REFINITIV

DELTA REPORT

10-Q

PARAMOUNT GLOBAL

10-Q - MARCH 31, 2024 COMPARED TO 10-Q - SEPTEMBER 30, 2023

The following comparison report has been automatically generated

TOTAL DELTAS	2349
CHANGES	200
DELETIONS	1046
ADDITIONS	1103

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

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

For the quarterly period ended September 30, 2023 March 31, 2024

OR

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

For the transition period from ____________ to ____________

Commission File Number 001-09553

Paramount Global

(Exact name of registrant as specified in its charter)

Delaware	**04-2949533**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
1515 Broadway New York, New York	**10036**
(Address of principal executive offices)	(Zip Code)

(212) 258-6000
(Registrant's telephone number, including area code)

Not Applicable
(Former name, former address and former fiscal year, if changed since last report)

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

Title of each class	Trading Symbols	Name of each exchange on which registered
Class A Common Stock, $0.001 par value	PARAA	The Nasdaq Stock Market LLC
Class B Common Stock, $0.001 par value	PARA	The Nasdaq Stock Market LLC
5.75% Series A Mandatory Convertible Preferred Stock, $0.001 par value	PARAP	The Nasdaq Stock Market LLC

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

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

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

Large accelerated filer	☒	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐
		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. ☐

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

Number of shares of common stock outstanding at October 31, 2023 April 25, 2024:

Class A Common Stock, par value $.001 per share— 40,702,875 40,702,775

Class B Common Stock, par value $.001 per share— 610,703,513 625,775,907

PARAMOUNT GLOBAL
INDEX TO FORM 10-Q

PART I – FINANCIAL INFORMATION

Item 1. Financial Statements.

PARAMOUNT GLOBAL AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited; in millions, except per share amounts)

		Three Months Ended		Nine Months Ended			
		September 30,		September 30,			
		2023	2022	2023	2022		
		Three Months Ended					
		Three Months Ended					
		Three Months Ended					
	March 31,					March 31,	
	2024					2024	2023
Revenues	Revenues	$7,133	$6,916	$22,014	$22,023		
Costs and expenses:	Costs and expenses:						
Operating							
Operating							
Operating	Operating	4,681	4,460	14,872	14,362		
Programming charges	Programming charges	—	—	2,371	—		
Selling, general and administrative	Selling, general and administrative	1,736	1,670	5,272	4,999		
Depreciation and amortization	Depreciation and amortization	105	92	310	282		
Restructuring and other corporate matters		(10)	169	44	276		
Restructuring charges							
Total costs and expenses	Total costs and expenses	6,512	6,391	22,869	19,919		
Gain on dispositions		—	41	—	56		
Operating income (loss)		621	566	(855)	2,160		
Operating loss							
Operating loss							
Operating loss							
Interest expense	Interest expense	(232)	(231)	(698)	(701)		
Interest income	Interest income	29	33	97	73		
Gain (loss) from investments		—	(9)	168	(9)		
Loss on extinguishment of debt		—	—	—	(120)		
Loss from investment							
Other items, net	Other items, net	(42)	(36)	(148)	(91)		
Earnings (loss) from continuing operations before income taxes and equity in loss of investee companies		376	323	(1,436)	1,312		
(Provision for) benefit from income taxes		(40)	(101)	436	(264)		

Other items, net					
Other items, net					
Loss from continuing operations before income taxes and equity in loss of investee companies					
Benefit from income taxes					
Equity in loss of investee companies, net of tax	Equity in loss of investee companies, net of tax	(75)	(58)	(259)	(124)
Net earnings (loss) from continuing operations		261	164	(1,259)	924
Net loss from continuing operations					
Net earnings from discontinued operations, net of tax	Net earnings from discontinued operations, net of tax	48	78	166	181
Net earnings (loss) (Paramount and noncontrolling interests)		309	242	(1,093)	1,105
Net loss (Paramount and noncontrolling interests)					
Net earnings attributable to noncontrolling interests	Net earnings attributable to noncontrolling interests	(14)	(11)	(29)	(22)
Net earnings (loss) attributable to Paramount		$ 295	$ 231	$ (1,122)	$ 1,083
Net loss attributable to Paramount					
Amounts attributable to Paramount:	Amounts attributable to Paramount:				
Net earnings (loss) from continuing operations		$ 247	$ 153	$ (1,288)	$ 902
Amounts attributable to Paramount:					
Amounts attributable to Paramount:					
Net loss from continuing operations					
Net loss from continuing operations					

Net loss from continuing operations					
Net earnings from discontinued operations, net of tax	Net earnings from discontinued operations, net of tax	48	78	166	181
Net earnings (loss) attributable to Paramount		$ 295	$ 231	$ (1,122)	$ 1,083
Net loss attributable to Paramount					
Basic net earnings (loss) per common share attributable to Paramount:	Basic net earnings (loss) per common share attributable to Paramount:				
Net earnings (loss) from continuing operations		$ .36	$ .21	$ (2.04)	$ 1.32
Basic net earnings (loss) per common share attributable to Paramount:					
Basic net earnings (loss) per common share attributable to Paramount:					
Net loss from continuing operations					
Net loss from continuing operations					
Net loss from continuing operations					
Net earnings from discontinued operations	Net earnings from discontinued operations	$ .07	$ .12	$ .25	$ .28
Net earnings (loss)		$ .43	$ .33	$ (1.79)	$ 1.60
Net loss					
Diluted net earnings (loss) per common share attributable to Paramount:	Diluted net earnings (loss) per common share attributable to Paramount:				
Net earnings (loss) from continuing operations		$ .36	$ .21	$ (2.04)	$ 1.32
Diluted net earnings (loss) per common share attributable to Paramount:					
Diluted net earnings (loss) per common share attributable to Paramount:					
Net loss from continuing operations					
Net loss from continuing operations					

Net loss from continuing operations					
Net earnings from discontinued operations	Net earnings from discontinued operations	$ .07	$ .12	$ .25	$ .28
Net earnings (loss)		$ .43	$ .33	$ (1.79)	$ 1.60
Net loss					
Weighted average number of common shares outstanding:	Weighted average number of common shares outstanding:				
Weighted average number of common shares outstanding:					
Weighted average number of common shares outstanding:					
Basic					
Basic					
Basic	Basic	652	649	651	649
Diluted	Diluted	652	650	651	650

See notes to consolidated financial statements.

PARAMOUNT GLOBAL AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(Unaudited; in millions)

	Three Months Ended September 30,		**Nine Months Ended September 30,**	
	2023	**2022**	**2023**	**2022**
Net earnings (loss) (Paramount and noncontrolling interests)	$309	$242	$(1,093)	$1,105
	Three Months Ended			
	Three Months Ended			
	Three Months Ended			
March 31,			**March 31,**	
2024		**2024**		**2023**

Net loss (Paramount and noncontrolling interests)					
Other comprehensive income (loss), net of tax:	Other comprehensive income (loss), net of tax:				
Cumulative translation adjustments					
Cumulative translation adjustments					
Cumulative translation adjustments	Cumulative translation adjustments	(87)	(248)	56	(457)
Decrease to net actuarial loss and prior service costs	Decrease to net actuarial loss and prior service costs	13	16	36	49
Other comprehensive income (loss) from continuing operations, net of tax (Paramount and noncontrolling interests)	Other comprehensive income (loss) from continuing operations, net of tax (Paramount and noncontrolling interests)	(74)	(232)	92	(408)
Other comprehensive loss from discontinued operations		(5)	(8)	(1)	(14)
Comprehensive income (loss)		230	2	(1,002)	683
Other comprehensive income from discontinued operations					
Comprehensive loss					
Less: Comprehensive income attributable to noncontrolling interests	Less: Comprehensive income attributable to noncontrolling interests	14	10	31	17
Comprehensive income (loss) attributable to Paramount		$216	$ (8)	$(1,033)	$ 666
Comprehensive loss attributable to Paramount					

See notes to consolidated financial statements.

PARAMOUNT GLOBAL AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

(Unaudited; in millions, except per share amounts)

At March 31, 2024	At March 31, 2024	December 31, 2023
ASSETS		
Current Assets:		
Current Assets:		
Current Assets:		
Cash and cash equivalents		
Cash and cash equivalents		
Cash and cash equivalents		
Receivables, net		
Receivables, net		
Receivables, net		
Programming and other inventory		
Programming and other inventory		
Programming and other inventory		
Prepaid expenses and other current assets		
Prepaid expenses and other current assets		
Prepaid expenses and other current assets		
Current assets of discontinued operations		
Current assets of discontinued operations		
Current assets of discontinued operations		
Total current assets		
Total current assets		
Total current assets		
Property and equipment, net		
Property and equipment, net		
Property and equipment, net		
Programming and other inventory		
Programming and other inventory		
Programming and other inventory		
Goodwill		
Goodwill		
Goodwill		
Intangible assets, net		
Intangible assets, net		
Intangible assets, net		
Operating lease assets		
Operating lease assets		
Operating lease assets		

Deferred income tax assets, net
Deferred income tax assets, net
Deferred income tax assets, net
Other assets
Other assets
Other assets
Total Assets
Total Assets
Total Assets
LIABILITIES AND STOCKHOLDERS’ EQUITY
LIABILITIES AND STOCKHOLDERS’ EQUITY
LIABILITIES AND STOCKHOLDERS’ EQUITY
Current Liabilities:
Current Liabilities:
Current Liabilities:
Accounts payable
Accounts payable
Accounts payable
Accrued expenses
Accrued expenses
Accrued expenses
Participants’ share and royalties payable
Participants’ share and royalties payable
Participants’ share and royalties payable
Accrued programming and production costs
Accrued programming and production costs
Accrued programming and production costs
Deferred revenues
Deferred revenues
Deferred revenues
Debt
Debt
Debt
Other current liabilities
Other current liabilities
Other current liabilities
Total current liabilities
Total current liabilities
Total current liabilities
Long-term debt
Long-term debt
Long-term debt

Participants' share and royalties payable
Participants' share and royalties payable
Participants' share and royalties payable
Pension and postretirement benefit obligations
Pension and postretirement benefit obligations
Pension and postretirement benefit obligations
Deferred income tax liabilities, net
Deferred income tax liabilities, net
Deferred income tax liabilities, net
Operating lease liabilities
Operating lease liabilities
Operating lease liabilities
Program rights obligations
Program rights obligations
Program rights obligations
Other liabilities
Other liabilities
Other liabilities

	At September 30, 2023	At December 31, 2022
ASSETS		
Current Assets:		
Cash and cash equivalents	$ 1,804	$ 2,885
Receivables, net	6,939	7,412
Programming and other inventory	1,754	1,342
Prepaid expenses and other current assets	1,536	1,308
Current assets of discontinued operations	678	787
Total current assets	12,711	13,734
Property and equipment, net	1,668	1,762
Programming and other inventory	13,844	16,278
Goodwill	16,488	16,499
Intangible assets, net	2,675	2,694
Operating lease assets	1,264	1,391
Deferred income tax assets, net	1,273	1,242
Other assets	3,913	3,991
Assets of discontinued operations	804	802
Total Assets	$ 54,640	$ 58,393
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities:		
Accounts payable	$ 953	$ 1,403
Accrued expenses	2,118	2,071

Participants' share and royalties payable	2,731	2,416
Accrued programming and production costs	1,695	2,063
Deferred revenues	848	973
Debt	38	239
Other current liabilities	1,196	1,477
Current liabilities of discontinued operations	471	549
Total current liabilities	10,050	11,191
Long-term debt	15,627	15,607
Participants' share and royalties payable	1,453	1,744
Pension and postretirement benefit obligations	1,436	1,458
Deferred income tax liabilities, net	500	1,077
Operating lease liabilities	1,307	1,428
Program rights obligations	209	367
Other liabilities	1,476	1,715
Liabilities of discontinued operations	204	200
Commitments and contingencies (Note 14)		
Commitments and contingencies (Note 13)		
Commitments and contingencies (Note 14)		
Commitments and contingencies (Note 14)		
Paramount stockholders' equity: Paramount stockholders' equity:		
5.75% Series A Mandatory Convertible Preferred Stock, par value $.001 per share; 25 shares authorized; 10 (2023 and 2022) shares issued	—	—
Class A Common Stock, par value $.001 per share; 55 shares authorized; 41 (2023 and 2022) shares issued	—	—
Class B Common Stock, par value $.001 per share; 5,000 shares authorized; 1,114 (2023) and 1,112 (2022) shares issued	1	1
Paramount stockholders' equity:		
Paramount stockholders' equity:		
5.75% Series A Mandatory Convertible Preferred Stock, par value $.001 per share; 25 shares authorized; 10 (2024 and 2023) shares issued		
5.75% Series A Mandatory Convertible Preferred Stock, par value $.001 per share; 25 shares authorized; 10 (2024 and 2023) shares issued		

5.75% Series A Mandatory Convertible Preferred Stock, par value $.001 per share; 25 shares authorized; 10 (2024 and 2023) shares issued			
Class A Common Stock, par value $.001 per share; 55 shares authorized; 41 (2024 and 2023) shares issued			
Class A Common Stock, par value $.001 per share; 55 shares authorized; 41 (2024 and 2023) shares issued			
Class A Common Stock, par value $.001 per share; 55 shares authorized; 41 (2024 and 2023) shares issued			
Class B Common Stock, par value $.001 per share; 5,000 shares authorized; 1,117 (2024) and 1,115 (2023) shares issued			
Class B Common Stock, par value $.001 per share; 5,000 shares authorized; 1,117 (2024) and 1,115 (2023) shares issued			
Class B Common Stock, par value $.001 per share; 5,000 shares authorized; 1,117 (2024) and 1,115 (2023) shares issued			
Additional paid-in capital	Additional paid-in capital	33,176	33,063
Treasury stock, at cost; 503 (2023 and 2022) shares of Class B Common Stock		(22,958)	(22,958)
Additional paid-in capital			
Additional paid-in capital			
Treasury stock, at cost; 503 (2024 and 2023) shares of Class B Common Stock			
Treasury stock, at cost; 503 (2024 and 2023) shares of Class B Common Stock			
Treasury stock, at cost; 503 (2024 and 2023) shares of Class B Common Stock			
Retained earnings			
Retained earnings			
Retained earnings	Retained earnings	13,363	14,737
Accumulated other comprehensive loss	Accumulated other comprehensive loss	(1,718)	(1,807)
Accumulated other comprehensive loss			
Accumulated other comprehensive loss			
Total Paramount stockholders' equity			
Total Paramount stockholders' equity			

Total Paramount stockholders' equity	Total Paramount stockholders' equity	21,864	23,036
Noncontrolling interests	Noncontrolling interests	514	570
Noncontrolling interests			
Noncontrolling interests			
Total Equity			
Total Equity			
Total Equity	Total Equity	22,378	23,606
Total Liabilities and Equity	Total Liabilities and Equity	$ 54,640	$ 58,393
Total Liabilities and Equity			
Total Liabilities and Equity			

See notes to consolidated financial statements.

PARAMOUNT GLOBAL AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited; in millions)

		Nine Months Ended September 30,		
		2023	**2022**	
	Three Months Ended March 31,			**Three Months Ended March 31,**
	2024		**2024**	**2023**
Operating Activities:	**Operating Activities:**			
Net earnings (loss) (Paramount and noncontrolling interests)		$(1,093)	$1,105	
Net loss (Paramount and noncontrolling interests)				
Net loss (Paramount and noncontrolling interests)				
Net loss (Paramount and noncontrolling interests)				
Less: Net earnings from discontinued operations, net of tax	Less: Net earnings from discontinued operations, net of tax	166	181	
Net earnings (loss) from continuing operations		(1,259)	924	
Adjustments to reconcile net earnings (loss) from continuing operations to net cash flow (used for) provided by operating activities from continuing operations:				

Net loss from continuing operations			
Adjustments to reconcile net loss from continuing operations to net cash flow provided by (used for) operating activities from continuing operations:			
Depreciation and amortization			
Depreciation and amortization			
Depreciation and amortization	Depreciation and amortization	310	282
Programming charges	Programming charges	2,371	—
Deferred tax benefit	Deferred tax benefit	(592)	(42)
Stock-based compensation	Stock-based compensation	131	127
Gain on dispositions		—	(56)
(Gain) loss from investments		(168)	9
Loss on extinguishment of debt		—	120
Loss from investment			
Loss from investment			
Loss from investment			
Equity in loss of investee companies, net of tax			
Equity in loss of investee companies, net of tax			
Equity in loss of investee companies, net of tax	Equity in loss of investee companies, net of tax	259	124
Change in assets and liabilities	Change in assets and liabilities	(1,226)	(1,269)
Net cash flow (used for) provided by operating activities from continuing operations		(174)	219
Net cash flow provided by (used for) operating activities from continuing operations			
Net cash flow provided by (used for) operating activities from continuing operations			
Net cash flow provided by (used for) operating activities from continuing operations			

Net cash flow provided by operating activities from discontinued operations	Net cash flow provided by operating activities from discontinued operations	205	107
Net cash flow provided by operating activities		31	326
Net cash flow provided by (used for) operating activities			
Investing Activities:	**Investing Activities:**		
Investments			
Investments			
Investments	Investments	(184)	(189)
Capital expenditures	Capital expenditures	(213)	(228)
Other investing activities	Other investing activities	56	37
Net cash flow used for investing activities from continuing operations		(341)	(380)
Net cash flow used for investing activities from discontinued operations		(3)	(3)
Other investing activities			
Other investing activities			
Net cash flow used for investing activities			
Net cash flow used for investing activities			
Net cash flow used for investing activities	Net cash flow used for investing activities	(344)	(383)
Financing Activities:	**Financing Activities:**		
Proceeds from issuance of notes and debentures		—	989
Repayment of notes and debentures		(139)	(3,010)
Proceeds from issuance of debt			
Proceeds from issuance of debt			
Proceeds from issuance of debt			
Repayment of debt			
Dividends paid on preferred stock			

Dividends paid on preferred stock			
Dividends paid on preferred stock	Dividends paid on preferred stock	(43)	(43)
Dividends paid on common stock	Dividends paid on common stock	(351)	(471)
Payment of payroll taxes in lieu of issuing shares for stock-based compensation	Payment of payroll taxes in lieu of issuing shares for stock-based compensation	(21)	(14)
Payment of payroll taxes in lieu of issuing shares for stock-based compensation			
Payment of payroll taxes in lieu of issuing shares for stock-based compensation			
Payments to noncontrolling interests			
Payments to noncontrolling interests			
Payments to noncontrolling interests	Payments to noncontrolling interests	(97)	(106)
Other financing activities	Other financing activities	(93)	(26)
Net cash flow used for financing activities	Net cash flow used for financing activities	(744)	(2,681)
Effect of exchange rate changes on cash and cash equivalents	Effect of exchange rate changes on cash and cash equivalents	(24)	(146)
Net decrease in cash and cash equivalents	Net decrease in cash and cash equivalents	(1,081)	(2,884)
Cash and cash equivalents at beginning of year	Cash and cash equivalents at beginning of year	2,885	6,267
Cash and cash equivalents at end of period	Cash and cash equivalents at end of period	$ 1,804	$3,383

See notes to consolidated financial statements.

