Gunnar Wiedenfels
Name: Gunnar Wiedenfels
Title: Chief Financial Officer

WARNER BROS. DISCOVERY

Warner Bros. Discovery Reports Fourth-Quarter and Full-Year 2025 Results

$ in millions	Three Months Ended December 31,				Twelve Months Ended December 31,			
	2025	2024	% Change		2025	2024	% Change	
			Reported	Ex-FX(*)			Reported	Ex-FX(*)
Distribution	$ 4,789	$ 4,917	(3)%	(3)%	$ 19,262	$ 19,701	(2)%	(2)%
Advertising	1,703	1,830	(7)%	(9)%	7,306	8,090	(10)%	(11)%
Content	2,661	2,909	(9)%	(10)%	9,647	10,297	(6)%	(7)%
Other	307	371	(17)%	(21)%	1,081	1,233	(12)%	(15)%
Total revenues	$ 9,460	$ 10,027	(6)%	(7)%	$ 37,296	$ 39,321	(5)%	(5)%
Net (loss) income available to Warner Bros. Discovery, Inc.	(252)	(494)	(49)%	NM	727	(11,311)	NM	NM
Adjusted EBITDA(*)	2,216	2,722	(19)%	(20)%	8,744	9,032	(3)%	(3)%
Cash provided by operating activities	1,804	2,715	(34)%		4,319	5,375	(20)%	
Free cash flow(*)	1,383	2,429	(43)%		3,088	4,427	(30)%	

NM - Not Meaningful
(*) A non-GAAP financial measure; see the section starting on page 13 titled Definitions & Sources for additional details.

Q4 2025 Highlights

- Total revenues were $9.5 billion, a 7% ex-FX(1) decrease from the prior year quarter.
  - Distribution revenues decreased 3% ex-FX, as dynamic underlying growth in global streaming subscribers was more than offset by continued domestic linear pay TV subscriber declines and the impact of the HBO Max domestic distribution deal renewal with a former related party previously disclosed in Q2.
  - Advertising revenues decreased 9% ex-FX, as ad-lite streaming subscriber growth was more than offset by domestic linear audience declines. The absence of the NBA in the current year negatively impacted the year-over-year growth rate by 4% ex-FX.
  - Content revenues decreased 10% ex-FX, primarily driven by lower content sales due to the timing of renewals at the Studios and Global Linear Networks segments.
- Net loss available to Warner Bros. Discovery, Inc. was $252.0 million, which includes $1.3 billion of pre-tax acquisition-related amortization of intangibles, content fair value step-up, and restructuring expenses.
- Total Adjusted EBITDA(2)(*) was $2.2 billion, a 20% ex-FX decrease compared to the prior year quarter, primarily driven by a decline in the Global Linear Networks segment.
- Cash provided by operating activities was $1.8 billion. Free cash flow(3)(*) was $1.4 billion. Free cash flow was unfavorably impacted by approximately $600 million of separation & transaction related items.
- Ended the quarter with 131.6 million streaming subscribers(4), an increase of 3.5 million subscribers vs. Q3.

FY 2025 Highlights

- Total revenues were $37.3 billion, a 5% ex-FX decrease from the prior year.
  - Distribution revenues decreased 2% ex-FX, as dynamic underlying growth in global streaming subscribers was more than offset by continued domestic linear pay TV subscriber declines and the impact of the HBO Max domestic distribution deal renewal with a former related party previously disclosed in Q2.
  - Advertising revenues decreased 11% ex-FX, as ad-lite streaming subscriber growth was more than offset by domestic linear audience declines.
  - Content revenues decreased 7% ex-FX, primarily driven by the sublicensing of Olympic sports rights to broadcast networks throughout Europe in the prior year partially offset by the stronger performance of the theatrical releases in the current year.
- Net income available to Warner Bros. Discovery, Inc. was $727.0 million, which includes $5.8 billion of pre-tax acquisition-related amortization of intangibles, content fair value step-up, and restructuring expenses.
- Total Adjusted EBITDA was $8.7 billion, a 3% ex-FX decrease compared to the prior year, primarily due to a decline in the Global Linear Networks segment partially offset by growth in the Streaming and Studios segments.
- Cash provided by operating activities was $4.3 billion. Free cash flow was $3.1 billion. Free cash flow was unfavorably impacted by approximately $1,350 million of separation & transaction related items.
- Ended the year with $29.0 billion of net debt(5)(*) and 3.3x net leverage(6)(*).

Summary Segment Financial Information

Revenues

$ in millions	Three Months Ended December 31,				Twelve Months Ended December 31,			
	2025	2024	% Change		2025	2024	% Change	
			Reported	Ex-FX(*)			Reported	Ex-FX(*)
Streaming	$ 2,794	$ 2,651	5 %	4 %	$ 10,876	$ 10,313	5 %	5 %
Studios	3,183	3,657	(13)%	(14)%	12,619	11,607	9 %	8 %
Streaming & Studios eliminations	(426)	(971)	NM	NM	(3,124)	(2,129)	NM	NM
Streaming & Studios(7)	5,551	5,337	4 %	3 %	20,371	19,791	3 %	3 %
Global Linear Networks	4,196	4,768	(12)%	(13)%	17,656	20,175	(12)%	(13)%
Corporate	—	2	NM	NM	2	8	(75)%	(75)%
Other inter-segment eliminations	(287)	(80)	NM	NM	(733)	(653)	NM	NM
Total revenues	$ 9,460	$ 10,027	(6)%	(7)%	$ 37,296	$ 39,321	(5)%	(5)%

(*) A non-GAAP financial measure; see the section starting on page 13 titled Definitions & Sources for additional details.

Adjusted EBITDA

$ in millions	Three Months Ended December 31,				Twelve Months Ended December 31,			
	2025	2024	% Change		2025	2024	% Change	
			Reported	Ex-FX(*)			Reported	Ex-FX(*)
Streaming	$ 393	$ 409	(4)%	(7)%	$ 1,370	$ 677	102 %	115 %
Studios	728	950	(23)%	(27)%	2,545	1,652	54 %	52 %
Streaming & Studios eliminations	37	(266)	NM	NM	(419)	(202)	NM	NM
Streaming & Studios(7)	1,158	1,093	6 %	2 %	3,496	2,127	64 %	66 %
Global Linear Networks	1,405	1,917	(27)%	(27)%	6,412	8,149	(21)%	(21)%
Corporate	(289)	(333)	13 %	16 %	(1,096)	(1,260)	13 %	15 %
Other inter-segment eliminations	(58)	45	NM	NM	(68)	16	NM	NM
Total Adjusted EBITDA	$ 2,216	$ 2,722	(19)%	(20)%	$ 8,744	$ 9,032	(3)%	(3)%

(*) A non-GAAP financial measure; see the section starting on page 13 titled Definitions & Sources for additional details.

Streaming Segment

$ in millions	Three Months Ended December 31, 2025	2024	% Change Reported	% Change Ex-FX(*)	Twelve Months Ended December 31, 2025	2024	% Change Reported	% Change Ex-FX(*)
Distribution	$ 2,388	$ 2,315	3 %	2 %	$ 9,444	$ 9,022	5 %	5 %
Advertising	278	235	18 %	17 %	1,032	855	21 %	20 %
Subscriber-related revenues(*)	2,666	2,550	5 %	4 %	10,476	9,877	6 %	6 %
Content	119	99	20 %	18 %	388	428	(9)%	(10)%
Other	9	2	NM	NM	12	8	50 %	50 %
Total revenues	2,794	2,651	5 %	4 %	10,876	10,313	5 %	5 %
Costs of revenues (excluding depreciation & amortization)	1,875	1,760	7 %	7 %	7,401	7,459	(1)%	(1)%
Selling, general and administrative	526	482	9 %	7 %	2,105	2,177	(3)%	(4)%
Adjusted EBITDA	$ 393	$ 409	(4)%	(7)%	$1,370	$677	102 %	115 %

In millions	Q4 2025	Q3 2025	Q4 2024	ARPU in $	Q4 2025	Q3 2025	Q4 2024
Domestic subscribers	59.2	58.0	57.1	Domestic ARPU	$ 10.45	$ 10.40	$ 11.77
International subscribers	72.4	70.0	59.8	International ARPU	$ 4.00	$ 3.70	$ 3.74
Global streaming subscribers	131.6	128.0	116.9	Global ARPU	$ 6.80	$ 6.64	$ 7.44

(*) A non-GAAP financial measure; see the section starting on page 13 titled Definitions & Sources for additional details.
Domestic includes the U.S. and Canada. Subscriber counts in the above table are rounded and minor differences in totals may exist.

Q4 2025 Highlights

- Global streaming subscribers were 131.6 million, an increase of 3.5 million global subscribers vs. Q3.
- Streaming revenues increased 4% ex-FX to $2,794 million compared to the prior year quarter. Subscriber-related revenues[8](*) increased 4% ex-FX compared to the prior year quarter.
  - Distribution revenue increased 2% ex-FX, as a result of a 13% increase in subscribers following the continued growth and global expansion of HBO Max, including new distribution deals, partially offset by the domestic distribution deal renewal with a former related party previously disclosed in Q2.
  - Advertising revenue increased 17% ex-FX, primarily driven by an increase in ad-lite subscribers, partially offset by the absence of the NBA in the current year quarter. The absence of the NBA in the current year negatively impacted the year-over-year growth rate by 3% ex-FX.
  - Global streaming ARPU[9] decreased 9% ex-FX to $6.80, primarily attributable to a 11% decrease in domestic streaming ARPU to $10.45 and growth in lower ARPU international markets. The decrease in domestic streaming ARPU was primarily driven by the impact of the domestic distribution deal renewal with a former related party previously disclosed in Q2.
  - Content revenue increased 18% ex-FX, driven by the timing of domestic third-party content sales partially offset by lower international third-party licensing as a result of the launch of HBO Max in new international markets.
- Streaming operating expenses increased 7% ex-FX to $2,401 million compared to the prior year quarter.
  - Costs of revenues increased 7% ex-FX primarily driven by higher content costs to support the global expansion of HBO Max and the timing of programming releases.
  - SG&A increased 7% ex-FX, largely due to higher marketing costs.
- Streaming Adjusted EBITDA decreased 7% ex-FX to $393 million compared to the prior year quarter.

Studios Segment

$ in millions	Three Months Ended December 31,				Twelve Months Ended December 31,			
	2025	2024	% Change		2025	2024	% Change	
			Reported	Ex-FX(*)			Reported	Ex-FX(*)
Distribution	$ 4	$ (6)	NM	NM	$ 8	$ 8	— %	— %
Advertising	—	—	NM	NM	1	5	(80)%	(80)%
Content	2,899	3,394	(15)%	(16)%	11,740	10,717	10 %	9 %
Other	280	269	4 %	— %	870	877	(1)%	(3)%
Total revenues	3,183	3,657	(13)%	(14)%	12,619	11,607	9 %	8 %
Costs of revenues (excluding depreciation & amortization)	1,872	2,174	(14)%	(14)%	7,397	7,530	(2)%	(2)%
Selling, general and administrative	583	533	9 %	8 %	2,677	2,425	10 %	10 %
Adjusted EBITDA	$ 728	$ 950	(23)%	(27)%	$ 2,545	$ 1,652	54 %	52 %

(*) A non-GAAP financial measure; see the section starting on page 13 titled Definitions & Sources for additional details.

Q4 2025 Highlights

- Studios revenues decreased 14% ex-FX to $3,183 million compared to the prior year quarter.
  - Content revenue decreased 16% ex-FX.
    - Theatrical revenue decreased 11% ex-FX, as a result of lower content sales and lower box office revenues due to no releases in the current year quarter.
    - TV revenue decreased 18% ex-FX, primarily driven by the timing of intersegment content renewals.
    - Games revenue decreased 34% ex-FX, primarily driven by higher carryover in the prior year quarter.
- Studios operating expenses decreased 10% ex-FX to $2,455 million compared to the prior year quarter.
  - Costs of revenues decreased 14% ex-FX.
    - Theatrical content expense decreased 6% ex-FX due to lower box office revenues.
    - TV content expense decreased 18% ex-FX primarily driven by the timing of intersegment content renewals.
    - Games content expense decreased 46% ex-FX, primarily driven by higher carryover and $50 million of impairments in the prior year quarter.
  - SG&A increased 8% ex-FX, driven by higher overhead costs partially offset by lower theatrical marketing.
- Studios Adjusted EBITDA decreased 27% ex-FX to $728 million compared to the prior year quarter.

Global Linear Networks Segment

$ in millions	Three Months Ended December 31,				Twelve Months Ended December 31,			
	2025	2024	% Change		2025	2024	% Change	
			Reported	Ex-FX(*)			Reported	Ex-FX(*)
Distribution	$ 2,397	$ 2,610	(8)%	(8)%	$ 9,819	$ 10,680	(8)%	(8)%
Advertising	1,435	1,615	(11)%	(14)%	6,332	7,306	(13)%	(14)%
Content	311	452	(31)%	(32)%	1,195	1,848	(35)%	(35)%
Other	53	91	(42)%	(45)%	310	341	(9)%	(11)%
Total revenues	4,196	4,768	(12)%	(13)%	17,656	20,175	(12)%	(13)%
Costs of revenues (excluding depreciation & amortization)	2,040	2,150	(5)%	(6)%	8,479	9,238	(8)%	(8)%
Selling, general and administrative	751	701	7 %	5 %	2,765	2,788	(1)%	(2)%
Adjusted EBITDA	$ 1,405	$ 1,917	(27)%	(27)%	$ 6,412	$ 8,149	(21)%	(21)%

(*) A non-GAAP financial measure; see the section starting on page 13 titled Definitions & Sources for additional details.