PARAMOUNT GLOBAL AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
(Unaudited; in millions)

	Three Months Ended September 30, 2023										
	Preferred Stock		Class A and B Common Stock		Additional Paid-In Capital	Treasury Stock	Retained Earnings	Accumulated Other Comprehensive Loss	Total Paramount Stockholders' Equity	Noncontrolling Interests	Total Equity
	(Shares)		*(Shares)*								
June 30, 2023	10	$ —	651	$ 1	$ 33,135	$ (22,958)	$ 13,116	$ (1,639)	$ 21,655	$ 502	$ 22,157
Stock-based compensation activity	—	—	1	—	41	—	—	—	41	—	41
Preferred stock dividends	—	—	—	—	—	—	(14)	—	(14)	—	(14)
Common stock dividends	—	—	—	—	—	—	(34)	—	(34)	—	(34)
Noncontrolling interests	—	—	—	—	—	—	—	—	—	(2)	(2)
Net earnings	—	—	—	—	—	—	295	—	295	14	309
Other comprehensive loss	—	—	—	—	—	—	—	(79)	(79)	—	(79)
September 30, 2023	10	$ —	652	$ 1	$ 33,176	$ (22,958)	$ 13,363	$ (1,718)	$ 21,864	$ 514	$ 22,378

	Nine Months Ended September 30, 2023										
	Preferred Stock		Class A and B Common Stock		Additional Paid-In Capital	Treasury Stock	Retained Earnings	Accumulated Other Comprehensive Loss	Total Paramount Stockholders' Equity	Noncontrolling Interests	Total Equity
	(Shares)		*(Shares)*								
December 31, 2022	10	$ —	650	$ 1	$ 33,063	$ (22,958)	$ 14,737	$ (1,807)	$ 23,036	$ 570	$ 23,606
Stock-based compensation activity and other	—	—	2	—	113	—	19	—	132	—	132
Preferred stock dividends	—	—	—	—	—	—	(43)	—	(43)	—	(43)
Common stock dividends	—	—	—	—	—	—	(228)	—	(228)	—	(228)
Noncontrolling interests	—	—	—	—	—	—	—	—	—	(87)	(87)
Net earnings (loss)	—	—	—	—	—	—	(1,122)	—	(1,122)	29	(1,093)
Other comprehensive income	—	—	—	—	—	—	—	89	89	2	91
September 30, 2023	10	$ —	652	$ 1	$ 33,176	$ (22,958)	$ 13,363	$ (1,718)	$ 21,864	$ 514	$ 22,378

See notes to consolidated financial statements.

PARAMOUNT GLOBAL AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY (Continued)
(Unaudited; in millions)

	Three Months Ended September 30, 2022										
	Preferred Stock		Class A and B Common Stock		Additional Paid-In Capital	Treasury Stock	Retained Earnings	Accumulated Other Comprehensive Loss	Total Paramount Stockholders' Equity	Noncontrolling Interests	Total Equity
	(Shares)		(Shares)								
June 30, 2022	10	$—	649	$1	$ 32,984	$(22,958)	$14,829	$ (2,080)	$ 22,776	$ 504	$23,280

Three Months Ended March 31, 2024

	Preferred Stock	Class A and B Common Stock	Additional Paid-In Capital	Treasury Stock	Retained Earnings	Accumulated Other Comprehensiv Loss
	(Shares)					
December 31, 2023						
December 31, 2023						
December 31, 2023						

Stock-based compensation activity	—	—	—	—	50	—	—	—	50	—	50
Preferred stock dividends	—	—	—	—	—	—	(14)	—	(14)	—	(14)
Common stock dividends	—	—	—	—	—	—	(159)	—	(159)	—	(159)
Noncontrolling interests	—	—	—	—	—	—	2	—	2	(22)	(20)
Net earnings	—	—	—	—	—	—	231	—	231	11	242
Net earnings (loss)											
Other comprehensive loss	—	—	—	—	—	—	—	(239)	(239)	(1)	(240)
September 30, 2022	10	$—	649	$1	$ 33,034	$(22,958)	$14,889	$ (2,319)	$ 22,647	$ 492	$23,139
March 31, 2024											

	Nine Months Ended September 30, 2022										
	Preferred Stock		Class A and B Common Stock		Additional Paid-In Capital	Treasury Stock	Retained Earnings	Accumulated Other Comprehensive Loss	Total Paramount Stockholders' Equity	Noncontrolling Interests	Total Equity
	(Shares)		(Shares)								
December 31, 2021	10	$ —	648	$ 1	$ 32,918	$ (22,958)	$ 14,343	$ (1,902)	$ 22,402	$ 568	$ 22,970
Stock-based compensation activity	—	—	1	—	116	—	—	—	116	—	116
Preferred stock dividends	—	—	—	—	—	—	(43)	—	(43)	—	(43)
Common stock dividends	—	—	—	—	—	—	(477)	—	(477)	—	(477)
Noncontrolling interests	—	—	—	—	—	—	(17)	—	(17)	(93)	(110)
Net earnings	—	—	—	—	—	—	1,083	—	1,083	22	1,105
Other comprehensive loss	—	—	—	—	—	—	—	(417)	(417)	(5)	(422)
September 30, 2022	10	$ —	649	$ 1	$ 33,034	$ (22,958)	$ 14,889	$ (2,319)	$ 22,647	$ 492	$ 23,139

	Three Months Ended March 31, 2023										
	Preferred Stock		Class A and B Common Stock		Additional Paid-In Capital	Treasury Stock	Retained Earnings	Accumulated Other Comprehensive Loss	Total Paramount Stockholders' Equity	Noncontrolling Interests	Total Equity
	(Shares)		*(Shares)*								
December 31, 2022	10	$ —	650	$ 1	$ 33,063	$ (22,958)	$ 14,737	$ (1,807)	$ 23,036	$ 570	$ 23,606
Stock-based compensation activity and other	—	—	1	—	24	—	19	—	43	—	43
Preferred stock dividends	—	—	—	—	—	—	(14)	—	(14)	—	(14)
Common stock dividends	—	—	—	—	—	—	(161)	—	(161)	—	(161)
Noncontrolling interests	—	—	—	—	—	—	—	—	—	(85)	(85)
Net earnings (loss)	—	—	—	—	—	—	(1,118)	—	(1,118)	6	(1,112)
Other comprehensive income	—	—	—	—	—	—	—	65	65	1	66
March 31, 2023	10	$ —	651	$ 1	$ 33,087	$ (22,958)	$ 13,463	$ (1,742)	$ 21,851	$ 492	$ 22,343

See notes to consolidated financial statements.

PARAMOUNT GLOBAL AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Tabular dollars in millions, except per share amounts)

1) BASIS OF PRESENTATION

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

- *TV Media*—Our *TV Media* segment consists of our (1) broadcast operations—the CBS Television Network, our domestic broadcast television network; CBS Stations, our owned television stations; and our international free-to-air networks, Network 10, Channel 5, Telefe, and Chilevisión; (2) domestic premium and basic cable networks, including Showtime (to be rebranded to Paramount+ with Showtime, in the future), MTV, Comedy Central, Paramount Network, The Smithsonian Channel, Nickelodeon, BET Media Group, CBS Sports Network, and international extensions of certain of these brands; and (3) domestic and international television studio operations, including CBS Studios, Paramount Television Studios and Showtime/MTV Entertainment Studios, as well as CBS Media Ventures, which produces and distributes first-run syndicated programming. *TV Media* also includes a number of digital properties such as CBS News Streaming and CBS Sports HQ.

- *Direct-to-Consumer*—Our *Direct-to-Consumer* segment consists of includes our portfolio of domestic and international pay and free streaming services, including Paramount+, Pluto TV, and BET+. Effective July 6, 2023, Showtime Networks' domestic premium subscription streaming service (Showtime OTT), BET+ and Noggin. Effective June 27, 2023, we launched the Paramount+ with Showtime plan in the United States, which replaced the Paramount+ Premium plan. Effective July 6, 2023, Showtime OTT was no longer offered as a standalone subscription streaming service for new subscribers. subscribers and effective April 30, 2024 will no longer be available.

- *Filmed Entertainment*—Our *Filmed Entertainment* segment consists of Paramount Pictures, Paramount Players, Paramount Animation, Nickelodeon Studio, Awesomeness, and Miramax.

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

On April 29, 2024, the Board of Directors of the Company established an Office of the CEO, consisting of the following three senior company executives: George Cheeks, President and Chief Executive Officer of CBS; Chris McCarthy, President and Chief Executive Officer, Showtime/MTV Entertainment Studios and Paramount Media Networks; and Brian Robbins, President and Chief Executive Officer of Paramount Pictures and Nickelodeon. Robert M. Bakish will step down as the Company's President and Chief Executive Officer and has resigned from the Board of Directors, in each case, effective as of the end of the day on April 30, 2024. Between May 1, 2024 and October 31, 2024, Mr. Bakish has agreed to remain employed with the Company as a Senior Advisor to help ensure a seamless transition of his duties.

Basis of Presentation—The accompanying unaudited consolidated financial statements have been prepared on a basis consistent with accounting principles generally accepted in the United States ("GAAP") for interim financial information and pursuant to the rules of the Securities and Exchange Commission (SEC) ("SEC"). These financial statements should be read in conjunction with the more detailed financial statements and notes thereto included in our Annual Report on Form 10-K for the year ended December 31, 2022 December 31, 2023.

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

Discontinued Operations—On October 30, 2023, we completed the sale of Simon & Schuster, is which has been presented as a discontinued operation in our consolidated financial statements for all periods presented (see Note 2) 13).

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

apparent from other sources. Actual results may vary from these estimates under different assumptions or conditions.

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

Weighted average shares for diluted EPS reflects reflect the effect of the assumed exercise of stock options and vesting of restricted share units ("RSUs") or performance share units ("PSUs") only in the periods in which such effect would have been dilutive. Diluted EPS also reflects the effect of the assumed conversion of preferred stock, if dilutive, which includes the issuance of common shares in the weighted average number of shares and excludes the above-mentioned preferred stock dividend adjustment to net earnings (loss) available to common stockholders.

For each of the nine months three-month periods ended September 30, 2023, March 31, 2024 and 2023, all of our stock options and RSUs, which totaled 19 million 30 million and 21 million, respectively, were excluded from the calculation calculations of diluted EPS because their inclusion would have been antidilutive since we reported a net loss. Stock options and RSUs totaling 18 million for the three months ended September 30, 2023 and 14 million and 10 million for the three and nine months ended September 30, 2022, respectively, were excluded from the calculations of diluted EPS because their inclusion would have been antidilutive. Also excluded from the calculation of diluted EPS for each period was the effect of the assumed conversion of 10 million shares of Mandatory Convertible Preferred

Stock into shares of common stock because the impact would have been antidilutive. The table below presents a reconciliation of weighted average shares used in the calculation of basic and diluted EPS.

	Three Months Ended September 30,		Nine Months Ended September 30,	
(in millions)	2023	2022	2023	2022
Weighted average shares for basic EPS	652	649	651	649
Dilutive effect of shares issuable under stock-based compensation plans	—	1	—	1
Weighted average shares for diluted EPS	652	650	651	650

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PARAMOUNT GLOBAL AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
(Tabular dollars in millions, except per share amounts)

Additionally, because the impact of the assumed conversion of the Mandatory Convertible Preferred Stock would have been antidilutive, net earnings (loss) loss from continuing operations and net earnings (loss) loss used in our calculations of diluted EPS for the three and nine months ended September 30, 2023 March 31, 2024 and 2022 2023 include a reduction for the preferred stock dividends recorded during each period. The table below presents a reconciliation of net earnings (loss) loss from continuing operations and net earnings (loss) loss to the amounts used in the calculations of basic and diluted EPS.

	Three Months Ended September 30,	Nine Months Ended September 30,		
	Three Months Ended			
	Three Months Ended			
	Three Months Ended			
	March 31,		March 31,	
	2024		2024	2023
Amounts attributable to Paramount:				
Net loss from continuing operations				
Net loss from continuing operations				
Net loss from continuing operations				
Preferred stock dividends				
Net loss from continuing operations for basic and diluted EPS calculation				

(Tabular dollars in millions, except per share amounts)

		2023	2022	2023	2022
Amounts attributable to Paramount:	**Amounts attributable to Paramount:**				
Net earnings (loss) from continuing operations		$ 247	$153	$(1,288)	$ 902
Amounts attributable to Paramount:					
Amounts attributable to Paramount:					
Net loss					
Net loss					
Net loss					
Preferred stock dividends	Preferred stock dividends	(14)	(14)	(43)	(43)
Net earnings (loss) from continuing operations for basic and diluted EPS calculation		$ 233	$139	$(1,331)	$ 859
Amounts attributable to Paramount:					
Net earnings (loss)		$ 295	$231	$(1,122)	$1,083
Preferred stock dividends		(14)	(14)	(43)	(43)
Net earnings (loss) for basic and diluted EPS calculation		$ 281	$217	$(1,165)	$1,040
Net loss for basic and diluted EPS calculation					

Accounting Pronouncements Not Yet Adopted

Segment Reporting

In November 2023, the Financial Accounting Standards Board ("FASB") issued updated guidance for segment reporting, which requires the disclosure of significant segment expenses that are regularly provided to the chief operating decision maker ("CODM") and included within the reported measure of segment profit or loss ("segment measure"), as well as the disclosure of the other segment items comprising the difference between segment revenues less these significant segment expenses and the segment measure. The update also requires an entity to disclose the title and position of the CODM and to describe how the CODM utilizes the segment measure to assess segment performance and allocate resources. In addition, the update aligns the interim disclosure requirements for segment profit or loss and assets with the annual requirements. The update is effective for us for our annual report for the year ended December 31, 2024, and for interim periods thereafter and is required to be applied retrospectively.

Income Taxes

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

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2) **DISPOSITIONS**

Simon & Schuster

On October 30, 2023, we completed the sale of Simon & Schuster to affiliates of Kohlberg Kravis Roberts & Co. for $1.62 billion. As a result, we will recognize a gain in the fourth quarter of 2023, which we estimate will be approximately $700 million.

The following table sets forth details of net earnings from discontinued operations for the three and nine months ended September 30, 2023 and 2022, which primarily reflects the results of Simon & Schuster.

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
Revenues	$ 307	$ 353	$ 857	$ 863
Costs and expenses:				
Operating	195	198	501	483
Selling, general and administrative	49	45	138	130
Restructuring charges	—	2	—	2
Total costs and expenses (a)	244	245	639	615
Operating income	63	108	218	248
Other items, net	(4)	(3)	(11)	(9)
Earnings from discontinued operations	59	105	207	239
Provision for income taxes (b)	(11)	(27)	(41)	(58)
Net earnings from discontinued operations, net of tax	$ 48	$ 78	$ 166	$ 181

(a) Included in total costs and expenses are amounts associated with the release of indemnification obligations for leases relating to a previously disposed business of $3 million and $9 million for the three and nine months ended September 30, 2023, respectively, and $15 million and $25 million for the three and nine months ended September 30, 2022, respectively.

(b) The tax provision includes amounts relating to previously disposed businesses of $1 million and $2 million for the three and nine months ended September 30, 2023, respectively, and $4 million and $6 million for the three and nine months ended September 30, 2022, respectively. PROGRAMMING AND OTHER INVENTORY

The following table presents the major classes of assets our programming and liabilities other inventory at March 31, 2024 and December 31, 2023, grouped by type and predominant monetization strategy.

	At March 31, 2024	At December 31, 2023
Film Group Monetization:		
Acquired program rights, including prepaid sports rights	$ 2,536	$ 3,318
Internally-produced television and film programming:		
Released	6,494	6,666
In process and other	1,859	2,028
Individual Monetization:		
Acquired libraries	339	348
Films:		
Released	727	624
Completed, not yet released	31	179
In process and other	1,391	1,211
Internally-produced television programming:		
Released	476	496
In process and other	429	361
Home entertainment	30	34
Total programming and other inventory	14,312	15,265
Less current portion	892	1,414
Total noncurrent programming and other inventory	$ 13,420	$ 13,851

(Tabular dollars in millions, except per share amounts)

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

	At September 30, 2023	At December 31, 2022
Receivables, net	$ 465	$ 558
Other current assets	213	229
Goodwill	435	434
Property and equipment, net	56	53
Operating lease assets	220	204
Other assets	93	111
Total Assets	$ 1,482	$ 1,589
Royalties payable	$ 146	$ 161
Other current liabilities	325	388
Operating lease liabilities	187	182
Other liabilities	17	18
Total Liabilities	$ 675	$ 749

	Three Months Ended March 31,	
	2024	2023
Acquired program rights	$ 1,782	$ 1,414
Internally-produced television and film programming, and acquired libraries:		
Individual monetization	$ 298	$ 396
Film group monetization	$ 1,060	$ 1,368

Programming Charges

During the first quarter of 2024, in connection with our continued review of our content strategy, we made a strategic decision to focus on content with mass global appeal. As part of this, we are rationalizing original content on our streaming services, especially internationally, and improving the efficiency of our linear network programming. As a result, we have reviewed our expansive global content portfolio and removed select content from our platforms. In addition, we have decided not to move forward with certain titles and therefore have abandoned some development projects and terminated certain programming agreements. Accordingly, we recorded programming charges on the Consolidated Statement of Operations for the three months ended March 31, 2024 relating to these actions. These charges, which totaled $1.12 billion, were comprised of $909 million for the impairment of content to its estimated fair value, as well as $209 million for development cost write-offs and

Other

In September 2022, contract termination costs. We may incur an additional programming charge of approximately $250 million later in connection with our funding commitments under our streaming joint venture with Comcast Corporation, SkyShowtime, we made a noncash contribution of certain assets of Paramount+ in the Nordics 2024 related to the joint venture, which resulted in a gain termination of $41 million. This gain is included in "Gain on dispositions" on the Consolidated Statements of Operations for the three and nine months ended September 30, 2022. Gain on dispositions for the nine months ended September 30, 2022 also includes gains on sales totaling $15 million, comprised of a gain from the sale of an international intangible assets and a working capital adjustment to the gain from the fourth quarter 2021 sale of CBS Studio Center.

3) PROGRAMMING AND OTHER INVENTORY

(Tabular dollars in millions, except per share amounts)

The following table presents our programming and other inventory at September 30, 2023 and December 31, 2022, grouped by type and predominant monetization strategy.

	At September 30, 2023	At December 31, 2022
Film Group Monetization:		
Acquired program rights, including prepaid sports rights	$ 3,438	$ 3,238
Internally-produced television and film programming:		
Released	6,591	7,154
In process and other	2,178	3,299
Individual Monetization:		
Acquired libraries	361	394
Film inventory:		
Released	686	694
Completed, not yet released	146	129
In process and other	1,198	1,317
Internally-produced television programming:		
Released	506	624
In process and other	459	726
Home entertainment	35	45
Total programming and other inventory	15,598	17,620
Less current portion	1,754	1,342
Total noncurrent programming and other inventory	$ 13,844	$ 16,278

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

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
Programming costs, acquired programming	$ 1,113	$ 987	$ 3,761	$ 3,632
Production costs, internally-produced television and film programming:				
Individual monetization	$ 530	$ 392	$ 1,660	$ 1,554
Film group monetization	$ 1,104	$ 1,202	$ 3,830	$ 3,646

agreement.

Programming Charges

During the first half of 2023, in connection with the integration of Showtime into Paramount+ across both streaming and linear platforms, we performed a comprehensive strategic review of the combined content portfolio of Showtime and Paramount+. Additionally, during the first quarter of 2023, we commenced a review of our international content portfolio in connection with initiatives to rationalize and right-size our international operations to align with our streaming strategy, and close or globalize certain of our international channels. As a result, we changed the 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. Accordingly, during the first half of 2023 we recorded programming charges on the Consolidated Statement of Operations relating to these actions. These For the first quarter of 2023, we recorded charges totaling $1.67 billion, which totaled $2.37 billion, were comprised of $1.97 billion $1.45 billion for the impairment of content to its estimated fair value, as well as $402 million $225 million for development cost write-offs and contract termination costs.

(Tabular dollars in millions, except per share amounts)

For content that was removed from our platforms or abandoned in each period, the estimated fair value was determined using assumptions for secondary market licensing revenues, if any.

3) RESTRUCTURING CHARGES

During the three months ended March 31, 2024, we recorded the following restructuring charges.

	Three Months Ended March 31, 2024
Severance (a)	$ 155
Exit costs	31
Restructuring charges	$ 186

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

The restructuring charges of $186 million for the three months ended March 31, 2024 are comprised of severance costs associated with strategic changes in our global workforce and the impairment of lease assets that we ceased use of in connection with initiatives to reduce our real estate footprint and create cost synergies. The impairments were primarily the result of a decline in market conditions since the inception of these leases and reflect the difference between the estimated fair values, which were determined based on the expected future cash flows of the lease assets, and the carrying values.

The following is a rollforward of our restructuring liability, which is recorded in “Other current liabilities” and “Other liabilities” on the Consolidated Balance Sheets. The restructuring liability at March 31, 2024, which principally relates to severance payments, is expected to be substantially paid by the end of 2024.

	Balance at	2024 Activity		Balance at
	December 31, 2023	Charges (a)	Payments	March 31, 2024
TV Media	$ 162	$ 91	$ (50)	$ 203
Direct-to-Consumer	6	14	(5)	15
Filmed Entertainment	14	18	(6)	26
Corporate	10	30	(7)	33
Total	$ 192	$ 153	$ (68)	$ 277

(a) For the three months ended March 31, 2024, excludes stock-based compensation expense of $2 million and lease impairments of $31 million.

4) RELATED PARTIES

National Amusements, Inc.

National Amusements, Inc. (“NAI”) is the controlling stockholder of the Company. At September 30, 2023 March 31, 2024, NAI directly or indirectly owned approximately 77.4% of our voting Class A Common Stock, and approximately 9.8% 9.7% of our Class A Common Stock and non-voting Class B Common Stock on a combined basis. NAI is controlled by the Sumner M. Redstone National Amusements Part B General Trust (the “General Trust”), which owns 80% of the voting interest of NAI NAI. NA Administration, LLC is the corporate trustee of the General Trust and is governed by a seven-member board of directors, which acts by majority vote of seven voting trustees (subject to certain exceptions), including with respect to the NAI shares held by the General Trust. Shari E. Redstone, Chairperson, CEO and President of NAI and non-executive Chair of our Board of Directors, is one of the seven voting trustees for the General Trust directors of NA Administration, LLC and is one of two voting trustees directors who are beneficiaries of the General Trust. No member of our management or other member of our Board of Directors is a trustee director of the General Trust. NA Administration, LLC.

Other Related Parties

(Tabular dollars in millions, except per share amounts)

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

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
Revenues	$ 66	$ 83	$ 261	$ 211
Operating expenses	$ 5	$ 11	$ 18	$ 17

	At September 30, 2023 (a)	At December 31, 2022
Receivables, net	$ 232	$ 180
Other assets (Receivables, noncurrent)	$ 89	$ 18

	Three Months Ended March 31,	
	2024	2023
Revenues	$ 58	$ 108
Operating costs (a)	$ 18	$ 4

(a) The increase Includes costs expensed as operating expenses in receivables relates to our SkyShowtime joint venture. each year. 2024 also includes costs capitalized in programming assets during the period.

	At March 31, 2024	At December 31, 2023
Receivables, net	$ 180	$ 193
Other assets (Receivables, noncurrent)	$ 87	$ 101

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

5) REVENUES

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

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
	Three Months Ended			
	Three Months Ended			

	Three Months Ended			
	March 31,		March 31,	
	2024	2024		2023
Revenues by Type:	Revenues by Type:			
Advertising				
Advertising				
Advertising	Advertising	$2,133	$2,337	$ 7,179	$ 7,746
Affiliate and subscription	Affiliate and subscription	3,262	2,863	9,676	8,591
Theatrical	Theatrical	377	231	735	1,126
Licensing and other	Licensing and other	1,361	1,485	4,424	4,560
Total Revenues	**Total Revenues**	$7,133	$6,916	$22,014	$22,023

Receivables

Reserves for accounts receivable reflect our expected credit losses based on historical experience as well as current and expected economic conditions. conditions and industry trends. At September 30, 2023 both March 31, 2024 and December 31, 2022 December 31, 2023, our allowance for credit losses was $99 million and $111 million, respectively. $120 million.

Included in "Other assets" on the Consolidated Balance Sheets are noncurrent receivables of $1.42 billion $1.22 billion and $1.61 billion $1.39 billion at September 30, 2023 March 31, 2024 and December 31, 2022, 2023, respectively. Noncurrent receivables primarily relate to revenues recognized under long-term content licensing arrangements. Revenues from the licensing of content are recognized at the beginning of the license period in which programs are made available to the licensee for exhibition, while the related cash is generally collected over the term of the license period.

Contract Liabilities

Contract liabilities are included within "Deferred revenues" and "Other liabilities" on the Consolidated Balance Sheets and were $0.9 billion $0.7 billion and $1.06 billion $0.8 billion at September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023, respectively. We recognized revenues of $0.8 billion $0.3 billion for each of the nine three months ended September 30, 2023 March 31, 2024 and 2022 2023 that were included in the opening balance of deferred revenues for the respective year.

Unrecognized Revenues Under Contract

At September 30, 2023 March 31, 2024, unrecognized revenues attributable to unsatisfied performance obligations under our long-term contracts were approximately $8 billion $7 billion, of which $1 billion $3 billion is expected to be recognized during the remainder of 2023, $3 billion in 2024, $2 billion in 2025, $1 billion in 2026, and $2 billion $1 billion thereafter. These amounts only include contracts subject to a guaranteed fixed amount or the guaranteed minimum under variable contracts, primarily consisting of television and film licensing contracts and affiliate agreements that are subject to a fixed or guaranteed minimum fee. Such amounts change on a regular basis as we renew existing agreements or enter into new agreements. In addition, the timing of satisfying certain of the performance obligations under these long-term contracts is uncertain and, therefore, is also subject to change. Unrecognized revenues under contracts disclosed above do not include (i) contracts with an original expected term of one year or less, mainly consisting of advertising contracts, (ii) contracts for which variable consideration is determined based on the customer's subsequent sale or usage, mainly consisting of affiliate agreements and (iii) long-term licensing agreements for multiple programs for which variable consideration is determined based on the value of the programs delivered to the customer and our right to invoice corresponds with the value delivered.

Performance Obligations Satisfied in Previous Periods

Under certain licensing revenue arrangements, the amount and timing of our revenue recognition is determined based on our licensees' subsequent sale to its end customers. As a result, under such arrangements we often satisfy our performance obligation of delivery of our content in advance of revenue recognition. For each of the three months ended September 30, 2023 March 31, 2024 and 2022, 2023, we recognized revenues of $0.1 billion and $0.3 billion, respectively, and for each of the nine months endedSeptember 30, 2023 and 2022, we recognized revenues of $0.3 billion, from arrangements for the licensing of our content, including from distributors of transactional video-on-demand and electronic sell-through services and other licensing arrangements, as well as from the theatrical distribution of our films, for which our performance obligation was satisfied in a prior period.

6) DEBT

Our debt consists of the following:

		At September 30, 2023	At December 31, 2022	
7.875% Debentures due 2023		$ —	$ 139	
7.125% Senior Notes due 2023		35	35	
At March 31, 2024		At March 31, 2024		December 31, 2023
4.75% Senior Notes due 2025	4.75% Senior Notes due 2025	553	552	
4.0% Senior Notes due 2026	4.0% Senior Notes due 2026	796	795	
4.0% Senior Notes due 2026				
4.0% Senior Notes due 2026				
3.45% Senior Notes due 2026				
3.45% Senior Notes due 2026				
3.45% Senior Notes due 2026	3.45% Senior Notes due 2026	124	124	
2.90% Senior Notes due 2027	2.90% Senior Notes due 2027	695	694	
2.90% Senior Notes due 2027				
2.90% Senior Notes due 2027				
3.375% Senior Notes due 2028				
3.375% Senior Notes due 2028				
3.375% Senior Notes due 2028	3.375% Senior Notes due 2028	497	496	
3.70% Senior Notes due 2028	3.70% Senior Notes due 2028	495	494	
3.70% Senior Notes due 2028				
3.70% Senior Notes due 2028				
4.20% Senior Notes due 2029				
4.20% Senior Notes due 2029				
4.20% Senior Notes due 2029	4.20% Senior Notes due 2029	496	495	

7.875% Senior Debentures due 2030	7.875% Senior Debentures due 2030	830	830
7.875% Senior Debentures due 2030			
7.875% Senior Debentures due 2030			
4.95% Senior Notes due 2031			
4.95% Senior Notes due 2031			
4.95% Senior Notes due 2031	4.95% Senior Notes due 2031	1,228	1,226
4.20% Senior Notes due 2032	4.20% Senior Notes due 2032	977	975
4.20% Senior Notes due 2032			
4.20% Senior Notes due 2032			
5.50% Senior Debentures due 2033			
5.50% Senior Debentures due 2033			
5.50% Senior Debentures due 2033	5.50% Senior Debentures due 2033	427	427
4.85% Senior Debentures due 2034	4.85% Senior Debentures due 2034	87	87
4.85% Senior Debentures due 2034			
4.85% Senior Debentures due 2034			
6.875% Senior Debentures due 2036			
6.875% Senior Debentures due 2036			
6.875% Senior Debentures due 2036	6.875% Senior Debentures due 2036	1,071	1,071
6.75% Senior Debentures due 2037	6.75% Senior Debentures due 2037	76	75
6.75% Senior Debentures due 2037			
6.75% Senior Debentures due 2037			
5.90% Senior Notes due 2040			
5.90% Senior Notes due 2040			
5.90% Senior Notes due 2040	5.90% Senior Notes due 2040	298	298
4.50% Senior Debentures due 2042	4.50% Senior Debentures due 2042	45	45
4.50% Senior Debentures due 2042			
4.50% Senior Debentures due 2042			
4.85% Senior Notes due 2042			
4.85% Senior Notes due 2042			

4.85% Senior Notes due 2042	4.85% Senior Notes due 2042	489	488
4.375% Senior Debentures due 2043	4.375% Senior Debentures due 2043	1,136	1,130
4.375% Senior Debentures due 2043			
4.375% Senior Debentures due 2043			
4.875% Senior Debentures due 2043			
4.875% Senior Debentures due 2043			
4.875% Senior Debentures due 2043	4.875% Senior Debentures due 2043	18	18
5.85% Senior Debentures due 2043	5.85% Senior Debentures due 2043	1,234	1,233
5.85% Senior Debentures due 2043			
5.85% Senior Debentures due 2043			
5.25% Senior Debentures due 2044			
5.25% Senior Debentures due 2044			
5.25% Senior Debentures due 2044	5.25% Senior Debentures due 2044	345	345
4.90% Senior Notes due 2044	4.90% Senior Notes due 2044	541	541
4.90% Senior Notes due 2044			
4.90% Senior Notes due 2044			
4.60% Senior Notes due 2045			
4.60% Senior Notes due 2045			
4.60% Senior Notes due 2045	4.60% Senior Notes due 2045	590	590
4.95% Senior Notes due 2050	4.95% Senior Notes due 2050	947	946
4.95% Senior Notes due 2050			
4.95% Senior Notes due 2050			
6.25% Junior Subordinated Debentures due 2057			
6.25% Junior Subordinated Debentures due 2057			
6.25% Junior Subordinated Debentures due 2057	6.25% Junior Subordinated Debentures due 2057	643	643
6.375% Junior Subordinated Debentures due 2062	6.375% Junior Subordinated Debentures due 2062	989	989
Other bank borrowings		—	55

(Tabular dollars in millions, except per share amounts)

6.375% Junior Subordinated Debentures due 2062			
6.375% Junior Subordinated Debentures due 2062			
Obligations under finance leases			
Obligations under finance leases			
Obligations under finance leases	Obligations under finance leases	3	10
Total debt (a)	Total debt (a)	15,665	15,846
Total debt (a)			
Total debt (a)			
Less current portion			
Less current portion			
Less current portion	Less current portion	38	239
Total long-term debt, net of current portion	Total long-term debt, net of current portion	$ 15,627	$ 15,607
Total long-term debt, net of current portion			
Total long-term debt, net of current portion			

(a) At September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023, the senior and junior subordinated debt balances included (i) a net unamortized discount of $427 million $415 million and $442 million $419 million, respectively, and (ii) unamortized deferred financing costs of $84 million $79 million and $89 million $81 million, respectively. The face value of our total debt was $16.18 $15.10 billion at both March 31, 2024 and $16.38 billion at September 30, 2023 December 31, 2023.

Commercial Paper

At both March 31, 2024 and December 31, 2022 December 31, 2023, respectively. we had no outstanding commercial paper borrowings.

In September 2023, we repaid our $139 million of 7.875% debentures upon maturity. In addition, on November 1, 2023, we repaid our $35 million of 7.125% senior notes upon maturity.

On November 2, 2023, we announced the commencement of cash tender offers for up to $1.0 billion combined aggregate purchase price of certain of our outstanding senior notes due between 2025 and 2028.

During the nine months ended September 30, 2022, we redeemed $2.39 billion of senior notes, prior to maturity, for an aggregate redemption price of $2.49 billion. Also in 2022, we redeemed $520 million of 5.875% junior subordinated debentures due February 2057 at par. These redemptions resulted in a total pre-tax loss on extinguishment of debt of $120 million for the nine months ended September 30, 2022.

During the nine months ended September 30, 2022, we also issued $1.00 billion of 6.375% junior subordinated debentures due 2062.

Commercial Paper *Credit Facility*

At both September 30, 2023 and December 31, 2022 March 31, 2024, we had no outstanding commercial paper borrowings.