Q4 2025 Highlights

- Global Linear Networks revenues decreased 13% ex-FX to $4,196 million compared to the prior year quarter.
  - Distribution revenue decreased 8% ex-FX, primarily driven by a 10% decrease in domestic linear pay TV subscribers, partially offset by a 3% increase in domestic affiliate rates.
  - Advertising revenue decreased 14% ex-FX, primarily driven by domestic audience declines of 22% and the absence of the NBA in the current year. The absence of the NBA in the current year negatively impacted the year-over-year growth rate by 4% ex-FX.
  - Content revenue decreased 32% ex-FX, primarily due to the timing of third-party licensing deals.
- Global Linear Networks operating expenses decreased 2% ex-FX to $2,791 million compared to the prior year quarter.
  - Costs of revenues decreased 6% ex-FX, primarily driven by the absence of the NBA in the current year quarter, partially offset by higher domestic sports costs.
  - SG&A increased 5% ex-FX, primarily driven by higher marketing costs.
- Global Linear Networks Adjusted EBITDA decreased 27% ex-FX to $1,405 million compared to the prior year quarter.

Corporate

$ in millions	Three Months Ended December 31, 2025	2024	% Change Reported	% Change Ex-FX(*)	Twelve Months Ended December 31, 2025	2024	% Change Reported	% Change Ex-FX(*)
Adjusted EBITDA	$ (289)	$ (333)	13 %	16 %	$ (1,096)	$ (1,260)	13 %	15 %

(*) A non-GAAP financial measure; see the section starting on page 13 titled Definitions & Sources for additional details.

- Corporate Adjusted EBITDA improved by $44 million, primarily driven by lower corporate overhead costs.

Inter-segment Eliminations

$ in millions	Three Months Ended December 31, 2025	2024	Twelve Months Ended December 31, 2025	2024
Total revenue eliminations	$ (713)	$ (1,051)	$ (3,857)	$ (2,782)
Total expense eliminations	(692)	(830)	(3,370)	(2,596)
Adjusted EBITDA	$ (21)	$ (221)	$ (487)	$ (186)

Leverage and Liquidity

- Ended Q4 with $4.6 billion of cash on hand, $33.5 billion of gross debt(10)(*), and 3.3x net leverage(6)(*).
- The Company repaid $1.0 billion of the bridge loan facility during the fourth quarter.
- As of December 31, 2025, the weighted average maturity of the Company's outstanding debt was 5.9 years with a weighted average cost of 5.8%. Excluding the bridge loan facility, the weighted average maturity of the Company's outstanding debt was 10.0 years with a weighted average cost of 4.5%.
- As of December 31, 2025, the Company's $4.0 billion revolving credit facility was undrawn.
- On February 18, 2026, the Company extended the maturity on the bridge loan facility to the earlier of June 30, 2027 and the date of the separation.

Free Cash Flow

$ in millions	Three Months Ended December 31, 2025	2024	% Change	Twelve Months Ended December 31, 2025	2024	% Change
Cash provided by operating activities	$ 1,804	$ 2,715	(34)%	$ 4,319	$ 5,375	(20)%
Purchases of property and equipment	(421)	(286)	47 %	(1,231)	(948)	(30)%
Free cash flow(*)	$ 1,383	$ 2,429	(43)%	$ 3,088	$ 4,427	(30)%

(*) A non-GAAP financial measure; see the section starting on page 13 titled Definitions & Sources for additional details.

- Q4 2025 cash provided by operating activities decreased to $1,804 million from $2,715 million in the prior year quarter. Free cash flow(3)(*) decreased to $1,383 million from $2,429 million, primarily driven by approximately $600 million of separation & transaction related items, lower Adjusted EBITDA, and timing of working capital, partially offset by the timing of net content investment.
- As of December 31, 2025, the Company had $3,700 million drawn on its revolving receivables program, a $304 million decrease vs. Q3 and a $937 million decrease year-over-year.

Warner Bros. Discovery, Inc. Consolidated Statements of Operations

Unaudited; in millions, except per share amounts	Three Months Ended December 31, 2025	Three Months Ended December 31, 2024	Twelve Months Ended December 31, 2025	Twelve Months Ended December 31, 2024
Distribution	$ 4,789	$ 4,917	$ 19,262	$ 19,701
Advertising	1,703	1,830	7,306	8,090
Content	2,661	2,909	9,647	10,297
Other	307	371	1,081	1,233
Total revenues	**9,460**	**10,027**	**37,296**	**39,321**
Costs of revenues, excluding depreciation and amortization	5,223	5,527	20,885	22,970
Selling, general and administrative	2,386	2,218	9,418	9,296
Depreciation and amortization	1,315	1,643	5,684	7,037
Restructuring and other charges	177	286	399	447
Impairments and loss on dispositions	10	191	172	9,603
Total costs and expenses	**9,111**	**9,865**	**36,558**	**49,353**
Operating income (loss)	349	162	738	(10,032)
Interest expense, net	(584)	(490)	(2,085)	(2,017)
(Loss) gain on extinguishment of debt, net	(8)	42	2,945	632
Income (loss) from equity investees, net	(39)	(32)	(24)	(121)
Other income (expense), net	(126)	(38)	65	150
Income (loss) before income taxes	**(408)**	**(356)**	**1,639**	**(11,388)**
Income tax (expense) benefit	161	(284)	(890)	(94)
Net (loss) income	**(247)**	**(640)**	**749**	**(11,482)**
Net income attributable to noncontrolling interests	(5)	149	(24)	129
Net loss (income) attributable to redeemable noncontrolling interests	—	(3)	2	42
Net (loss) income available to Warner Bros. Discovery, Inc.	**$ (252)**	**$ (494)**	**$ 727**	**$ (11,311)**
Net (loss) income per share available to Warner Bros. Discovery, Inc. Series A common stockholders:				
Basic	$ (0.10)	$ (0.20)	$ 0.29	$ (4.62)
Diluted	$ (0.10)	$ (0.20)	$ 0.29	$ (4.62)
Weighted average shares outstanding:				
Basic	2,481	2,454	2,475	2,450
Diluted	2,481	2,454	2,530	2,450