Credit Facility

During the first quarter of 2023, we amended and extended our a $3.50 billion revolving credit facility (the "Credit Facility"), which now that matures in January 2027 (the "2023 Amendment" "Credit Facility"). The Credit Facility is used for general corporate purposes and to support commercial paper borrowings, if any. We may, at our option, also borrow in certain foreign currencies up to specified limits under the Credit Facility. Borrowing rates under the Credit Facility are determined at the time of each borrowing and are generally based on either the prime rate in the U.S. or an applicable benchmark rate plus a margin (based on our senior unsecured debt rating), depending on the type and tenor of the loans entered into. Under the 2023 Amendment, we replaced LIBOR as the The benchmark rate for loans denominated in U.S. dollars with is Term SOFR. The benchmark rate SOFR, and for loans denominated in euros, sterling and yen is based on EURIBOR, SONIA and TIBOR, respectively. The Credit Facility was also amended to include a provision that the occurrence of a Change of Control (as defined in the amended credit agreement) of Paramount will be an event of default that would give the lenders the right to accelerate any outstanding loans and terminate their commitments. At September 30, 2023 March 31, 2024, we had no borrowings outstanding under the Credit Facility and the availability under the Credit Facility was $3.50 billion.

The Credit Facility has one principal financial covenant which sets a maximum Consolidated Total Leverage Ratio ("Leverage Ratio") at the end of each quarter, which prior to the 2023 Amendment was 4.5x. Under the 2023 Amendment, the quarter. The maximum Leverage Ratio was increased to 5.75x for the quarter ended March 31, 2024 and will remain at this level for each quarter through and including the quarter ending September 30, 2024, and will then decrease to 5.5x for the quarters ending December 31, 2024 and March 31, 2025, with decreases of 0.25x for each subsequent quarter until it reaches 4.5x for the quarter ending March 31, 2026. when it will be 4.5x, and will remain at this level until maturity. The Leverage Ratio reflects the ratio of our Consolidated Indebtedness, net of unrestricted cash and cash equivalents at the end of a quarter, to our Consolidated EBITDA (each as defined in the amended credit agreement) for the trailing twelve-month period. Under the 2023 Amendment, the definition of the Leverage Ratio was also modified to set For quarters ending on or after September 30, 2024, the maximum amount of unrestricted cash and cash equivalents that can be netted against Consolidated Indebtedness to in the calculation of the Leverage Ratio will be $1.50 billion for quarters ending on or after September 30, 2024. In addition, under the 2023 Amendment, Simon & Schuster was treated as a continuing operation for the purposes of calculating Consolidated EBITDA until its disposition in October 2023. We met the covenant as of September 30, 2023 March 31, 2024.

Other Bank Borrowings

At both March 31, 2024 and December 31, 2023, we had no outstanding bank borrowings under Miramax's $50 million credit facility that matures in November 2024.

7) FINANCIAL INSTRUMENTS AND FAIR VALUE MEASUREMENTS

The carrying value of our financial instruments approximates fair value, except for notes and debentures. At March 31, 2024 and December 31, 2023, the carrying value of our outstanding notes and debentures was $14.61 billion and $14.60 billion, respectively, and the fair value, which is determined based on quoted prices in active markets (Level 1 in the fair value hierarchy) was $12.7 billion and $13.6 billion, respectively.

Investments

Our investments without a readily determinable fair value for which we have no significant influence, which are principally comprised of our investment in Viacom18, had a carrying value of $607 million and $612 million at March 31, 2024 and December 31, 2023, respectively. These investments are included in "Other assets" on the Consolidated Balance Sheets.

In March 2024, we entered into an agreement to sell our 13% interest in Viacom18 to Reliance Industries Limited ("Reliance"), the majority interest holder, for an aggregate purchase price of 42.86 billion Indian rupees (approximately $517 million based on the foreign exchange rate at the agreement date). The closing of this transaction is subject to the satisfaction of certain customary conditions, including receipt of applicable regulatory approvals and the completion of a separate transaction between Viacom18, Reliance and a third party.

Other Bank Borrowings

At September 30, 2023, we had no outstanding bank borrowings under Miramax's $50 million credit facility, which matures in November 2024. This facility replaced the previous $300 million credit facility that matured in April 2023. At December 31, 2022, we had $55 million of bank borrowings under the previous facility with a weighted average interest rate of 7.09%.

(Tabular dollars in millions, except per share amounts)

7) FINANCIAL INSTRUMENTS AND FAIR VALUE MEASUREMENTS

The carrying value of our financial instruments approximates fair value, except for notes and debentures. At September 30, 2023 and December 31, 2022, the carrying value of our outstanding notes and debentures was $15.66 billion and $15.78 billion, respectively, and the fair value, which is determined based on quoted prices in active markets (Level 1 in the fair value hierarchy) was $13.0 billion and $13.9 billion, respectively.

Investments

In April 2023, our ownership of Viacom18 was diluted from 49% to 13% following investment by other parties. Accordingly, we no longer account for it under the equity method. The difference between the carrying value of our 49% interest and the fair value of our 13% interest, as indicated by the additional investments, resulted in a noncash gain of $168 million during the second quarter of 2023.

In September 2022, we sold a 37.5% interest in The CW to Nexstar Media Inc. and received a noncash distribution of $139 million, comprised of certain licensing receivables earned by The CW prior to the sale. This transaction, which reduced our ownership in The CW to 12.5%, resulted in a loss of $4 million, which principally consisted of transaction costs. This loss, along with an impairment of an investment of $5 million, is recorded in “Gain (loss) from investments” on the Consolidated Statements of Operations.

The carrying value of our investments without a readily determinable fair value for which we have no significant influence, including Viacom18 subsequent to the dilution of our investment, was $592 million and $70 million at September 30, 2023 and December 31, 2022, respectively. These investments are included in “Other assets” on the Consolidated Balance Sheets.

Foreign Exchange Contracts

We use derivative financial instruments primarily to manage our exposure to market risks from fluctuations in foreign currency exchange rates. We do not use derivative instruments unless there is an underlying exposure and, therefore, we do not hold or enter into derivative financial instruments for speculative trading purposes.

Foreign exchange forward contracts have principally been used to hedge projected cash flows in currencies such as the British pound, the euro, the Canadian dollar and the Australian dollar, generally for periods up to 24 months. We designate foreign exchange forward contracts used to hedge committed and forecasted foreign currency transactions as cash flow hedges. Additionally, we enter into non-designated forward contracts to hedge non-U.S. dollar denominated cash flows.

At September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023, the notional amount of all foreign exchange contracts was $2.62 billion $3.12 billion and $3.06 billion $2.72 billion, respectively. At September 30, 2023 March 31, 2024, $2.14 billion $2.57 billion related to future production costs and $477 million $546 million related to our foreign currency balances and other expected foreign currency cash flows. At December 31, 2022 December 31, 2023, $2.40 billion $2.20 billion related to future production costs and $655 million $523 million related to our foreign currency balances and other expected foreign currency cash flows.

Gains recognized on derivative financial instruments were as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,		
	2023	**2022**	**2023**	**2022**	**Financial Statement Account**
Non-designated foreign exchange contracts	$ 9	$ 35	$ 3	$ 75	Other items, net

	Three Months Ended March 31,		
	2024	**2023**	**Financial Statement Account**
Non-designated foreign exchange contracts	$ 9	$ 1	Other items, net

Fair Value Measurements

The table below presents our assets and liabilities measured at fair value on a recurring basis at September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023. These assets and liabilities have been categorized according to the three-level fair value hierarchy established by the Financial Accounting Standards Board ("FASB"), FASB, which prioritizes the inputs used in measuring fair value. Level 1 is based on publicly quoted prices for the asset or liability in active markets. Level 2 is based on inputs that are observable other than quoted market prices in active markets, such as quoted prices for the asset or liability in inactive markets or quoted prices for similar assets or liabilities. Level 3 is based on unobservable inputs reflecting our own assumptions about the assumptions that market participants would use in pricing the asset or liability. All of our assets and liabilities that are measured at fair value on a recurring basis use level Level 2 inputs. The fair value of foreign currency hedges is determined based on the present value of future cash flows using observable inputs including foreign currency exchange rates. The fair value of deferred compensation liabilities is determined based on the fair value of the investments elected by employees.

		At September 30, 2023	At December 31, 2022	
		At		
		At		
		At March 31, 2024		
		March 31, 2024		
		March 31, 2024		December 31, 2023
Assets:	**Assets:**			
Foreign currency hedges	Foreign currency hedges	$ 27	$ 39	
Foreign currency hedges				
Foreign currency hedges				
Total Assets				
Total Assets				
Total Assets	**Total Assets**	$ 27	$ 39	
Liabilities:	**Liabilities:**			
Liabilities:				
Liabilities:				
Deferred compensation				
Deferred compensation				
Deferred compensation	Deferred compensation	$ 330	$ 336	
Foreign currency hedges	Foreign currency hedges	39	83	
Foreign currency hedges				
Foreign currency hedges				
Total Liabilities	**Total Liabilities**	$ 369	$ 419	
Total Liabilities				
Total Liabilities				

(Tabular dollars in millions, except per share amounts)

The estimated fair value values of our impaired content was and lease assets were determined using level Level 3 inputs. See Note 3. Notes 2 and 3, respectively.

8) VARIABLE INTEREST ENTITIES

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

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

	At March 31, 2024	At December 31, 2023
Total assets	$ 1,874	$ 1,886
Total liabilities	$ 215	$ 232

	Three Months Ended March 31,	
	2024	2023
Revenues	$ 137	$ 145
Operating loss	$ (34)	$ (31)

9) STOCKHOLDERS' EQUITY

Mandatory Convertible Preferred Stock

At March 31, 2024, there were 9.7 million shares of our Mandatory Convertible Preferred Stock outstanding. On April 1, 2024, each outstanding share automatically and mandatorily converted into 1.1765 shares of our Class B Common Stock, resulting in the issuance of 11.5 million shares of Class B Common Stock. Prior to the mandatory conversion, 0.3 million shares of Mandatory Convertible Preferred Stock were voluntarily converted into Class B Common Stock during the three months ended March 31, 2024. The final dividend on the Mandatory Convertible Preferred Stock, which was declared during the three months ended March 31, 2024, was paid on April 1, 2024.

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

	At September 30, 2023	At December 31, 2022
Total assets	$ 1,904	$ 1,961
Total liabilities	$ 220	$ 328

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
Revenues	$ 144	$ 98	$ 490	$ 287
Operating loss	$ (13)	$ (35)	$ (45)	$ (90)

9) STOCKHOLDERS’ EQUITY

Dividends

The following table presents dividends declared per share and total dividends for our Class A and Class B Common Stock and our Mandatory Convertible Preferred Stock for the three and nine months ended September 30, 2023 March 31, 2024 and 2022. 2023.

		Three Months Ended September 30,		Nine Months Ended September 30,			
		2023	2022	2023	2022		
		Three Months Ended					
		Three Months Ended					
		Three Months Ended					
	March 31,					March 31,	
	2024					2024	2023
Class A and Class B Common Stock	**Class A and Class B Common Stock**						
Dividends declared per common share							
Dividends declared per common share							
Dividends declared per common share	Dividends declared per common share	$ .05	$ .24	$ .34	$ .72		
Total common stock dividends	Total common stock dividends	$ 34	$ 159	$ 228	$ 477		
Total common stock dividends							
Total common stock dividends							
Mandatory Convertible Preferred Stock	**Mandatory Convertible Preferred Stock**						
Dividends declared per preferred share							
Dividends declared per preferred share							
Dividends declared per preferred share	Dividends declared per preferred share	$1.4375	$1.4375	$4.3125	$4.3125		
Total preferred stock dividends	Total preferred stock dividends	$ 14	$ 14	$ 43	$ 43		

(Tabular dollars in millions, except per share amounts)

Total preferred stock dividends	
Total preferred stock dividends	

Accumulated Other Comprehensive Income (Loss)

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

	Continuing Operations		Discontinued Operations	
	Cumulative Translation Adjustments	Net Actuarial Loss and Prior Service Cost	Other Comprehensive Income (Loss) (a)	Accumulated Other Comprehensive Loss
At December 31, 2022	$ (680)	$ (1,097)	$ (30)	$ (1,807)
Other comprehensive income (loss) before reclassifications	10	—	(1)	9
Reclassifications to net loss	44 (b)	36 (c)	—	80
Other comprehensive income (loss)	54	36	(1)	89
At September 30, 2023	$ (626)	$ (1,061)	$ (31)	$ (1,718)

	Cumulative Translation Adjustments	Net Actuarial Loss and Prior Service Cost	Accumulated Other Comprehensive Loss
At December 31, 2023	$ (504)	$ (1,052)	$ (1,556)
Other comprehensive loss before reclassifications	(68)	—	(68)
Reclassifications to net loss	—	9 (a)	9
Other comprehensive income (loss)	(68)	9	(59)
At March 31, 2024	$ (572)	$ (1,043)	$ (1,615)

	Continuing Operations		Discontinued Operations	
	Cumulative Translation Adjustments	Net Actuarial Loss and Prior Service Cost	Other Comprehensive Income (Loss) (a)	Accumulated Other Comprehensive Loss
At December 31, 2021	$ (445)	$ (1,434)	$ (23)	$ (1,902)
Other comprehensive loss before reclassifications	(452)	—	(14)	(466)
Reclassifications to net earnings	—	49 (c)	—	49
Other comprehensive income (loss)	(452)	49	(14)	(417)
At September 30, 2022	$ (897)	$ (1,385)	$ (37)	$ (2,319)

	Continuing Operations		Discontinued Operations

	Cumulative Translation Adjustments	Net Actuarial Loss and Prior Service Cost	Other Comprehensive Income (Loss) (b)	Accumulated Other Comprehensive Loss
At December 31, 2022	$ (680)	$ (1,097)	$ (30)	$ (1,807)
Other comprehensive income before reclassifications	52	—	2	54
Reclassifications to net loss	—	11 (a)	—	11
Other comprehensive income	52	11	2	65
At March 31, 2023	$ (628)	$ (1,086)	$ (28)	$ (1,742)

(a) Reflects cumulative translation adjustments.

(b) Reflects amounts realized within “Gain (loss) from investments” on the Consolidated Statement of Operations in connection with the dilution of our interest in Viacom18 (see Note 7).

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

(b) Reflects cumulative translation adjustments.

The net actuarial loss and prior service cost related to pension and other postretirement benefit plans included in other comprehensive income (loss) is net of a tax benefit of $12 million $3 million and $16 million $4 million for the nine three months ended September 30, 2023 March 31, 2024 and 2022, 2023, respectively.

10) INCOME TAXES

The provision for/benefit from income taxes represents federal, state and local, and foreign taxes on earnings (loss) from continuing operations before income taxes and equity in loss of investee companies. For the three months ended September 30, 2023, we recorded a provision for income taxes of $40 million, and for the nine months ended September 30, 2023 March 31, 2024, we recorded a benefit from income taxes of $436 million $172 million, reflecting an effective income tax rates rate of 10.6% and 30.4%, respectively. 27.1%. Included in the third quarter of 2023 is a net discrete tax benefit of $33 million, primarily reflecting the benefit from guidance issued during income taxes are the quarter by following items identified as affecting the Internal Revenue Service (“IRS”) that resulted in additional foreign taxes from 2022 being eligible for a foreign tax credit, and amounts realized in connection with the filing comparability of our tax returns results, which in certain international jurisdictions. These items, together with a tax provision of $3 million on other corporate matters, decreased aggregate increased our effective income tax rate by 8.5 5.0 percentage points. The tax benefit for

	Three Months Ended March 31, 2024	
	Impact from Items Affecting Comparability	
	Loss Before Income Taxes	Tax (Benefit) Provision
Programming charges (Note 2)	$ 1,118	$ (275)
Restructuring charges (Note 3)	$ 186	$ (46)
Loss from investment	$ 4	$ (1)
Net discrete tax provision	n/a	$ 1

n/a - not applicable

For the nine three months ended September 30, 2023 was primarily March 31, 2023, we recorded a benefit from income taxes of $381 million, reflecting an effective income tax rate of 26.0%. Included in the result benefit from income taxes are the following items identified as affecting the comparability of our results, which in aggregate reduced our effective income tax rate by 1.5 percentage points.

	Three Months Ended March 31, 2023	
	Impact from Items Affecting Comparability	
	Loss Before Income Taxes	Tax Benefit

(Tabular dollars in millions, except per share amounts)

Programming charges (Note 2)	$	1,674	$	(409)
Net discrete tax benefit (a)		n/a	$	(30)

n/a - not applicable

(a) Principally reflects a tax benefit of $582 million on programming charges of $2.37 billion. This item, together with a net discrete tax benefit of $67 million, which principally includes the $33 million discrete tax benefit for the quarter discussed above and from the resolution of an income tax matter in a foreign jurisdiction, as well as a net tax provision of $49 million on other items identified as affecting the comparability of our results during the period (which include a gain from an investment and restructuring charges and other corporate matters), increased our effective income tax rate by 10.2 percentage points.

For the three and nine months ended September 30, 2022, we recorded a provision for income taxes of $101 million and $264 million, reflecting effective income tax rates of 31.3% and 20.1%, respectively. Included in the provision for income taxes for the third quarter of 2022 is a net discrete tax provision of $9 million, which primarily reflects discrete tax provisions realized in connection with the filing of our tax returns in certain international jurisdictions and from the transfer of subsidiaries in connection with a reorganization of our international operations. These items, together with a net tax benefit of $29 million on other items identified as affecting the comparability of our results during the period (which include charges for restructuring and other corporate matters, and a gain on a disposition) increased our effective income tax rate by 5.0 percentage points. The tax provision for the nine months ended September 30, 2022 included a net discrete tax benefit of $72 million primarily resulting from the transfer of intangible assets between our subsidiaries in connection with a reorganization of our international operations. This item, together with a net tax benefit of $77 million on other items identified as affecting the comparability of our results during the nine-month period (which include charges for restructuring and other corporate matters, a loss on extinguishment of debt, and gains on dispositions) decreased our effective income tax rate by 4.8 percentage points.

jurisdiction.