Warner Bros. Discovery, Inc. Consolidated Balance Sheets

Unaudited; in millions, except par value	December 31, 2025	December 31, 2024
Assets		
Current assets:		
Cash and cash equivalents	$ 4,566	$ 5,312
Receivables, net	5,294	4,947
Prepaid expenses and other current assets	3,346	3,819
Total current assets	**13,206**	**14,078**
Film and television content rights and games	19,114	19,102
Property and equipment, net	6,685	6,087
Goodwill	25,933	25,667
Intangible assets, net	27,764	32,299
Other noncurrent assets	7,383	7,327
Total assets	**$ 100,085**	**$ 104,560**
Liabilities and equity		
Current liabilities:		
Accounts payable	$ 1,093	$ 1,055
Accrued liabilities	9,626	10,438
Deferred revenues	1,642	1,569
Current portion of debt	139	2,748
Total current liabilities	**12,500**	**15,810**
Noncurrent portion of debt	32,428	36,757
Deferred income taxes	6,383	6,985
Other noncurrent liabilities	11,608	10,070
Total liabilities	**62,919**	**69,622**
Commitments and contingencies		
Redeemable noncontrolling interests	19	109
Warner Bros. Discovery, Inc. stockholders' equity:		
Series A common stock: $0.01 par value; 10,800 and 10,800 shares authorized; 2,710 and 2,684 shares issued; and 2,480 and 2,454 shares outstanding	27	27
Preferred stock: $0.01 par value; 1,200 and 1,200 shares authorized, 0 shares issued and outstanding	—	—
Additional paid-in capital	56,055	55,560
Treasury stock, at cost: 230 and 230 shares	(8,244)	(8,244)
Accumulated deficit	(11,512)	(12,239)
Accumulated other comprehensive loss	(407)	(1,067)
Total Warner Bros. Discovery, Inc. stockholders' equity	**35,919**	**34,037**
Noncontrolling interests	1,228	792
Total equity	**37,147**	**34,829**
Total liabilities and equity	**$ 100,085**	**$ 104,560**

Warner Bros. Discovery, Inc. Consolidated Statements of Cash Flows

Unaudited; in millions	Twelve Months Ended December 31, 2025	2024
Operating Activities		
Net income (loss)	$ 749	$ (11,482)
Adjustments to reconcile net income to cash provided by operating activities:		
Content rights amortization and impairment	11,855	13,946
Content restructuring impairments and write-offs	—	165
Depreciation and amortization	5,684	7,037
Deferred income taxes	(710)	(1,732)
Equity in losses of equity method investee companies and cash distributions	75	167
Gain on extinguishment of debt	(2,945)	(632)
Share-based compensation expense	769	557
Impairments and loss on dispositions	172	9,603
Gain from derivative instruments, net	(93)	(16)
Gain on sale of investments	(4)	(227)
Other, net	69	115
Changes in operating assets and liabilities, net of acquisitions and dispositions:		
Receivables, net	(336)	1,012
Film and television content rights, games, and production payables, net	(11,401)	(12,349)
Accounts payable, accrued liabilities, deferred revenues and other noncurrent liabilities	108	(529)
Foreign currency, prepaid expenses and other assets, net	327	(260)
Cash provided by operating activities	4,319	5,375
Investing Activities		
Purchases of property and equipment	(1,231)	(948)
Investments in and advances to equity investments	(100)	(109)
Proceeds from sales of investments	54	541
Proceeds from derivative instruments, net	26	136
Other investing activities, net	72	31
Cash used in investing activities	(1,179)	(349)
Financing Activities		
Principal repayments of debt, including premiums and discounts to par value	(22,664)	(5,043)
Borrowings from debt, net of discount and issuance costs	18,306	1,617
Distributions to noncontrolling interests and redeemable noncontrolling interests	(198)	(193)
Proceeds from the formation of music catalog joint venture and other joint ventures	633	—
Principal repayments of finance and other lease obligations	(202)	(142)
Borrowings under commercial paper program and revolving credit facility	4,228	14,203
Repayments under commercial paper program and revolving credit facility	(4,228)	(14,203)
Other financing activities, net	(115)	12
Cash used in financing activities	(4,240)	(3,749)
Effect of exchange rate changes on cash, cash equivalents, and restricted cash	254	(180)
Net change in cash, cash equivalents, and restricted cash	(846)	1,097
Cash, cash equivalents, and restricted cash, beginning of period	5,416	4,319
Cash, cash equivalents, and restricted cash, end of period	**$ 4,570**	**$ 5,416**

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

Unaudited; in millions	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2025	2024	2025	2024
Net (loss) income available to Warner Bros. Discovery, Inc.	**$ (252)**	**$ (494)**	**$ 727**	**$ (11,311)**
Net income attributable to redeemable noncontrolling interests	—	3	(2)	(42)
Net income attributable to noncontrolling interests	5	(149)	24	(129)
Income tax expense (benefit)	(161)	284	890	94
Income (loss) before income taxes	**(408)**	**(356)**	**1,639**	**(11,388)**
Other expense (income), net	126	38	(65)	(150)
(Income) loss from equity investees, net	39	32	24	121
Loss (gain) on extinguishment of debt	8	(42)	(2,945)	(632)
Interest expense, net	584	490	2,085	2,017
Operating Income	**349**	**162**	**738**	**(10,032)**
Depreciation and amortization	1,315	1,643	5,684	7,037
Impairment and amortization of fair value step-up for content	77	226	784	1,139
Restructuring and other charges	177	286	399	447
Employee share-based compensation	218	134	751	546
Transaction and integration costs	58	77	166	242
Impairments and loss on dispositions	10	191	172	9,603
Amortization of capitalized interest for content	12	8	40	46
Facility consolidation costs	—	(5)	10	4
Adjusted EBITDA(*)	**$ 2,216**	**$ 2,722**	**$ 8,744**	**$ 9,032**

(*) A non-GAAP financial measure; see the section starting on page 13 titled Definitions & Sources for additional details

Supplemental Data for Results of Operations

For the three months ended December 31,	Consolidated		Supplemental Consolidating Data							
			Streaming & Studios		Global Linear Networks		Corporate		Consolidating Adjustments	
$ in millions	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
Distribution	$ 4,789	$ 4,917	$ 2,392	$ 2,309	$ 2,397	$ 2,610	$ —	$ —	$ —	$ (2)
Advertising	1,703	1,830	278	234	1,435	1,615	—	—	(10)	(19)
Content	2,661	2,909	2,626	2,514	311	452	—	—	(276)	(57)
Other	307	371	255	280	53	91	—	2	(1)	(2)
Total revenues	9,460	10,027	5,551	5,337	4,196	4,768	—	2	(287)	(80)
Costs of revenues (excluding depreciation & amortization)	5,223	5,527	3,369	3,341	2,040	2,226	30	24	(216)	(64)
Selling, general and administrative	2,386	2,218	1,108	1,008	749	700	537	524	(8)	(14)
Depreciation and amortization	1,315	1,643	518	577	690	967	107	99	—	—
Restructuring and other charges	177	286	19	233	12	27	146	26	—	—
Impairments and loss on dispositions	10	191	9	50	(2)	(5)	3	146	—	—
Total Costs and Expenses	9,111	9,865	5,023	5,209	3,489	3,915	823	819	(224)	(78)
Operating income (loss)	$ 349	$ 162	$ 528	$ 128	$ 707	$ 853	$ (823)	$ (817)	$ (63)	$ (2)

2026 Outlook

Warner Bros. Discovery, Inc. ("Warner Bros. Discovery", "WBD", the "Company", "we", "us", or "our") may provide forward-looking commentary in connection with this earnings announcement on its quarterly earnings conference call. Details on how to access the audio webcast are included below.

Q4 2025 Prepared Earnings Remarks Conference Call Information

In conjunction with this release, Warner Bros. Discovery will post a Shareholder Letter and host a conference call today, February 26, 2026 at 8:00 a.m. ET, to discuss its fourth quarter 2025 financial results. To access the Shareholder Letter and webcast of the earnings call, please visit the Investor Relations section of the Company's website at www.wbd.com.

Cautionary Statement Concerning Forward-Looking Statements

Information set forth in this communication constitute forward-looking statements within the meaning of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements include, without limitation, statements regarding the Company's expectations, beliefs, intentions or strategies regarding the future, and can be identified by forward-looking words such as "anticipate," "believe," "could," "continue," "estimate," "expect," "intend," "may," "should," "will" and "would" or similar words. These forward-looking statements are based on current expectations, forecasts, and assumptions that involve risks and uncertainties and on information available to Warner Bros. Discovery as of the date hereof.

Forward-looking statements include, without limitation, statements about the benefits of the planned separation or the proposed transaction between WBD and Netflix, Inc. (the "proposed transaction"), future financial and operating results, in the case of a separation, either companies' future company plans, objectives, expectations and intentions, and other statements that are not historical facts. Such statements are based upon the current beliefs and expectations of WBD's management and are subject to significant risks and uncertainties outside of our control. Among the risks and uncertainties that could cause actual results to differ from those described in the forward-looking statements are the following: (1) the completion of the proposed transaction may not occur on the anticipated terms and timing or at all; (2) the occurrence of any event, change or other circumstances that could give rise to the termination of the proposed transaction; (3) the risk that WBD stockholders may not approve the proposed transaction; (4) the risk that the necessary regulatory approvals for the proposed transaction may not be obtained or may be obtained subject to conditions that are not anticipated; (5) risks that any of the closing conditions to the proposed transaction may not be satisfied in a timely manner; (6) the final allocation of indebtedness between WBD and a newly formed subsidiary ("Discovery Global") in connection with the separation could cause a reduction to the consideration for the proposed transaction; (7) risks related to litigation brought in connection with the proposed transaction; (8) risks related to disruption of management time from ongoing business operations due to the proposed transaction; (9) effects of the announcement, pendency or completion of the proposed transaction on the ability of WBD to retain customers and retain and hire key personnel and maintain relationships with suppliers, distributors, advertisers, content providers, vendors and other business partners, and on its operating results and business generally; (10) negative effects of the announcement or the consummation of the proposed transaction on the market price of WBD common stock; (11) risks related to the potential impact of general economic, political and market factors on the companies or the proposed transaction; (12) inherent uncertainties involved in the estimates and assumptions used in the preparation of financial projections, and inherent uncertainties involved in the estimates and judgments used to estimate the differences between WBD's Global Linear Networks segment results and the expected results of Discovery Global; (13) the risk that Discovery Global, as a new company that currently has no credit rating, will not have access to the capital markets on acceptable terms; (14) the risk that Discovery Global may be unable to achieve some or all of the benefits that WBD expects Discovery Global to achieve as an independent, publicly-traded company; (15) the risk that Discovery Global may be more susceptible to market fluctuations and other adverse events than it would have otherwise been while still a part of WBD; (16) the risk that Discovery Global will incur significant indebtedness in connection with the separation, and the degree to which it will be leveraged following completion of the separation may materially and adversely affect its business, financial condition and results of operations; (17) the ability to obtain or consummate financing or refinancing related to the proposed transaction or the separation upon acceptable terms or at all; (18) volatility or a decline in the market price for Discovery Global common stock following the separation; and (19) the response of WBD or Netflix management to any of the aforementioned factors.

WBD's actual results could differ materially from those stated or implied, due to risks and uncertainties associated with its business, which include the risks related to the separation and the proposed transaction. Discussions of additional risks and uncertainties are contained in WBD's filings with the Securities and Exchange Commission, including but not limited to WBD's most recent Annual Report on Form 10-K and reports on Form 10-Q and Form 8-K. WBD is not under any obligation, and expressly disclaims any obligation, to update, alter, or otherwise revise any forward-looking statements, whether written or oral, that may be made from time to time, whether as a result of new information, future events, or otherwise. Persons reading this communication are cautioned not to place undue reliance on these forward-looking statements which speak only as of the date hereof.

Non-GAAP Financial Measures

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

About Warner Bros. Discovery

Warner Bros. Discovery is a leading global media and entertainment company that creates and distributes the world's most differentiated and complete portfolio of branded content across television, film, streaming and gaming. Warner Bros. Discovery inspires, informs and entertains audiences worldwide through its iconic brands and products including: Discovery Channel, HBO Max, discovery+, CNN, DC, TNT Sports, Eurosport, HBO, HGTV, Food Network, OWN, Investigation Discovery, TLC, Magnolia Network, TNT, TBS, truTV, Travel Channel, Animal Planet, Science Channel, Warner Bros. Motion Picture Group, Warner Bros. Television Group, Warner Bros. Pictures Animation, Warner Bros. Games, New Line Cinema, Cartoon Network, Adult Swim, Turner Classic Movies, Discovery en Español, Hogar de HGTV and others. For more information, please visit www.wbd.com.

Contacts

Media

Robert Gibbs
(347) 268-3017
robert.gibbs@wbd.com

Joe Libonati
(917) 287-6763
joe.libonati@wbd.com

Investor Relations

Peter Lee
(212) 548-5907
peter.lee@wbd.com

Gabriele Cattoni
(212) 752-8744
gabriele.cattoni@wbd.com

Sam Yates
(212) 548-4907
samantha.yates@wbd.com

Definitions and Sources for Warner Bros. Discovery, Inc.

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

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

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

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

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

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

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

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

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

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

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

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

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

(5) Net debt: The Company defines net debt as gross debt of $33.5 billion, less cash, cash equivalents, and restricted cash of $4.6 billion. The Company believes this measure is relevant to investors as it is a financial measure frequently used in evaluating a company's financial condition.

Definitions and Sources for Warner Bros. Discovery, Inc. (Continued)

(6) Net leverage: The Company defines net leverage as the calculation where net debt (gross debt of $33.5 billion, less cash, cash equivalents, and restricted cash of $4.6 billion) is divided by the sum of the most recent four quarters Adjusted EBITDA of $8,744 million. The Company believes this measure is relevant to investors as it is a financial measure frequently used in evaluating a company's financial condition.

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

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

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

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

(10) Gross debt: The Company defines gross debt of $33.5 billion as total debt of $32.8 billion, plus finance leases of $683 million. The Company believes this measure is relevant to investors as it is a financial measure frequently used in evaluating a company's financial condition.

Please refer to the Trending Schedules and Non-GAAP Reconciliations posted in the "Quarterly Results" section of the Company's investor relations website (https://ir.wbd.com) for the full reconciliation of net leverage.

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

Source: Warner Bros. Discovery, Inc.