The Company and its subsidiaries file income tax returns with the IRS Internal Revenue Service (“IRS”) and various state and local and foreign jurisdictions. For periods prior to the merger of Viacom Inc. (“Viacom”) with and into CBS Corporation (“CBS”) (the “Merger”), Viacom and CBS filed separate tax returns. For CBS, we are currently under examination by during the fourth quarter of 2023, the Company and the IRS settled the income tax audit for the 2017 and 2018 tax years. years with the exception of one item. This item is currently being resolved through the Mutual Agreement Procedure process. For Viacom, we are currently under examination by the IRS for the 2016 through 2019 tax years. For tax returns filed as a merged company, we are currently under examination by the IRS for the 2019 tax year. Various tax years are also currently under examination by state and local and foreign tax authorities. With respect to open tax years in all jurisdictions, we currently do not believe that it is reasonably possible that the reserve for uncertain tax positions will significantly change within the next 12 months; however, it is difficult to predict the final outcome or timing of resolution of any particular tax matter and events could cause our current expectation to change in the future.

11) PENSION AND OTHER POSTRETIREMENT BENEFITS

The following table presents the components of net periodic cost for our pension and postretirement benefit plans. The service cost component of net periodic cost is presented plans, which are included within “Other items, net” on the Consolidated Statements of Operations within operating income and all other components of net periodic cost are included within “Other items, net”. Operations.

	Pension Benefits				Postretirement Benefits			
Three Months Ended September 30,	**2023**		**2022**		**2023**		**2022**	
Components of net periodic cost (a):								
Service cost	$	—	$	—	$	1	$	1
Interest cost		52		38		3		2
Expected return on plan assets		(32)		(43)		—		—
Amortization of actuarial loss (gain) (b)		20		24		(5)		(4)
Net periodic cost	$	40	$	19	$	(1)	$	(1)

Pension Benefits	**Pension Benefits**	**Postretirement Benefits**

Three Months Ended March 31,	Three Months Ended March 31,	2024	2023	2024	2023
Components of net periodic cost (a):					

	Pension Benefits		Postretirement Benefits	
Nine Months Ended September 30,	2023	2022	2023	2022
Components of net periodic cost (a):				
Service cost	$ —	$ —	$ 1	$ 1
Interest cost				
Interest cost				
Interest cost	Interest cost	155	113	9	6
Expected return on plan assets	Expected return on plan assets	(96)	(129)	—	—
Amortization of actuarial loss (gain) (b)	Amortization of actuarial loss (gain) (b)	62	73	(14)	(11)
Net periodic cost	Net periodic cost	$121	$ 57	$ (4)	$ (4)

(a) Amounts reflect our domestic plans only.

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

During the three months ended September 30, 2023, we contributed $24 million to our qualified pension plan.

12) SEGMENT INFORMATION

The tables below set forth our financial information by reportable segment. Our operating segments, which are the same as our reportable segments, have been determined in accordance with our internal management structure, which is organized based upon products and services.

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
	Three Months Ended			
	Three Months Ended			
	Three Months Ended			

March 31,		March 31,			
2024		2024		2023	
Revenues:	Revenues:				
Advertising					
Advertising					
Advertising	Advertising	$1,703	$1,973	$ 5,905	$ 6,668
Affiliate and subscription	Affiliate and subscription	2,004	2,000	6,082	6,156
Licensing and other	Licensing and other	860	975	2,930	3,025
TV Media	TV Media	4,567	4,948	14,917	15,849
Advertising	Advertising	430	363	1,269	1,073
Subscription	Subscription	1,258	863	3,594	2,435
Licensing		4	—	4	—
Direct-to-Consumer					
Direct-to-Consumer					
Direct-to-Consumer	Direct-to-Consumer	1,692	1,226	4,867	3,508
Advertising	Advertising	5	3	21	17
Theatrical	Theatrical	377	231	735	1,126
Licensing and other	Licensing and other	509	549	1,554	1,627
Filmed Entertainment	Filmed Entertainment	891	783	2,310	2,770
Eliminations	Eliminations	(17)	(41)	(80)	(104)
Total Revenues	**Total Revenues**	$7,133	$6,916	$22,014	$22,023

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

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
Intercompany Revenues:				
TV Media	$ 7	$ 9	$ 28	$ 33
Filmed Entertainment	10	32	52	71
Total Intercompany Revenues	$ 17	$ 41	$ 80	$ 104

Lease Income

We enter into operating leases for the use of our owned production facilities and office buildings. Lease payments received under these agreements consist of fixed payments for the rental of space and certain building operating costs, as well as variable payments based on usage of production facilities and services, and ~~escalating costs of building operations. We recorded total lease income, including both fixed and variable amounts, of~~ $5 million $6 million ~~and~~ $27 million $14 million for the three and nine months ended September 30, 2023, respectively, and $16 million and $50 million for the three and nine months ended September 30, 2022, respectively.

PARAMOUNT GLOBAL AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
(Tabular dollars in millions, except per share amounts)

	Three Months Ended March 31,	
	2024	2023

Restructuring and Other Corporate Matters

During the three and nine months ended September 30, 2023 and 2022, we recorded the following restructuring charges and other corporate matters.

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
TV Media	$ —	$ 77	$ 32	$ 86
Direct-to-Consumer	—	—	3	1
Filmed Entertainment	—	—	5	18
Corporate	—	—	14	—
Severance (a)	—	77	54	105
Exit costs	—	8	—	8
Restructuring charges	—	85	54	113
Other corporate matters	(10)	84	(10)	163
Restructuring and other corporate matters	$ (10)	$ 169	$ 44	$ 276

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

Filmed Entertainment	17 / 13
Total Intercompany Revenues	$ 30 / $ 26

We present operating income excluding depreciation and amortization, stock-based compensation, restructuring charges, and other corporate matters, programming charges, and gain on dispositions, each where applicable ("Adjusted OIBDA"), as the primary measure of profit and loss for our operating segments in accordance with FASB guidance for segment reporting since it is the primary method measure used by our management. Stock-based compensation is excluded from our segment measure of profit and loss because it is set and approved by our Board of Directors in consultation with corporate executive management.

Following our 2022 operating segment realignment and as we integrated Showtime into Paramount+, we implemented further initiatives to streamline and transform our operations, and as a result recorded restructuring charges of $54 million for associated severance costs during the second quarter of 2023.

During the three and nine months ended September 30, 2022, we recorded restructuring charges of $85 million and $113 million, respectively, which were comprised of severance costs and the impairment of lease assets in each period. The severance costs were primarily associated with management changes following the operating segment realignment noted above. The lease impairments related to lease assets that we ceased use of with the intent to sublease in connection with initiatives to reduce our real estate footprint in New York City.

At September 30, 2023 and December 31, 2022, our restructuring liability was $214 million and $302 million, respectively, and was recorded in "Other current liabilities" and "Other liabilities" on the Consolidated Balance Sheets. During the nine months ended September 30, 2023, we made payments for restructuring of $118 million. The restructuring liability at September 30, 2023, which principally relates to severance payments, is expected to be substantially paid by the end of 2024.

In addition, during the three months ended September 30, 2023, we recorded a benefit of $10 million in other corporate matters for an insurance recovery related to litigation described under *Legal Matters—Stockholder Matters* in Note 13. March 31, 2024 and 2023, respectively.

During the three and nine months ended September 30, 2022, we recorded charges for other corporate matters of $84 million and $163 million, respectively, of which $77 million and $117 million, respectively, were associated with litigation described under *Legal Matters—Stockholder Matters* in Note 13. Also included in other corporate matters were charges of $7 million and $46 million for the three and nine months ended September 30, 2022, respectively, recorded following Russia's invasion of Ukraine, principally to reserve against amounts due from counterparties in Russia, Belarus and Ukraine.

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
Adjusted OIBDA:				
TV Media				
Direct-to-Consumer	(238)	(343)	(1,173)	(1,244)
Filmed Entertainment	(49)	41	(143)	185
Corporate/Eliminations	(103)	(104)	(336)	(320)
Stock-based compensation				
Depreciation and amortization				
Programming charges				
Restructuring and other corporate matters				
Gain on dispositions	—	41	—	56
Operating income (loss)	621	566	(855)	2,160
Interest expense	(232)	(231)	(698)	(701)
Interest income	29	33	97	73
Gain (loss) from investments	—	(9)	168	(9)
Loss on extinguishment of debt				(120)
Other items, net	(45)	(36)	(148)	(91)
Earnings (loss) from continuing operations before income taxes and equity in loss of investee companies				

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

Restructuring charges

Operating loss

Operating loss

Operating loss

Item 2. Management's Discussion and Analysis of Results of Operations and Financial Condition.

(Tabular dollars in millions, except per share amounts)

Three Months Ended September 30, 2023	Earnings from Continuing Operations Before Income Taxes	Provision for Income Taxes	Net Earnings from Continuing Operations Attributable to Paramount	Diluted EPS from Continuing Operations

Management's discussion and analysis of the results of operations and financial condition of Paramount Global should be read in conjunction with the consolidated financial statements and related notes in our Annual Report on Form 10-K for the year ended December 31, 2022 December 31, 2023. References in this document to "Paramount," the "Company," "we," "us" and "our" refer to Paramount Global.

On April 29, 2024, the Board of Directors of the Company established an Office of the CEO, consisting of the following three senior company executives: George Cheeks, President and Chief Executive Officer of CBS; Chris McCarthy, President and Chief Executive Officer, Showtime/MTV Entertainment Studios and Paramount Media Networks; and Brian Robbins, President and Chief Executive Officer of Paramount Pictures and Nickelodeon. Robert M. Bakish will step down as the Company's President and Chief Executive Officer and has resigned from the Board of Directors, in each case, effective as of the end of the day on April 30, 2024. Between May 1, 2024 and October 31, 2024, Mr. Bakish has agreed to remain employed with the Company as a Senior Advisor to help ensure a seamless transition of his duties.

Three Months Ended March 31, 2024

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

- *Overview*—Summary of our business and operational highlights.
- *Consolidated Results of Operations*—Analysis of our results on a consolidated basis for the three and nine months ended September 30, 2023 compared with March 31, 2024, including a comparison to the three and nine months ended September 30, 2022 March 31, 2023.
- *Segment Results of Operations*—Analysis of our results on a reportable segment basis for the three and nine months ended September 30, 2023 compared with March 31, 2024, including a comparison to the three and nine months ended September 30, 2022 March 31, 2023.
- *Liquidity and Capital Resources*—Discussion of our cash flows, including sources and uses of cash, for the nine three months ended September 30, 2023 March 31, 2024 and September 30, 2022; 2023; and of our outstanding debt as of September 30, 2023 March 31, 2024.
- *Legal Matters*—Discussion of legal matters to which we are involved.

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

Overview

Operational Highlights - Three Months Ended September 30, 2023 March 31, 2024 versus Three Months Ended September 30, 2022 March 31, 2023

	Earnings (Loss) from Continuing Operations Before Income Taxes	Benefit from (Provision for) Income Taxes	Net Earnings (Loss) from Continuing Operations Attributable to Paramount	Diluted EPS from Continuing Operations
Reported (GAAP)	$(635)	$172	$(563)	$(.88)
Adjusted (Non-GAAP)	$673	$(149)	$424	$.62

	Reported (GAAP)			
Net earnings (loss) from continuing operations	261	164	(1,259)	924
Net earnings from discontinued operations, net of tax	48	78	166	181
Net earnings (loss) (Paramount and noncontrolling interests)	309	242	(1,093)	1,105
Net earnings attributable to noncontrolling interests	(14)	(11)	(29)	(22)
Net earnings (loss) attributable to Paramount	$ 295	$ 231	$(1,122)	$1,083

	Reported (GAAP)			
Reported (GAAP)	$ 376	$ (40)	$ 247	$ .36
Items affecting comparability:				
Programming charges (a)				
Restructuring charges (b)				
Other corporate matters (a)	(10)	3	(7)	(.01)
Loss from investment				
Discrete tax items (b)	—	(33)	(33)	(.05)
Adjusted (Non-GAAP)	$ 366	$ (70)	$ 207	$ .30

(a) Stock-based For the three months ended March 31, 2024, stock-based compensation expense of $2 million is included in "Restructuring charges".

Consolidated Results of Operations

Three Months Ended September 30,	2023	2022	Increase/(Decrease) $	%
Revenues				
Operating income			55	10 %
Net earnings from continuing operations attributable to Paramount	$ 247	$ 153	$ 94	61 %

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(a) Reflects a benefit from an insurance recovery related to litigation described under *Legal Matters—Stockholder Matters*.

(b) Primarily reflects the benefit from guidance issued in the third quarter of 2023 by the Internal Revenue Service ("IRS") that resulted in additional foreign taxes from 2022 being eligible for a foreign tax credit, and amounts realized in connection with the filing of our tax returns in certain international jurisdictions.

In connection with our strategic decision to focus on content with mass global appeal, we are rationalizing original content on our streaming services, especially internationally, and improving the efficiency of our linear network programming. As a result, we have reviewed our expansive global content portfolio and removed select content from our platforms. In addition, we have decided not to move forward with certain international titles and therefore are abandoning some development projects and terminating certain programming agreements. Accordingly, we recorded programming charges relating to these actions.

13) DISCONTINUED OPERATIONS

The following table sets forth details of net earnings from discontinued operations for the three months ended March 31, 2023, which primarily reflects the results of Simon & Schuster. On October 30, 2023, we completed the sale of Simon & Schuster to affiliates of Kohlberg Kravis Roberts & Co. During the first quarter of 2024, we recorded an additional pretax gain of $12 million on the sale as a result of a working capital adjustment.

Three Months Ended September 30, 2022	Earnings from Continuing Operations Before Income Taxes	Provision for Income Taxes	Net Earnings from Continuing Operations Attributable to Paramount	Diluted EPS from Continuing Operations
Reported (GAAP)	$ 323	$ (101)	$ 153	$ .21
Items affecting comparability:				
Restructuring and other corporate matters (a)	169	(38)	131	.20
Gain on dispositions (b)	(41)	10	(31)	(.05)
Loss from investments (c)	9	(1)	8	.01
Discrete tax items (d)	—	9	9	.02
Adjusted (Non-GAAP)	$ 460	$ (121)	$ 270	$ .39

(a) Comprised of $85 million for restructuring consisting of severance costs following our operating segment realignment, impairments; $77 million associated with litigation described under *Legal Matters—Stockholder Matters*; and $7 million related to the suspension of operations in Russia.

(b) Consists of severance costs which were primarily recorded during the first quarter of 2024 associated with management changes in our global workforce and the impairment of lease assets.

(b) Reflects a gain recognized upon the contribution of certain assets to SkyShowtime, our streaming joint venture with Comcast Corporation.

(c) The reported effective income tax rate for the three months ended March 31, 2024 was 27.1% and the adjusted effective income tax rate, which is calculated as the adjusted provision for income taxes of $149 million divided by adjusted earnings from continuing operations before income taxes of Paramount+ $673 million, was 22.1%. These adjusted measures exclude the items affecting comparability described above.

(d) For the three months ended March 31, 2024, the weighted average number of common shares outstanding used in the calculation of reported diluted EPS from continuing operations is 654 and in the calculation of adjusted diluted EPS from continuing operations is 657. The dilutive impact was excluded from the calculation of reported diluted EPS from continuing operations because it would have been antidilutive since we reported a net loss.

(c) Reflects a net loss on the sale of a 37.5% interest in The CW to Nexstar Media Inc. and an impairment of an investment.

(d) Primarily reflects discrete tax provisions realized in connection with the filing of our tax returns in certain international jurisdictions and from the transfer of subsidiaries in connection with a reorganization of our international operations.

Costs and expenses:	
Selling, general and administrative	45
Operating income	62
Other items, net	(3)
Earnings from discontinued operations	59
Provision for income taxes (b)	(14)
Net earnings from discontinued operations, net of tax	$ 45

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

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(a) Included in total costs and expenses are amounts associated with the release of indemnification obligations for leases relating to a previously disposed business of $4 million for the three and nine months ended September 30, 2023, and $11 million and $13 million for the three and nine months ended September 30, 2022, respectively.

(b) The tax provision includes amounts relating to previously disposed businesses of $1 million for the three and nine months ended March 31, 2023, is included in "Restructuring and other corporate matters" March 31, 2023.

	Three Months Ended March 31, 2023			
	Earnings (Loss) from Continuing Operations Before Income Taxes	Benefit from (Provision for) Income Taxes	Net Earnings (Loss) from Continuing Operations Attributable to Paramount	Diluted EPS from Continuing Operations
Adjusted net earnings from continuing operations attributable to Paramount	$ 207	$ 270	$ (63)	(23) %
Adjusted diluted EPS from continuing operations	$ .30	$ .39	$ (.09)	(23) %

13) 14) COMMITMENTS AND CONTINGENCIES

Guarantees

Letters of Credit and Surety Bonds

At March 31, 2024, we had outstanding letters of credit and surety bonds of $2.07 billion, including $1.86 billion that was issued under a $1.9 billion standby letter of credit facility in accordance with the contractual requirements of one of our commitments. The amount outstanding under the letter of credit facility will decrease throughout 2024 as we make payments under the related contractual commitment. Letters of credit and surety bonds are primarily used as security against non-performance in the normal course of business under contractual requirements of certain of our commitments. The standby letter of credit facility, which matures in May 2026, is subject to the same principal financial covenant as the Credit Facility (see Note 6).