Fellow Shareholders,

2025 marked a significant year for Warner Bros. Discovery as we made meaningful progress in delivering on our commitment to return our Studios to industry leadership, scale HBO Max globally, and optimize our Global Linear Networks.

Our Studios segment was a clear standout in 2025, thriving both critically and commercially after a successful, coordinated effort to reinvigorate and enhance operations and processes. The Studios segment finished 2025 with $2.55 billion in Adjusted EBITDA[(1)], a 52% ex-FX[(2)] year-over-year increase, exceeding our guidance and demonstrating healthy progress toward our target of at least $3 billion in Adjusted EBITDA. In 2025, nine of our films opened #1 at the box office, and our titles held the top spot for 16 weekends globally. We are already seeing momentum continue into 2026, with *Wuthering Heights* generating $83 million at the global box office during its opening weekend, our ninth consecutive theatrical release to open #1, further reinforcing Warner Bros. Discovery's position as a premiere destination for the world's leading creative talent and our commitment to exceptional original storytelling.

Our Streaming segment finished the year with nearly 132 million subscribers[(3)], surpassing the 130 million target we established in August 2022. Furthermore, the Streaming segment generated $1.37 billion in Adjusted EBITDA, exceeding our guidance and more than doubling year-over-year. With the successful recent launches of HBO Max in Germany and Italy, as well as the upcoming launches in the United Kingdom and Ireland on March 26th, we expect to finish the first quarter of 2026 with more than 140 million subscribers, well on our way to more than 150 million subscribers by year end.

Finally, our Global Linear Networks segment demonstrated its continued resonance with consumers while making progress on long-term initiatives to transform the business. In 2025, Global Linear Networks debuted 17 of the top 25 freshman cable series in the U.S., a reflection of millions of consumers' enduring attachment to our roster of iconic brands. During the fourth quarter, we launched CNN All Access, an important milestone in building a modern, digital first news platform, to adapt to how audiences consume news. We also kicked off 2026 as the home of the Olympic Winter Games in Europe, with linear viewership up more than 50% across Europe's largest markets including France, Germany, Italy, Poland and the United Kingdom versus Beijing 2022. This year's Olympic Winter Games were the most streamed ever with viewers more than tripling compared to Beijing 2022 thanks to our great customer experience on HBO Max and discovery+.

STUDIOS

The multi-year effort to restore Warner Bros. Motion Picture Group as Hollywood's leading film studio culminated in strong full year results for our Studios segment. In 2025, we distributed seven consecutive films that generated more than $40 million during their opening weekends at the domestic box office – a first for any studio – and we finished the year with $4.4 billion at the global box office. Our performance reflected success across a broad range of titles, including global

tentpoles such as *A Minecraft Movie* and *Superman*, horror genre specialty films and new contributions to valuable franchises such as *The Conjuring: Last Rights* and *Final Destination: Bloodlines*, and original works such as *Sinners, One Battle After Another,* and *Weapons*. Additionally, the film slate received critical acclaim with nine Golden Globe Awards, including Best Picture – Musical or Comedy for *One Battle After Another*, and Cinematic and Box Office Achievement for *Sinners*. We also received 30 total Academy Award nominations, the most of any studio this year, including a record-breaking 16 nominations for *Sinners*, 13 for *One Battle After Another*, and one for *Weapons*.

As we look ahead, our diverse 2026 film slate showcases our continued investment in quality storytelling, ranging from tentpoles like *Supergirl* and *Dune: Messiah*, to creative originals like Margot Robbie's *Wuthering Heights*, fan-favorite horror franchises from New Line such as *Evil Dead Burn*, as well as our debut film title from Warner Bros. Animation, *The Cat In The Hat*.

Warner Bros. Television ("WBTV") continues to be one of the top independent suppliers of live-action television. WBTV's pipeline is healthy with over 70 active series spanning 20 linear and streaming platforms at the end of 2025. Looking ahead, 2026 marks the first year that WBTV will deliver more episodes to streaming platforms than to broadcast and cable combined, the result of a multi-year strategy to shift output toward growth-oriented distribution channels. Notable projects for third parties include *Ted Lasso* (Apple TV), *Bad Monkey* (Apple TV), *Shrinking* (Apple TV), and *Running Point* (Netflix). Key titles produced in association with HBO for HBO Max include the series premiere of *Lanterns* and the award-winning series *The Pitt*, which was already renewed for a third season.

Our Studios segment remains focused on advancing recent operational enhancements, disciplined risk-taking to support unique storytelling, a balanced approach to our theatrical slate, and optimizing the value of our intellectual property as we continue to progress toward our segment Adjusted EBITDA target of at least $3 billion. While early, particularly given the inherent volatility in box office results, we expect Studios segment 2026 Adjusted EBITDA to be relatively in line with 2025 as noted in our merger proxy, even as we lap the strong box office success and a sizable television licensing deal renewal in 2025. We will also continue to confidently invest this year for 2027 and beyond to support a more robust slate of theatrical and television titles, the opening of the Harry Potter experience in Shanghai and Abu Dhabi, and the rebuilding of our video game pipeline.

STREAMING

2025 was another exceptional year for HBO Max with growing global scale and a strong content slate. The Streaming segment added nearly 15 million subscribers in 2025 and ended the year with nearly 132 million subscribers, exceeding the 130 million subscriber target we set out in August 2022.

During the fourth quarter, we continued to deliver what fans want with a lineup of elevated, must-watch stories that became fixtures for consumers and central to cultural conversations around the world – from *It: Welcome to Derry* and *The Chair Company* to *I Love LA* and *Heated Rivalry*. *It:*

Welcome to Derry averaged over 27 million global viewers per episode. Additionally, *Heated Rivalry* became the #1 first-run acquired scripted series in HBO Max history with an average of 13 million global viewers per episode. We also continue to expand our original programming outside the U.S., demonstrated by the fourth quarter release of our scripted drama *Heaven* in Poland, which is now the second most watched HBO Max local original series ever in the country.

HBO Max is off to a strong start in 2026 with the return of *Industry* and *The Pitt,* each growing season-over-season viewership by 30% and 50%, respectively, and demonstrating steady week-over-week audience growth. Additionally, *A Knight of the Seven Kingdoms*, the third installment in the *Game of Thrones* franchise, is currently averaging over 24 million viewers per episode globally and growing.

We are also exceling operationally, with the well-executed launch of HBO Max in Germany and Italy, along with several other markets, in early January. We are encouraged by the success of these market launches to date, and retail subscriber acquisition is exceeding our internal targets. On March 26th, HBO Max will launch as a direct-to-consumer product for the first time in the United Kingdom and Ireland, as well as through non-exclusive partnerships, including Sky. Given these key market launches and partnerships, we now have a clear line of sight to exceed 140 million subscribers by the end of the first quarter, well on our way to over 150 million subscribers by year end 2026.