(a) Certain items identified as affecting comparability are excluded in non-GAAP results. See "*Reconciliation of Non-GAAP Measures*" for details of these items and reconciliations of non-GAAP results to the most directly comparable financial measures in accordance with accounting principles generally accepted in the United States ("GAAP").

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For the three months ended March 31, 2024, revenues increased 6% to $7.69 billion, driven by CBS' broadcast of *Super Bowl LVIII*, with no comparable broadcast in 2023 as we have these rights on a rotational basis with other networks, and growth in revenues from our streaming services, led by Paramount+. Super Bowl contributed an 8-percentage point benefit to the total revenue growth. These increases were partially offset by the impact on linear advertising sales from our linear networks, mainly resulting from continued weakness in the global advertising market, a decline in linear affiliate revenues, and lower content licensing revenues. Content available for licensing was impacted by temporary production shutdowns due to labor strikes in 2023.

CBS Television City

We reported an operating loss of $417 million for the three months ended March 31, 2024 compared with an operating loss of $1.23 billion for the comparable prior-year period. The operating income comparison was impacted by programming charges of $1.12 billion recorded in 2024 and $1.67 billion recorded in 2023 and charges for restructuring and other corporate matters of $186 million in 2024. Adjusted operating income before depreciation and amortization ("Adjusted OIBDA"), which excludes these charges, as well as other items described under *Reconciliation of Non-GAAP Measures*, increased 80%, driven by the benefit from *Super Bowl LVIII*, and improved results for our streaming services, partially offset by the impact from weakness in the linear advertising market.

We have certain indemnification obligations with respect to leases primarily associated with the previously discontinued operations of Famous Players Inc.

For the three months ended March 31, 2024, net earnings from continuing operations attributable to Paramount increased $94 million and diluted earnings per share ("EPS") from continuing operations increased $.15 to $.36 compared with the prior-year period. Adjusted net earnings from continuing operations attributable to Paramount and adjusted diluted EPS from continuing operations, which exclude the items impacting the comparability of operating income as well as other items described under *Reconciliation of Non-GAAP Measures*, decreased $63 million and $.09 per diluted share, respectively. These declines reflect the lower Adjusted OIBDA and a higher loss from our equity-method investments.

	Earnings (Loss) from Continuing Operations Before Income Taxes	Benefit from (Provision for) Income Taxes	Net Earnings (Loss) from Continuing Operations Attributable to Paramount	Diluted EPS from Continuing Operations
Reported (GAAP)	$ (1,436)	$ 436	$ (1,288)	$ (2.04)
Items affecting comparability:				
Programming charges (a)	2,371	(582)	1,789	2.74
Restructuring and other corporate matters (b)	44	(11)	33	.05
Gain from investment (c)	(168)	60	(108)	(.16)

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Labor Strikes

In May 2023, the Writers Guild of America ("WGA") commenced an industry-wide strike following the expiration of its collective bargaining agreement with the Alliance of Motion Picture and Television Producers ("AMPTP"). In July 2023, the Screen Actors Guild-American Federation of Television and Radio Artists ("SAG-AFTRA") also commenced an industry-wide strike after the expiration of its collective bargaining agreement with the AMPTP.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
(Tabular dollars in millions, except per share amounts)

available financial information, the lessees' historical performance in meeting their lease obligations and the underlying economic factors impacting the lessees' business models.

Other

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

These strikes resulted in temporary shutdowns of production on certain of our television and film programming. The WGA strike has ended; however, the SAG-AFTRA strike is ongoing and as a result the timing of resuming production and the impact on our future results and cash flows remains uncertain.

Legal Matters

Operational Highlights - Nine Months Ended September 30, 2023 versus Nine Months Ended September 30, 2022

General

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

Consolidated Results of Operations			Increase/(Decrease)	
Nine Months Ended September 30,	2023	2022	$	%
Revenues	$ 22,014	$ 22,023	$ (9)	— %
Operating income (loss)	$ (855)	$ 2,160	$ (3,015)	n/m
Net earnings (loss) from continuing operations attributable to Paramount	$ (1,288)	$		n/m
Diluted EPS from continuing operations	$ (2.04)	$ 1.32	$ (3.36)	n/m
Adjusted OIBDA	$ 1,870	$ 2,662	$ (792)	(30)%
Adjusted net earnings from continuing operations attributable to Paramount	$ 359	$	$ (743)	(67)%
Adjusted diluted EPS from continuing operations	$ .48	$ 1.63	$ (1.15)	(71)%

Stockholder Matters

(a) Comprised of programming charges recorded during the first quarter of 2023 in connection with the integration of Showtime into Paramount+ and initiatives to rationalize and right-size our content investments to align with our streaming strategy and close or globalize certain of our international channels. During the first half of 2023, we reviewed our content portfolio and as These initiatives resulted in a result changed the change in strategy for certain content. These changes 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.

(b) Consists of severance costs recorded during the second quarter of 2023 associated with the implementation of initiatives to transform and streamline our operations following our 2022 operating segment realignment and as we integrated Showtime into Paramount+, partially offset by Principally reflects a benefit in the third quarter of 2023 from an insurance recovery related to litigation described under *Legal Matters—Stockholder Matters*.

(c) Reflects a gain recognized on our retained interest in Viacom18 following the discontinuance of equity method accounting resulting from the dilution of our interest from 49% to 13%.

(d) Primarily reflects tax benefits benefit from the resolution of an income tax matter in a foreign jurisdiction, guidance issued in jurisdiction.

(e) The reported effective income tax rate for the third quarter three months ended March 31, 2023 was 26.0% and the adjusted effective income tax rate, which is calculated as the adjusted provision for income taxes of 2023 $58 million divided by adjusted earnings from continuing operations before income taxes of $211 million, was 27.5%. These adjusted measures exclude the IRS that resulted in additional foreign taxes from 2022 being eligible for a foreign tax credit, and amounts realized in connection with the filing of our tax returns in certain international jurisdictions. items affecting comparability described above.

Beginning in February 2020, three purported CBS stockholders filed separate derivative and/or putative class action lawsuits in the Court of Chancery of the State of Delaware (the "Delaware Chancery Court"). In March 2020, the Delaware Chancery Court consolidated the three lawsuits and appointed Bucks County Employees Retirement Fund and International Union of Operating Engineers of Eastern Pennsylvania and Delaware as co-lead plaintiffs for the consolidated action captioned *In re CBS Corp. Stockholder Class Action and Derivative Litigation* (the "CBS Litigation"). In April 2020, the co-lead plaintiffs filed a Verified Consolidated Class Action and Derivative Complaint (as used in this paragraph, the "Complaint") against Shari E. Redstone, National Amusements, Inc., Sumner M. Redstone National Amusements Trust, certain members of the CBS Board of Directors (including Candace K. Beinecke, Barbara M. Byrne, Gary L. Countryman, Linda M. Griego, Robert N. Klieger, Martha L. Minow, Susan Schuman, ...

(a) Certain items identified as affecting comparability are excluded in non-GAAP results. See "Reconciliation of Non-GAAP Measures" for details of these items and reconciliations of non-GAAP results to the most directly comparable financial measures in accordance with GAAP.

For the nine months ended September 30, 2023, revenues decreased slightly to $22.01 billion, as growth in revenues from our streaming services, led by Paramount+, was offset by lower revenues from our theatrical releases, linear networks, and content licensing. The decline for our linear networks principally reflects weakness in the global advertising market.

We reported an operating loss of $855 million for the nine months ended September 30, 2023 compared with operating income of $2.16 billion for the comparable prior-year period. The comparison was impacted by programming charges of $2.37 billion recorded in 2023. Adjusted OIBDA, which excludes these charges, as well as other items described under *Reconciliation of Non-GAAP Measures*, decreased 30%, driven by the decline in linear revenues and the timing and mix of theatrical releases in each year, partially offset by improved results for our streaming services.

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

For the nine months ended September 30, 2023 March 31, 2024, we reported a net loss from continuing operations attributable to Paramount of $1.29 billion $563 million, or $2.04 $.88 per diluted share, compared with a net earnings from continuing operations attributable to Paramount of $862 million, or $1.32 $1.81 per diluted share, for the same prior-year period. The comparison includes the programming charges noted above and the other items described under *Reconciliation of Non-GAAP Measures*, which have been excluded from adjusted net earnings from continuing operations attributable to Paramount and adjusted diluted EPS, which decreased $743 million increased $352 million and $1.15 $.53 per diluted share, respectively, primarily reflecting the lower higher tax-effected Adjusted OIBDA and losses from our investment in SkyShowtime. OIBDA.

In May 2023, the parties to the CBS Litigation entered into a settlement agreement that provided for, among other things, the final dismissal of the CBS Litigation in exchange for a settlement payment to the Company in the amount of $167.5 million, less administrative costs and plaintiffs' counsels' fees and expenses. In September 2023, the Delaware Chancery Court approved the settlement and dismissed the CBS Litigation with prejudice. In October 2023, the Company received the settlement payment in the amount of $120 million, which reflects the settlement of $167.5 million after a deduction was made for administrative costs and plaintiffs' counsels' fees and expenses, and accordingly, we will recognize a gain of $120 million during the fourth quarter of 2023.

Nine Months Ended September 30, 2022	Earnings from Continuing Operations Before Income Taxes	Provision for Income Taxes	Net Earnings from Continuing Operations Attributable to Paramount	Diluted EPS from Continuing Operations
Reported (GAAP)	$ 1,312	$ (264)	$ 862	$ 1.32
Items affecting comparability:				
Restructuring and other corporate matters (a)	276	(62)	214	.33
Gain on dispositions (b)	(56)	14	(42)	(.06)
Loss from investments (c)	9	(1)	8	.01
Loss on extinguishment of debt	120	(28)	92	.14
Discrete tax items (d)	—	(72)	(72)	(.11)
Adjusted (Non-GAAP)	$ 1,661	$ (413)	$ 1,062	$ 1.63

Beginning in November 2019, four purported Viacom stockholders filed separate putative class action lawsuits in the Delaware Chancery Court. In January 2020, the Delaware Chancery Court consolidated the four lawsuits. In February 2020, the Delaware Chancery Court appointed California Public Employees' Retirement System ("CalPERS") as lead plaintiff for the consolidated action. Subsequently, in February 2020, CalPERS, together with Park Employees' and Retirement Board Employees' Annuity and Benefit Fund of Chicago and Louis M. Wilen, filed a First Amended Verified Class Action Complaint (as used in this paragraph, the "Complaint") against NAI, NAI Entertainment Holdings LLC, Shari E. Redstone, the members of the special transaction committee of the Viacom Board of Directors (comprised of Thomas J. May, Judith A. McHale, Ronald L. Nelson and Nicole Seligman) and our President and Chief Executive Officer and director, Robert M. Bakish ... fiduciary duties to Viacom stockholders in connection with the ... damages, costs and expenses, as well as other relief. In December 2020, the ...

(a) Comprised of charges of $113 million for restructuring consisting of severance costs, which were primarily associated with management changes following our operating segment realignment, and lease impairments; $117 million associated with litigation described under *Legal Matters—Stockholder Matters*; and $46 million recorded following Russia's invasion of Ukraine, principally to reserve against amounts due from counterparties in Russia, Belarus and Ukraine.

(b) Reflects a $41 million gain recognized upon the contribution of certain assets of Paramount+ in the Nordics to SkyShowtime as well as gains totaling $15 million from the sale of international intangible assets and a working capital adjustment to the gain from the fourth quarter 2021 sale of CBS Studio Center.

(c) Reflects a loss on the sale of a 37.5% interest in The CW and an impairment of an investment.

(d) Primarily reflects a deferred tax benefit resulting from the transfer of intangible assets between our subsidiaries in connection with a reorganization of our international operations.

Results for the three and nine months ended September 30, 2023 March 31, 2024 and 2022 2023 included certain items identified as affecting comparability. Adjusted OIBDA, adjusted earnings from continuing operations before income taxes, adjusted provision for income taxes, adjusted net earnings from continuing operations attributable to Paramount, and adjusted diluted EPS from continuing operations, and adjusted effective income tax rate (together, the "adjusted measures") exclude the impact of these items and are measures of performance not calculated in accordance with GAAP. We use these measures to, among other things, the impact of the Viacom Litigation, as defined below. These measures are among the primary measures used by management for planning and forecasting of future periods, and they are important indicators of our operational strength and business performance. We believe these measures are relevant and useful for investors because they allow investors to view performance in a manner similar to the method used by our management; provide a clearer perspective on our underlying performance; and make it easier for investors, analysts and peers to compare our operating performance to other companies in our industry and to compare our year-over-year results.

Litigation Related to Stock Offerings

Management's Discussion and Analysis of
Results of Operations and Financial Condition (Continued)

In August 2021, Camelot Event Driven Fund filed a putative securities class action lawsuit in New York Supreme Court, County of New York, and in November 2021, an amended complaint was filed that, among other changes, added an additional named plaintiff (as used in this paragraph, the "Complaint"). The Complaint is purportedly on behalf of investors who purchased shares of the Company's Class B Common Stock and 5.75% Series A Mandatory Convertible Preferred Stock pursuant to public securities offerings completed in March 2021, and was filed against the Company, certain senior executives, members of our Board of Directors, and the underwriters involved in the offerings. The Complaint asserts violations of federal securities law and alleges that the offering documents contained material misstatements or omissions, including an alleged failure to adequately disclose certain risks relating to the Company's then-securities holder Archegos Capital Management referenced to our securities and related alleged risks to the Company's stock price. In December 2021, the plaintiffs filed a stipulation seeking the voluntary dismissal without prejudice of the outside director defendants from the lawsuit, which the Court subsequently ordered. On the same date, the defendants filed motions to dismiss the lawsuit, which were heard in January 2023. In February 2023, the Court dismissed all claims against the Company while allowing the claims against the underwriters to proceed. The plaintiffs and underwriter defendants appealed the ruling.

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

Consolidated Results of Operations

The following tables reconcile the adjusted measures to their most directly comparable financial measures in accordance with GAAP.

Three and Nine Months Ended September 30, 2023 March 31, 2024 versus Three and Nine Months Ended September 30, 2022 March 31, 2023

Revenues

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
Operating income (loss) (GAAP)	$621	$566	$ (855)	$2,160

Revenues by Type	2023	% of Total Revenues	2022	% of Total Revenues	Increase/(Decrease) $	%
Advertising	$ 2,133	30 %	$ 2,337	34 %	$ (204)	(9)%
Affiliate and subscription	3,262	46	2,863	41	399	14
Theatrical	377	5	231	3	146	63
Licensing and other	1,361	19	1,485	22	(124)	(8)
Total Revenues	$ 7,133	100 %	$ 6,916	100 %	$ 217	3 %

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Litigation Related to Television Station Owners

In September 2019, the Company was added as a defendant in a multi-district putative class action lawsuit filed in the United States District Court for the Northern District of Illinois. The lawsuit was filed by parties that claim to have purchased broadcast television spot advertising beginning about January 2014 from television stations owned by one or more of the defendant television station owners and alleges the sharing of allegedly competitively sensitive information among such television stations in alleged violation of the Sherman Antitrust Act. The action, which names the Company among fourteen total defendants, seeks monetary damages, attorneys' fees, costs and interest as well as injunctions against the allegedly unlawful conduct. We reached an agreement with the plaintiffs to settle the lawsuit. The settlement, which includes no admission of liability or wrongdoing by the Company, is subject to Court approval. In August 2023, the Court granted preliminary approval of the settlement. In April 2024, the New York Supreme Court, Appellate Division, First Department, ruled in our favor and upheld the decision of the trial court dismissing the case against the Company.

Revenues by Type	Three Months Ended March 31, 2024	% of Total Revenues	2023	% of Total Revenues	Increase/(Decrease) $	%
Advertising	$ 7,179	100 %	$ 7,746		$ (567)	(7) %
Affiliate and subscription	9,676	44	8,591	39	1,085	13
Theatrical	735	3	1,126	5	(391)	(35)
Licensing and other	4,424	20	4,560	21	(136)	(3)
Total Revenues	$ 22,014	100 %	$ 22,023	100 %	$ (9)	— %

Depreciation and amortization	103	102	310	282
Programming charges (a)	—	—	2,371	—
Restructuring and other corporate matters	(10)	169	44	276
Gains on dispositions	—	(41)	—	(56)
Adjusted OIBDA (Non-GAAP)	$716	$786	$1,870	$2,662

Claims Related to Former Businesses

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

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

Advertising

For the three and nine months ended September 30, 2023 March 31, 2024, advertising revenues decreased 9% increased 17%, reflecting a 22-percentage point benefit from the broadcast of *Super Bowl LVIII* on CBS as well as growth from our streaming services. We have the rights to broadcast the Super Bowl on a rotational basis with other networks, and 7%, respectively, driven therefore did not have a comparable broadcast in 2023. These increases were partially offset by a decline in linear advertising reflecting the impact from continued weakness in the global linear advertising market, partially offset by higher advertising revenues for our streaming services. In addition, foreign exchange rate changes negatively impacted the total advertising revenue comparison by 2 percentage points and 1 percentage point for the three- and nine-month periods, respectively. market.

pending those claims on inactive deferred dockets as of December 31, 2023. During the third first quarter of 2023, 2024, we received approximately 690 810 new claims and closed or moved to an inactive docket approximately 770 1,270 claims. We report claims as closed when we become aware that a dismissal order has been entered by a court or when we have reached agreement with the claimants on the material terms of a settlement. Settlement costs depend on the seriousness of the injuries that form the basis of the claims, the quality of evidence supporting the claims and other factors. Our total costs for the years 2022 2023 and 2021 2022 for settlement and defense of asbestos claims after insurance recoveries and net of tax were approximately $37 million, $34 million and $63 million $37 million, respectively. Our costs for settlement and defense of asbestos claims may vary year to year and insurance proceeds are not always recovered in the same period as the insured portion of the expenses.