We anticipate another strong year for the Streaming segment on both revenues and Adjusted EBITDA. We expect subscriber-related revenue[(4)] growth to continue accelerating throughout 2026 driven by the following:

- Another year of healthy subscriber growth, including those on the ad-supported tier and the corresponding ad revenue benefits;
- The full year benefit of subscription price increases, particularly ones like in the U.S. that took effect in the fourth quarter;
- Our strongest content slate yet, which has launched us into 2026 ahead of expectations;
- Continued product enhancements and feature improvements that are driving further engagement and retention improvements; and
- The upcoming lapping of two one-time resets:
    - The first-half impact of the NBA on advertising revenues (4% ex-FX and 15% ex-FX headwind in the first and second quarters, respectively), and
    - The previously disclosed domestic distribution renewal with a former related party partially through the second quarter.

We will also continue to invest in content and marketing to support the continuing global rollout of HBO Max and further penetration of existing markets, which will position the business for strong revenue growth in the coming years. Although we consider a range of metrics as we look to optimize the business, we view subscriber-related revenue growth and Adjusted EBITDA growth as our primary metrics for the business's success going forward. As such, the fourth quarter of 2025 will be the last quarter we report subscribers and ARPU[(5)].

GLOBAL LINEAR NETWORKS

Our Global Linear Networks segment continues to find innovative ways to deliver captivating content to millions of consumers. In 2025, our domestic portfolio of networks attracted nearly 30% of primetime cable viewership among adults 25-54 and reached a monthly average of more than 140 million total viewers. TNT, TBS, Food Network, CNN and TLC were five of the top ten ad-supported cable networks for the year. And TLC's breakout hit *Baylen Out Loud* was the #1 cable freshman series in primetime among adults and women 25-54. In total, domestic audiences consumed over 29 billion hours of Global Linear Networks content throughout the year.

The strong and enduring demand for our content also drives meaningful viewership for our networks around the world. In the U.S., our linear portfolio ranks second in primetime viewership for adults 25-54, despite not owning a broadcast network. In Europe, we rank as the #2 broadcaster overall with top five viewership in key markets, including Poland, Italy, and the Nordics; and in Latin America, we rank as the #1 pay-TV portfolio across the region.

Our global footprint provides meaningful diversification, most notably in EMEA, a region where advertising and pay TV subscriber trends remain materially more stable compared to domestic trends. Furthermore, the relative strength of our free-to-air assets across key European markets enhances our resilience to challenging domestic market trends, as free-to-air networks account for roughly 50% of international advertising revenues. Our free-to-air revenues increased each of the last four years, largely supported by the success of our European brands, including TVN Poland, which ranked as the #1 channel in the country for the fifth consecutive year, and Nove in Italy, which had a record year in 2025.

When it comes to news, CNN is the most trusted global news brand and reaches more than 800 million people around the world with more than 150 million monthly users across platforms. CNN also ranks #1 in TV reach among cable news networks in the U.S. The combination of one of the best global newsgathering organizations and a seasoned team capable of delivering news in multiple forms - written articles, audio, live video, and on-demand video - across platforms makes CNN a highly valuable asset as we look to engage audiences worldwide. In fact, we have seen strong linear viewership gains since the beginning of the year, underpinning CNN's consistent value for distributors through high-frequency viewing and reliable audience engagement.

Even in a crowded marketplace with free alternatives and subscription fatigue, third party research continues to show that consumers are willing to pay for reliable, high-quality journalism. As news consumption habits evolve, we are actively investing in modernizing CNN and expanding monetization opportunities. CNN launched a direct-to-consumer paywall offering in 2024, and expanded it in the fourth quarter of 2025 with CNN All Access, our streaming and video-on-demand product. We are encouraged by the early performance of CNN All Access, and expect subscribers and engagement to continue to grow as we enter the midterm election cycle and look ahead to the 2028 presidential election. This positive early performance supports our long-term strategy to invest in the future of the brand, as we expand CNN into a comprehensive, refreshed, news-first digital experience that delivers flexibility and choice across a suite of multimedia and lifestyle offerings.

Finally, we are further encouraged by the improved advertising trends we saw at Global Linear Networks during the fourth quarter, where we realized an 8% ex-FX sequential improvement, inclusive of an approximate 4% ex-FX negative impact from the loss of the NBA. The improvement was driven by better domestic general entertainment delivery trends and healthier yield supported by strong scatter CPMs that remain at a robust premium to upfront pricing.

As we look toward the first half of 2026, we anticipate a 7% ex-FX and 20% ex-FX headwind to advertising revenue from the absence of the NBA in the first and second quarters, respectively, which will be more than offset by an associated improvement in operating expenses. We also expect continued advertising revenue growth in key scaled international markets including Poland and Italy, and across the EMEA region as a whole.

As noted in the past, we reinvested some of the NBA cost savings, including in expanded College Football Playoff rights with coverage expanding to 5 of the 11 games starting in the fourth quarter. On a net basis, we expect full year operating expenses to improve in the high single-digit percentage range. We will continue to strategically and opportunistically invest in sports rights across all our platforms to best reach audiences, and we expect sports viewership as a percentage of our total portfolio to grow meaningfully. We are well underway in developing our TNT Sports app, which will serve as a centralized destination for our sports portfolio in the U.S. We plan to launch the product in 2026 and make it available standalone and through distribution and bundling partnerships.

FREE CASH FLOW & BALANCE SHEET

We generated $3.09 billion in free cash flow[6] in 2025, including approximately $1.35 billion in separation & transaction related costs. During the fourth quarter, we repaid $1.0 billion of the bridge loan facility, ending the year with net leverage[7] of 3.3x. In 2026, we expect underlying free cash flow conversion to remain strong. We also expect to incur additional transaction and separation-related costs in the first half of 2026. As a reminder, the first quarter is seasonally our lowest free cash flow quarter given the cadence of our cash content spend.

TRANSACTION UPDATE

Our Board of Directors (the “Board”) and management team have been hard at work executing a series of steps to unlock value for our shareholders. This began with the announcement at our third quarter 2024 earnings call of a Board-led review to evaluate all steps to unlock shareholder value, followed by the reorganizing of our legal entities in December 2024, the June 2025 announcement of our plan to separate Warner Bros. Discovery into two independent companies - Warner Bros. and Discovery Global, and the strategic review process initiated in October 2025. These actions culminated in the December 2025 entry into a definitive agreement for Netflix, Inc. (“Netflix”) to acquire Warner Bros. following the separation of Discovery Global, which will create significant value for our shareholders.

While the Netflix Merger Agreement remains in effect and the Board continues to recommend the Netflix transaction and has not withdrawn or modified its recommendation, the Board recently determined that the latest proposal from Paramount Skydance ("PSKY") could reasonably be expected to lead to a "Company Superior Proposal" as defined in the Netflix Merger Agreement. WBD continues to engage with PSKY to determine if a proposal that constitutes such a "Company Superior Proposal" can be reached. There can be no assurance that the Board will conclude that the transaction proposed by PSKY is superior to the merger with Netflix or that any definitive agreement or transaction will result from Warner Bros. Discovery's discussions with PSKY. The Board remains committed to maximizing shareholder value and certainty while mitigating downside risks, and the Board will evaluate any proposal against that standard with the objective of delivering the best deal for our shareholders.