Affiliate and Subscription

Affiliate and subscription revenues are principally comprised of affiliate fees received from multichannel video programming distributors (MVPDs), including virtual MVPDs (vMVPDs) which distribute their services via streaming, for carriage of our cable networks (cable affiliate fees) and owned television stations (retransmission fees), fees received from television stations for their affiliation with the CBS Television Network (reverse compensation), and subscription fees for our streaming services.

Filings include claims for individuals suffering from mesothelioma, a rare cancer, the risk of which is allegedly increased by exposure to asbestos; lung cancer, a cancer which may be caused by various factors, one of which is alleged to be asbestos exposure; other cancers; and conditions that are substantially less serious, including claims brought on behalf of individuals who are asymptomatic as to an allegedly asbestos-related disease. The predominant / significant number of pending claims against us are non-cancer claims. It is difficult to predict long-term future asbestos liabilities, as events and circumstances may impact the estimate of our asbestos liabilities, including, among others, the number and types of claims and average cost to resolve such claims. estimate. We record an accrual for a loss

For the three and nine months ended September 30, 2023 March 31, 2024, affiliate and subscription revenues increased 14% and 13% 6%, respectively, primarily driven by growth increases in subscribers and domestic pricing for Paramount+. Subscribers grew to 63.4 million 71.2 million at September 30, 2023 March 31, 2024 from 46.0 million 60.0 million at September 30, 2022, as well as higher revenues from pay-per-view boxing events. March 31, 2023. These increases were partially offset by lower affiliate fees for our linear networks.

Theatrical

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For the three months ended September 30, 2023 March 31, 2024, theatrical revenues increased 63% $26 million, primarily reflecting the third timing and mix of releases in each year. Releases in the first quarter 2023 releases of 2024 included *Bob Marley: One Love, Mean Girls* and Miramax's release of *Mission: Impossible* *The Beekeeper* —, while the first quarter of 2023 included *Dead Reckoning Part One* *Scream VI*, and *80 for Brady* Teenage Mutant Ninja Turtles: Mutant Mayhem, and. *Theatrical revenues in the prior-year period were principally from the continued success of Top*

PARAMOUNT GLOBAL AND SUBSIDIARIES

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contingency when it is both probable that a liability has been incurred and the amount of the loss can be reasonably estimated. The reasonably estimable period for our long-term asbestos liability is 10 years, which is based on the judgment of experts with expertise in estimating asbestos liability and is due to the inherent uncertainties in the tort litigation system. Our estimate is based upon many factors, including the number of outstanding claims, estimated average cost per claim, the breakdown of claims by disease type, historic claim filings, costs per claim of resolution and the filing of new claims, as well as and is assessed in consultation with a third party firm on trends that may impact our future asbestos liability. While we believe that our accrual for matters related to our predecessor operations, including environmental and asbestos, are adequate, there can be no assurance that the third-party firm. Changes in circumstances will not change in future periods and as a result could cause our actual liabilities may to be higher or lower than our current accrual. We will continue to evaluate our estimates and update our accrual as needed.

Gun: Maverick, *Dungeons & Dragons: Honor Among Thieves*, which was released in on the second quarter, last day of 2022. Theatrical revenues for the nine months ended September 30, 2023 decreased 35%, reflecting the comparison against the strong performance of *Top Gun: Maverick* in the second and third quarters of 2022, partially offset by theatrical revenues from the previously mentioned third quarter 2023 releases. quarter.

Other

Licensing and Other

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

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

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
(Tabular dollars in millions, except per share amounts)

15) SUPPLEMENTAL FINANCIAL INFORMATION

Supplemental Cash Flow Information

For the three and nine months ended September 30, 2023 March 31, 2024, licensing and other revenues decreased 8% and 3% 18%, respectively, primarily reflecting a lower revenues from content produced for third parties. volume of television licensing in the secondary market. Content available for licensing has been and may continue to be was impacted by temporary production shutdowns as a result of due to labor strikes. strikes in 2023.

	Nine Months Ended
Operating Expenses	

	September 30,	
	2023	2022
Cash paid for interest	$696	$755
Cash paid (received) for income taxes:		
Continuing operations	$ (17)	$ 31
Discontinued operations	$ 19	$ 11
Noncash additions to operating lease assets	$100	$127

	Three Months Ended September 30,					
Operating Expenses by Type	2023	% of Operating Expenses	2022	% of Operating Expenses	Increase/(Decrease) $	%
Content costs	$ 3,548	76 %	$ 3,527	79 %	$ 21	1 %
Distribution and other	1,133	24	933	21	200	21
Total Operating Expenses	$ 4,681	100 %	$ 4,460	100 %	$ 221	5 %

Three Months Ended March 31, 2024 | Three Months Ended March 31, 2023

	Nine Months Ended September 30,					
Operating Expenses by Type	2023	% of Operating Expenses	2022	% of Operating Expenses	Increase/(Decrease) $	%
Content costs	$ 11,589		$ 11,475		$ 114	1 %
Distribution and other	3,283	22	2,887	20	396	14
Total Operating Expenses	$ 14,872	100 %	$ 14,362	100 %	$ 510	4 %

Content Costs

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

For the three months ended September 30, 2023 March 31, 2024, content costs increased 1%, the 2% increase primarily driven by increased investment in our streaming services, reflects costs associated with pay-per-view boxing events and theatrical releases, partially offset by lower costs from the decline in licensing revenues. For the nine-month period, the 1% increase primarily reflects increased investment in our streaming services, Super Bowl broadcast, partially offset by lower costs associated with theatrical releases lower licensing revenues and for other content exhibited on our networks. The lower content costs include the impacts from the 2023 production shutdowns, which reduced the content available for licensing revenues.

and resulted in CBS' broadcast season being delayed to February 2024, and lower costs following the removal of content from our platforms and other actions relating to the change in our content strategy further described under *Programming Charges.* These decreases were partially offset by higher costs for other sporting events.

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

Content costs for the three and nine months ended September 30, 2023, include $57 million of incremental costs incurred to retain our production capabilities for certain of the television and film productions that have been delayed as a result of the labor strikes. The magnitude of incremental costs during the fourth quarter of

(Tabular dollars in millions, except per share amounts)

2023 will depend on the duration of the SAG-AFTRA strike.

Distribution and Other

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

For the three and nine months ended September 30, 2023 March 31, 2024, distribution and other expenses increased 21% decreased 1%, primarily driven by lower theatrical marketing costs, reflecting the timing and 14%, respectively, primarily reflecting mix of releases in each year. The decrease was partially offset by higher costs associated with theatrical releases and the growth of our streaming services, including principally from costs for third-party distribution, revenue sharing, and compensation. distribution.

Programming Charges

During the first quarter of 2024, in connection with our continued review of our content strategy, we made a strategic decision to focus on content with mass global appeal. As part of this, we are rationalizing original content on our streaming services, especially internationally, and improving the efficiency of our linear network programming. As a result, we have reviewed our expansive global content portfolio and removed select content from our platforms. In addition, we have decided not to move forward with certain titles and therefore have abandoned some development projects and terminated certain programming agreements. Accordingly, we recorded programming charges on the Consolidated Statement of Operations for the three months ended March 31, 2024

relating to these actions. These charges, which totaled $1.12 billion, were comprised of $909 million for the impairment of content to its estimated fair value, as well as $209 million for development cost write-offs and contract termination costs. We may incur an additional programming charge of approximately $250 million later in 2024 related to the termination of an international programming agreement.

During the first half of 2023, in connection with the integration of Showtime into Paramount+ across both streaming and linear platforms, we performed a comprehensive strategic review of the combined content portfolio of Showtime and Paramount+. Additionally, during the first quarter of 2023, we commenced a review of our international content portfolio in connection with initiatives to rationalize and right-size our international operations to align with our streaming strategy, and close or globalize certain of our international channels. As a result, we changed the 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. Accordingly, during the first half of 2023 we recorded programming charges on the Consolidated Statement of Operations relating to these actions. These For the first quarter of 2023, we recorded charges totaling $1.67 billion, which totaled $2.37 billion, were comprised of $1.97 billion $1.45 billion for the impairment of content to its estimated fair value, as well as $402 million $225 million for development cost write-offs and contract termination costs.

Selling, General and Administrative Expenses

	Three Months Ended September 30,				Nine Months Ended September 30,			
			Increase/(Decrease)				Increase/(Decrease)	
	2023	2022	$	%	2023	2022	$	%
Selling, general and administrative expenses	$ 1,736	$ 1,670	$ 66	4 %	$ 5,272	$ 4,999	$ 273	5 %

	Three Months Ended March 31,			
			Increase/(Decrease)	
	2024	2023	$	%
Selling, general and administrative expenses	$ 1,662	$ 1,753	$ (91)	(5)%

Selling, general and administrative (“SG&A”) expenses include costs incurred for advertising, marketing, occupancy, professional service fees, and back office support, including employee compensation and technology. For the three and nine months ended September 30, 2023 March 31, 2024, SG&A expenses increased

(Tabular dollars in millions, except per share amounts)

4% and decreased 5%, respectively, driven by higher employee lower marketing costs including for incentive compensation and to support the growth of our streaming services. The increase for the three months was partially offset by services and lower advertising and marketing costs. compensation expense.

Depreciation and Amortization

	Three Months Ended September 30,				Nine Months Ended September 30,			
			Increase/(Decrease)				Increase/(Decrease)	
	2023	2022	$	%	2023	2022	$	%
Depreciation and amortization	$ 105	$ 92	$ 13	14 %	$ 310	$ 282	$ 28	10 %

For the three and nine months ended September 30, 2023 depreciation and amortization increased 14% and 10%, respectively, primarily reflecting higher depreciation for software related to the unification and evolution of our systems and platforms.

	Three Months Ended March 31,			
			Increase/(Decrease)	
	2024	2023	$	%
Depreciation and amortization	$ 100	$ 100	$ —	— %

Restructuring and Other Corporate Matters Charges

During the three and nine months ended September 30, 2023 and 2022, March 31, 2024, we recorded the following restructuring charges and other corporate matters. charges.

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
TV Media	$ —	$ 77	$ 32	$ 86
Direct-to-Consumer	—	—	3	1
Filmed Entertainment	—	—	5	18
Corporate	—	—	14	—
Severance (a)	—	77	54	105
Exit costs	—	8	—	8
Restructuring charges	—	85	54	113
Other corporate matters	(10)	84	(10)	163
Restructuring and other corporate matters	$ (10)	$ 169	$ 44	$ 276

	Three Months Ended March 31, 2024
Severance (a)	$ 155
Exit costs	31
Restructuring charges	$ 186

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

Following our 2022 operating segment realignment and as we integrated Showtime into Paramount+, we implemented further initiatives to streamline and transform our operations, and as a result recorded restructuring charges of $54 million for associated severance costs during the second quarter of 2023. In addition, during the three months ended September 30, 2023, we recorded a benefit of $10 million in other corporate matters for an insurance recovery related to litigation described unde During the three and nine months ended September 30, 2022, we recorded restructuring charges of $85 million and $113 million, respectively, which were comprised of severance costs and the impairment of lease assets in each period. The severance costs were primarily associated with management changes following the operating segment realignment noted above. The lease impairments related to lease assets that we ceased use of with the intent to sublease in connection with initiatives to reduce our real estate footprint in New York City. Additionally, during the three and nine months ended September 30, 2022, we recorded charges for other corporate matters of $84 million and $163 million, respectively, of which $77 million and $117 million, respectively, were associated with litigation described under *Legal Matters—Stockholder Matters*. Also included in other corporate matters were charges of $7 million and $46 million for the three and nine months ended September 30, 2022, respectively, recorded following Russia's invasion of Ukraine, principally to reserve against amounts due from counterparties in Russia, Belarus and Ukraine.

(Tabular dollars in millions, except per share amounts)

Gain on Dispositions

For The restructuring charges of $186 million for the three and nine months ended September 30, 2022, we recorded a gain of $41 million relating to the contribution of certain assets of Paramount+ in the Nordics to SkyShowtime. The nine months ended September 30, 2022 also includes gains totaling $15 million, March 31, 2024 are comprised of a gain from severance costs associated with strategic changes in our global workforce and the sale impairment of international intangible lease assets that we ceased use of in connection with initiatives to reduce our real estate footprint and a working capital adjustment to the gain from the fourth quarter 2021 sale of CBS Studio Center. create cost synergies.

Interest Expense/Income

	Three Months Ended September 30,				**Nine Months Ended September 30,**			
			Increase/(Decrease)				**Increase/(Decrease)**	
	2023	**2022**	**$**	**%**	**2023**	**2022**	**$**	**%**
	Three Months Ended March 31,							
	Three Months Ended March 31,							
	Three Months Ended March 31,							
			Increase/(Decrease)					
			Increase/(Decrease)					
			Increase/(Decrease)					
	2024							
	2024							
	2024							
Interest expense								
Interest expense								
Interest expense Interest expense	$ 232	$ 231	$ 1	— %	$ 698	$ 701	$ (3)	— %
Interest income Interest income	$ 29	$ 33	$ (4)	(12) %	$ 97	$ 73	$ 24	33 %
Interest income								
Interest income								

The following table presents our outstanding debt balances, excluding finance leases, and the weighted average interest rates as of September 30, 2023 March 31, 2024 and 2022. 2023.

	At September 30,	
	Weighted Average	**Weighted Average**

	2023	Interest Rate	2022	Interest Rate
	At March 31,			
	Weighted Average			
2024				
Total notes and debentures	$15,662	5.11 %	$15,775	5.13 %
Other bank borrowings				
Other bank borrowings				
Other bank borrowings	$ —	— %	$ 47	5.80 %

	At March 31,		
	Weighted Average		Weighted Average
2024	Interest Rate	2023	Interest Rate

Gain (Loss) Loss from Investments Investment

During the second first quarter of 2023, we recorded a gain of $168 million on our retained interest in Viacom18 following the discontinuance of equity method accounting resulting from the dilution of our interest from 49% to 13%. For the three months ended September 30, 2022, 2024, we recorded a loss of $4 million on associated with the sale of a 37.5% interest in The CW, which was principally comprised of transaction costs, and an impairment of an investment of $5 million. investment.

Loss on Extinguishment of Debt

For the nine months ended September 30, 2022, we recorded losses on extinguishment of debt totaling $120 million associated with the early redemption of long-term debt of $2.91 billion.

Other Items, Net

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

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
Pension and postretirement benefit costs (a)	$ (38)	$ (16)	$ (113)	$ (49)
Foreign exchange loss	(4)	(21)	(38)	(44)
Other	—	1	3	2
Other items, net	$ (42)	$ (36)	$ (148)	$ (91)

(a) For the three and nine months ended September 30, 2023, the increase in pension and postretirement benefit costs is the result of higher interest cost and a decrease in the expected return on plan assets.

	Three Months Ended March 31,	
	2024	2023
Pension and postretirement benefit costs	$ (34)	$ (37)
Foreign exchange loss	(4)	(9)
Other items, net	$ (38)	$ (46)

Provision for/Benefit from Income Taxes

The provision for/benefit from income taxes represents federal, state and local, and foreign taxes on earnings (loss) from continuing operations before income taxes and equity in loss of investee companies. For the three months ended September 30, 2023, we recorded a provision for income taxes of $40 million, and for the nine months ended September 30, 2023March 31, 2024, we recorded a benefit from income taxes of $436 million$172 million, reflecting effective income tax rates of 10.6% and 30.4%, respectively. Included in the third quarter of 2023 is a net discrete tax benefit of $33 million, primarily reflecting the benefit from guidance issued during the quarter by the IRS that resulted in additional foreign taxes from 2022 being eligible for a foreign tax credit, and amounts realized in connection with the filing of our tax returns in certain international jurisdictions. These items, together with a tax provision of $3 million on other corporate matters, decreased our an effective income tax rate by 8.5 percentage points. of 27.1%. The tax benefit for the nine months ended September 30, 2023first quarter of 2024 was primarily the result of a tax benefit of $582 million$275 million on programming charges of $2.37 billion$1.12 billion. This item, together with a net discrete tax benefit of $67 million, which principally includes the $33 million discrete tax benefit for the quarter discussed above and the resolution of an income tax matter in a foreign jurisdiction, as well as a net tax provision of $49 million on other items identified as affecting the comparability of our results during the period (which include a gain from an investment and restructuring charges and other corporate matters), increased our Our adjusted effective income tax rate, by 10.2 percentage points.

(Tabular dollars in millions, except per share amounts)

For which excludes the three and nine months ended September 30, 2022, we recorded a provision for income taxes of $101 million and $264 million, reflecting effective income tax rates of 31.3% and 20.1%, respectively. Included in impacts from these programming charges, as well as the provision for income taxes for the third quarter of 2022 is a net discrete tax provision of $9 million, which primarily reflects discrete tax provisions realized in connection with the filing of our tax returns in certain international jurisdictions and from the transfer of subsidiaries in connection with a reorganization of our international operations. These items, together with a net tax benefit of $29 million on other items identified as affecting the impacting comparability described under *Reconciliation of our results during the period (which include charges for restructuring and other corporate matters, and a gain on a disposition) increased our effective income tax rate by 5.0 percentage points. The tax provision for the nine months ended September 30, 2022 included a net discrete tax benefit of $72 million primarily resulting from the transfer of intangible assets between our subsidiaries in connection with a reorganization of our international operations. This item, together with a net tax benefit of $77 million on other items identified as affecting the comparability of our results during the nine-month period (which include charges for restructuring and other corporate matters, a loss on extinguishment of debt, and gains on dispositions) decreased our effective income tax rate by 4.8 percentage points. Non-GAAP Measures*, was 22.1%.