We will not be answering any questions on this topic during our earnings call.

CONCLUSION

We continue to execute against our strategic pillars across Warner Bros. Discovery. The Studios segment is making meaningful progress toward returning to industry leadership and our $3 billion Adjusted EBITDA goal. The Streaming segment continues to scale globally and we expect to exceed 150 million global subscribers by the end of 2026 with meaningful subscriber-related revenue and Adjusted EBITDA growth.

And at Global Linear Networks, we are building on our assets that underpin long-term value creation: our resilient international footprint, our premiere global sports portfolio, a modernized CNN, and leveraging emerging technologies and platforms to enhance our reach and monetization. With these strong assets and our disciplined investment strategy, we remain focused on sustaining healthy Adjusted EBITDA and free cash flow for years to come.

In parallel, we are focused on maximizing value for shareholders. As we move forward into our next phase for Warner Bros. Discovery, we remain confident that the business is well positioned to deliver sustainable performance and long-term success in an evolving media landscape.

2026 Outlook

Warner Bros. Discovery, Inc. ("Warner Bros. Discovery", "WBD", the "Company", "we", "us", or "our") may provide forward-looking commentary in connection with this communication. The Company is not able to provide a reconciliation of the non-GAAP forward-looking commentary to comparable GAAP measures as, at this time, the Company cannot determine the occurrence or impact of the adjustments, such as the effect of future changes in foreign currency exchange rates or future acquisitions or divestitures that would be excluded from such GAAP measures. Accordingly, the Company is relying on the exception provided by Item 10(e)(1)(i)(B) of Regulation S-K to exclude these reconciliations.

Cautionary Statement Concerning Forward-Looking Statements

Information set forth in this communication constitute forward-looking statements within the meaning of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements include, without limitation, statements regarding the Company's expectations, beliefs, intentions or strategies regarding the future, and can be identified by forward-looking words such as "anticipate," "believe," "could," "continue," "estimate," "expect," "intend," "may," "should," "will" and "would" or similar words. These forward-looking statements are based on current expectations, forecasts, and assumptions that involve risks and uncertainties and on information available to Warner Bros. Discovery as of the date hereof.

Forward-looking statements include, without limitation, statements about the benefits of the planned separation or the proposed transaction between WBD and Netflix, Inc. (the "proposed transaction"), future financial and operating results, in the case of a separation, either companies' future company plans, objectives, expectations and intentions, and other statements that are not historical facts. Such statements are based upon the current beliefs and expectations of WBD's management and are subject to significant risks and uncertainties outside of our control. Among the risks and uncertainties that could cause actual results to differ from those described in the forward-looking statements are the following: (1) the completion of the proposed transaction may not occur on the anticipated terms and timing or at all; (2) the occurrence of any event, change or other circumstances that could give rise to the termination of the proposed transaction; (3) the risk that WBD stockholders may not approve the proposed transaction; (4) the risk that the necessary regulatory approvals for the proposed transaction may not be obtained or may be obtained subject to conditions that are not anticipated; (5) risks that any of the closing conditions to the proposed transaction may not be satisfied in a timely manner; (6) the final allocation of indebtedness between WBD and a newly formed subsidiary ("Discovery Global") in connection with the separation could cause a reduction to the consideration for the proposed transaction; (7) risks related to litigation brought in connection with the proposed transaction; (8) risks related to disruption of management time from ongoing business operations due to the proposed transaction; (9) effects of the announcement, pendency or completion of the proposed transaction on the ability of WBD to retain customers and retain and hire key personnel and maintain relationships with suppliers, distributors, advertisers, content providers, vendors and other business partners, and on its operating results and business generally; (10) negative effects of the announcement or the consummation of the proposed transaction on the market price of WBD common stock; (11) risks related to the potential impact of general economic, political and market factors on the companies or the proposed transaction; (12) inherent uncertainties involved in the estimates and assumptions used in the preparation of financial projections, and inherent uncertainties involved in the estimates and judgments used to estimate the differences between WBD's Global Linear Networks segment results and the expected results of Discovery Global; (13) the risk that Discovery Global, as a new company that currently has no credit rating, will not have access to the capital markets on acceptable terms; (14) the risk that Discovery Global may be unable to achieve some or all of the

benefits that WBD expects Discovery Global to achieve as an independent, publicly-traded company; (15) the risk that Discovery Global may be more susceptible to market fluctuations and other adverse events than it would have otherwise been while still a part of WBD; (16) the risk that Discovery Global will incur significant indebtedness in connection with the separation, and the degree to which it will be leveraged following completion of the separation may materially and adversely affect its business, financial condition and results of operations; (17) the ability to obtain or consummate financing or refinancing related to the proposed transaction or the separation upon acceptable terms or at all; (18) volatility or a decline in the market price for Discovery Global common stock following the separation; and (19) the response of WBD or Netflix management to any of the aforementioned factors.

WBD's actual results could differ materially from those stated or implied, due to risks and uncertainties associated with its business, which include the risks related to the separation and the proposed transaction. Discussions of additional risks and uncertainties are contained in WBD's filings with the Securities and Exchange Commission, including but not limited to WBD's most recent Annual Report on Form 10-K and reports on Form 10-Q and Form 8-K. WBD is not under any obligation, and expressly disclaims any obligation, to update, alter, or otherwise revise any forward-looking statements, whether written or oral, that may be made from time to time, whether as a result of new information, future events, or otherwise. Persons reading this communication are cautioned not to place undue reliance on these forward-looking statements which speak only as of the date hereof.

Non-GAAP Financial Measures

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

Definitions and Sources for Warner Bros. Discovery, Inc.

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

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

The Company also excludes the depreciation of fixed assets and amortization of intangible assets, amortization of purchase accounting fair value step-up for content (which is included in consolidated costs of revenues), and amortization of capitalized interest for content, as these amounts do not represent cash

payments in the current reporting period. We prospectively updated certain corporate allocations at the beginning of 2025. The impact to prior periods was immaterial.

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

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

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

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

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

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

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

The reported number of "subscribers" included herein and the definition of "Streaming Subscription" as used herein excludes: (i) individuals who subscribe to Streaming products, other than discovery+, HBO, HBO Max,

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

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

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

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

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

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

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

In millions	Three Months Ended December 31, 2025
Cash provided by operating activities	$1,804
Less: Purchases of property and equipment	(421)
Free Cash Flow	$1,383

(7) Net Leverage: The Company defines net leverage as the calculation where net debt (gross debt of $33.5 billion less cash, cash equivalents, and restricted cash of $4.6 billion) is divided by the sum of the most recent four quarters Adjusted EBITDA of $8,744 million. The Company believes this measure is relevant to investors as it is a financial measure frequently used in evaluating a company's financial condition.