For the three months ended March 31, 2023, we recorded a benefit from income taxes of $381 million, reflecting an effective income tax rate of 26.0%. The tax benefit for the first quarter of 2023 was primarily the result of a benefit of $409 million on programming charges of $1.67 billion. Our adjusted effective income tax rate, which excludes the impacts from these programming charges, as well as the other items impacting comparability described under *Reconciliation of Non-GAAP Measures*, was 27.5%.

Equity in Loss of Investee Companies, Net of Tax

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

	Three Months Ended September 30,				Nine Months Ended September 30,			
			Increase/(Decrease)				Increase/(Decrease)	
	2023	2022	$	%	2023	2022	$	%
Equity in loss of investee companies	$ (77)	$ (75)	$ (2)	(3)%	$ (267)	$ (166)	$ (101)	(61)%
Tax benefit	2	17	(15)	(88)	8	42	(34)	(81)
Equity in loss of investee companies, net of tax	$ (75)	$ (58)	$ (17)	(29)%	$ (259)	$ (124)	$ (135)	(109)%

For the nine months ended September 30, 2023, the higher loss for our equity-method investments was driven by SkyShowtime, which launched its streaming service in September 2022.

	Three Months Ended March 31,			
			Increase/(Decrease)	
	2024	2023	$	%
Equity in loss of investee companies	$ (91)	$ (78)	$ (13)	(17)%
Tax benefit	1	3	(2)	(67)
Equity in loss of investee companies, net of tax	$ (90)	$ (75)	$ (15)	(20)%

(Tabular dollars in millions, except per share amounts)

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

	Three Months Ended September 30,								Nine Months Ended September 30,							
					Increase/(Decrease)								Increase/(Decrease)			
	2023		2022		$		%		2023		2022		$		%	
Net earnings (loss) from continuing operations attributable to Paramount	$	247	$	153	$	94	61 %		$	(1,288)	$	902	$	(2,190)	n/m	
Diluted EPS from continuing operations	$	.36	$	.21	$	.15	71 %		$	(2.04)	$	1.32	$	(3.36)	n/m	

	Three Months Ended March 31,						
					Increase/(Decrease)		
	2024		2023		$		%
Net earnings (loss) from continuing operations attributable to Paramount	$	(563)	$	(1,163)	$	600	52 %
Diluted EPS from continuing operations	$	(.88)	$	(1.81)	$	.93	51 %

n/m-not meaningful

For the three months ended September 30, 2023, net earnings from continuing operations attributable to Paramount and diluted EPS from continuing operations increased $94 million and $.15, respectively, compared with the prior-year period. These increases were primarily the result of the increase in operating income. For the nine months ended September 30, 2023 March 31, 2024, we reported a net loss from continuing operations attributable to Paramount of $1.29 billion, $563 million or $2.04 $.88 per diluted share compared with a net earnings loss from continuing operations attributable to Paramount of $902 million, $1.16 billion or $1.32 $1.81 per diluted share for the same prior-year period. The decrease was primarily driven by comparison reflects the decline in lower tax-effected operating income, including the impact from the programming charges discussed above, partially offset by the investment gain discussed above. loss.

Net Earnings from Discontinued Operations

The following table sets forth details of net earnings from discontinued operations for the three and nine months ended September 30, 2023 and 2022, March 31, 2023, which primarily reflects the results of Simon & Schuster. On October 30, 2023, we completed the sale of Simon & Schuster to affiliates of Kohlberg Kravis Roberts & Co. for $1.62 billion. As During the first quarter of 2024, we recorded an additional pretax gain of $12 million on the sale as a result we will recognize of a gain in the fourth quarter of 2023, which we estimate will be approximately $700 million. working capital adjustment.

	Three Months Ended September 30,				Nine Months Ended September 30,			
	2023		2022		2023		2022	
Revenues	$	307	$	353	$	857	$	863
Costs and expenses:								
Operating		195		198		501		483
Selling, general and administrative		49		45		138		130
Restructuring charges		—		2		—		2
Total costs and expenses (a)		244		245		639		615
Operating income		63		108		218		248
Other items, net		(4)		(3)		(11)		(9)
Earnings from discontinued operations		59		105		207		239

Provision for income taxes (b)		(11)		(27)		(41)		(58)
Net earnings from discontinued operations, net of tax	$	48	$	78	$	166	$	181

		Three Months Ended March 31, 2023
Revenues	$	258
Costs and expenses:		
Operating		151
Selling, general and administrative		45
Total costs and expenses (a)		196
Operating income		62
Other items, net		(3)
Earnings from discontinued operations		59
Provision for income taxes (b)		(14)
Net earnings from discontinued operations, net of tax	$	45

(a) Included in total costs and expenses are amounts associated with the release of indemnification obligations for leases relating to a previously disposed business of $3 million and $9 million $4 million for the three and nine months ended September 30, 2023, respectively, and $15 million and $25 million for the three and nine months ended September 30, 2022, respectively. March 31, 2023.

(b) The tax provision includes amounts relating to previously disposed businesses of $1 million and $2 million for the three and nine months ended September 30, 2023, respectively, March 31, 2023.

Management's Discussion and $4 million Analysis of
Results of Operations and $6 million for the three and nine months ended September 30, 2022, respectively. Financial Condition (Continued)
(Tabular dollars in millions, except per share amounts)

Segment Results of Operations

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

- *TV Media*—Our *TV Media* segment consists of our (1) broadcast operations—the CBS Television Network, our domestic broadcast television network; CBS Stations, our owned television stations; and our international free-to-air networks, Network 10, Channel 5, Telefe, and Chilevisión; (2) domestic premium and basic cable networks, including Showtime (to be rebranded to Paramount+ with Showtime, in the future), MTV, Comedy Central, Paramount Network, The Smithsonian Channel, Nickelodeon, BET Media Group, CBS Sports Network, and international extensions of certain of these brands; and (3) domestic and international television studio operations, including CBS Studios, Paramount Television Studios and Showtime/MTV Entertainment Studios, as well as CBS Media Ventures, which produces and distributes first-run syndicated programming. *TV Media* also includes a number of digital properties such as CBS News Streaming and CBS Sports HQ.

- *Direct-to-Consumer*—Our *Direct-to-Consumer* segment consists of includes our portfolio of domestic and international pay and free streaming services, including Paramount+, Pluto TV, and BET+. Effective July 6, 2023, Showtime Networks' domestic premium subscription streaming service ("Showtime OTT"), BET+ and Noggin. Effective June 27, 2023, we launched the Paramount+ with Showtime plan in the United States, which replaced the

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

Paramount+ Premium plan. Effective July 6, 2023, Showtime OTT was no longer offered as a standalone subscription streaming service for new subscribers. and effective April 30, 2024 will no longer be available.

- *Filmed Entertainment*—Our *Filmed Entertainment* segment consists of Paramount Pictures, Paramount Players, Paramount Animation, Nickelodeon Studio, Awesomeness, and Miramax.

We present operating income excluding depreciation and amortization, stock-based compensation, restructuring charges, and other corporate matters, programming charges, and gain on dispositions, each where applicable ("Adjusted OIBDA"), as the primary measure of profit and loss for our operating segments in accordance with Financial Accounting Standards Board guidance for segment reporting since it is the primary method measure used by our management. Stock-based compensation is excluded from our segment measure of profit and loss because it is set and approved by our Board of Directors in consultation with corporate executive management. Stock-based compensation is included as a component of our consolidated Adjusted OIBDA. See *Reconciliation of Non-GAAP Measures* for a reconciliation of total Adjusted OIBDA to operating income (loss), the most directly comparable financial measure in accordance with GAAP.

Three Months Ended September 30, 2023 March 31, 2024 and 2022 2023

		Three Months Ended September 30,					
		2023	% of Total Revenues	2022	% of Total Revenues	Increase/(Decrease) $	%
		Three Months Ended March 31,					
			% of Total Revenues	% of Total Revenues			
		2024	% of Total Revenues				
		2024					
		2024					
Revenues:							
Revenues:							
Revenues:	**Revenues:**						
TV Media	TV Media	$ 4,567	64 %	$ 4,948	72 %	$ (381)	(8) %
TV Media							
TV Media							
Direct-to-Consumer							
Direct-to-Consumer							
Direct-to-Consumer	Direct-to-Consumer	1,692	24	1,226	18	466	38
Filmed Entertainment	Filmed Entertainment	891	12	783	11	108	14
Filmed Entertainment							
Filmed Entertainment							
Eliminations							
Eliminations							
Eliminations	Eliminations	(17)	—	(41)	(1)	24	59
Total Revenues	**Total Revenues**	$ 7,133	100 %	$ 6,916	100 %	$ 217	3 %
Total Revenues							
Total Revenues							

	Three Months Ended September 30,			
	2023	2022	Increase/(Decrease) $	%
Adjusted OIBDA:				
TV Media	$ 1,149	$ 1,231	$ (82)	(7)%
Direct-to-Consumer	(238)	(343)	105	31
Filmed Entertainment	(49)	41	(90)	n/m

n/m - not meaningful

(a) For the three months ended September 30, 2022, stock-based compensation expense of $11 million is included in "Restructuring and other corporate matters".

(Tabular dollars in millions, except per share amounts)

Corporate/Eliminations		(103)		(104)		1	1
Stock-based compensation (a)		(43)		(39)		(4)	(10)
Total Adjusted OIBDA		[illegible]		786		(70)	(9)
Depreciation and amortization		[illegible]		(92)		(13)	(14)
Restructuring and other corporate matters		10		(169)		179	n/m
[illegible]		—		41		(41)	n/m
Total Operating Income	$	621	$	566	$	55	10 %

Nine Months Ended September 30, 2023 and 2022

	Nine Months Ended September 30,								
		2023	**% of Total Revenues**		**2022**	**% of Total Revenues**	**Increase/(Decrease)**		
								$	**%**
Revenues:									
TV Media	$	14,917	68 %	$	15,849	72 %	$	(932)	(6)%
Direct-to-Consumer		4,867	22		3,508	16		1,359	39
Filmed Entertainment		2,310	10		2,770	12		(460)	(17)
Eliminations		(80)	—		(104)	—		24	23
Total Revenues	$	22,014	100 %	$	22,023	100 %	$	(9)	— %

	Nine Months Ended September 30,						
		2023		**2022**	**Increase/(Decrease)**		
						$	**%**
Adjusted OIBDA:							
TV Media	$	3,649	$	4,155	$	(506)	(12)%
Direct-to-Consumer		(1,173)		(1,244)		71	6
Filmed Entertainment		(143)		185		(328)	n/m
Corporate/Eliminations		(336)		(320)		(16)	(5)
Stock-based compensation (a)		(127)		(114)		(13)	(11)
Total Adjusted OIBDA		1,870		2,662		(792)	(30)
Depreciation and amortization		(310)		(282)		(28)	(10)
Programming charges		(2,371)		—		(2,371)	n/m
Restructuring and other corporate matters		(44)		(276)		232	84
Gain on dispositions		—		56		(56)	n/m
Total Operating Income (Loss)	$	(855)	$	2,160	$	(3,015)	n/m

n/m - not meaningful

(a) For the nine months ended September 30, 2023 and 2022, stock-based compensation expense of $4 million and $13 million, respectively, is included in "Restructuring and other corporate matters".

TV Media

Three Months Ended September 30, 2023 and 2022

	Three Months Ended September 30,						
					Increase/(Decrease)		
TV Media		**2023**		**2022**		**$**	**%**
Advertising	$	1,703	$	1,973	$	(270)	(14)%
Affiliate and subscription		2,004		2,000		4	—
Licensing and other		860		975		(115)	(12)
Revenues	$	4,567	$	4,948	$	(381)	(8)%
Adjusted OIBDA	$	1,149	$	1,231	$	(82)	(7)%

Revenues

For the three months ended September 30, 2023, revenues decreased 8%, reflecting lower advertising and licensing revenues.

(Tabular dollars in millions, except per share amounts)

	Three Months Ended March 31,			
			Increase/(Decrease)	
	2024	**2023**	**$**	**%**
Adjusted OIBDA:				
TV Media	$ 1,445	$ 1,306	$ 139	11 %
Direct-to-Consumer	(286)	(511)	225	44
Filmed Entertainment	(3)	(99)	96	97
Corporate/Eliminations	(124)	(109)	(15)	(14)
Stock-based compensation (a)	(45)	(39)	(6)	(15)
Total Adjusted OIBDA	987	548	439	80
Depreciation and amortization	(100)	(100)	—	—
Programming charges	(1,118)	(1,674)	556	33
Restructuring charges	(186)	—	(186)	n/m
Total Operating Income (Loss)	$ (417)	$ (1,226)	$ 809	66 %

n/m - not meaningful

(a) For the three months ended March 31, 2024, stock-based compensation expense of $2 million is included in "Restructuring charges".

TV Media

Three Months Ended March 31, 2024 and 2023

	Three Months Ended March 31,			
			Increase/(Decrease)	
TV Media	**2024**	**2023**	**$**	**%**
Advertising	$ 2,582	$ 2,256	$ 326	14 %
Affiliate and subscription	1,998	2,067	(69)	(3)
Licensing and other	651	870	(219)	(25)
Revenues	$ 5,231	$ 5,193	$ 38	1 %
Adjusted OIBDA	$ 1,445	$ 1,306	$ 139	11 %

Revenues

For the three months ended March 31, 2024, revenues increased 1% as higher advertising revenues, driven by CBS' broadcast of *Super Bowl LVIII,* were largely offset by lower licensing and affiliate revenues.

Advertising

The 14% decrease increase in advertising revenues reflects a 23-percentage point benefit from CBS' broadcast of *Super Bowl LVIII.* We have the rights to broadcast the Super Bowl on a rotational basis with other networks, and therefore did not have a comparable broadcast in 2023. The increase was primarily partially offset by the result of impact from continued weakness in the global linear advertising market. Domestic advertising revenues declined 13% increased 18% to $1.43 billion $2.34 billion, driven by the benefit of *Super Bowl LVIII*, and international advertising revenues decreased 16% 10% to $274 million $242 million. The domestic decline also reflects lower political advertising revenues as a result of U.S. midterm elections in 2022. Foreign exchange rate changes negatively impacted the total advertising revenue comparison by 2 percentage points.

Affiliate and Subscription

Affiliate and subscription revenues increased slightly decreased 3% for the three months ended September 30, 2023 March 31, 2024. Domestic affiliate and subscription revenues increased 1% decreased 3% to $1.90 billion as higher subscription revenues from pay-per-view boxing events were substantially offset by declines in affiliate fees. The decrease in domestic affiliate fees reflects, reflecting linear subscriber declines, which were largely offset by contractual pricing increases. International affiliate and subscription revenues decreased 6% to $105 million, driven by a shift of revenue from our pay television services to our streaming services following the restructuring of certain affiliate agreements. partially

Licensing and Other

Licensing and other revenues decreased 12%, reflecting lower revenues from content produced for third parties. Content available for licensing has been and may continue to be impacted by temporary production shutdowns as a result of labor strikes.

Operating Activities

Adjusted OIBDA

Operating cash flow from continuing operations for the nine three months ended September 30, 2023 March 31, 2024 was a net source of cash of $260 million compared to a net use of cash of $174 million compared to a net source of cash of $219 million $483 million for the nine three months ended September 30, 2022 March 31, 2023. The decrease increase in operating cash flow from continuing operations primarily reflects higher collections from theatrical releases in and lower spending for content.

Adjusted OIBDA decreased 7%, reflecting the decline in revenues, partially offset by lower costs for content and marketing.

Nine Months Ended September 30, 2023 and 2022

Net cash flow provided by operating activities includes payments of $46 million and $65 million for the prior-year period, mainly from *Top Gun: Maverick*, as well as higher payments for three months ended March 31, 2024 and 2023, respectively, associated with restructuring, merger-related costs and transformation initiatives, in the current-year period, partially offset by lower spending for content in 2023.

Payments for restructuring, merger-related costs and transformation initiatives included in operating cash flow for the nine months ended September 30, 2023 and 2022 were $288 million and $133 million, respectively. The increase in 2023 is primarily due to payments in the current-year period associated with litigation described under *Legal Matters—Stockholder Matters*. Since the merger net of Viacom Inc. ("Viacom") with and into CBS Corporation ("CBS") (the "Merger"), we have invested in a number of transformation initiatives. Initially, these were undertaken to realize synergies insurance recoveries received related to the Merger. More recently, our merger-related litigation matters. 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 have been investing in future-state workspaces, including adapting our facilities to accommodate our hybrid and agile work model.

	Nine Months Ended September 30,		Increase/(Decrease)	
TV Media	2023	2022	$	%
Advertising	$ 5,905	$ 6,668	$ (763)	(11)%
Affiliate and subscription	[illegible]	[illegible]	(74)	(1)
Licensing and other	2,930	3,025	(95)	(3)
Revenues	$ 14,917	$ 15,849	$ (932)	(6)%
Adjusted OIBDA	$ 3,649	$ 4,155	$ (506)	(12)%

Cash flow provided by operating activities from discontinued operations reflects for the three months ended March 31, 2023 reflected the operating activities of Simon & Schuster. For Schuster, which was sold in October 2023 (see *Net Earnings from Discontinued Operations*).

Revenues

For the nine months ended September 30, 2023, revenues decreased 6%, driven by lower advertising revenues, primarily due to weakness in the global advertising market.

Investing Activities

Advertising

The 11% decrease in advertising revenues was primarily the result of weakness in the global advertising market. Domestic advertising revenues declined 10% to $5.08 billion and international advertising revenues decreased 19% to $826 million. The domestic decline also reflects lower political advertising revenues as a result of U.S. midterm elections in 2022. Foreign exchange rate changes negatively impacted the total advertising revenue comparison by 1 percentage point.

	Three Months Ended March 31,	
	2024	2023
Investments	$ (88)	$ (43)
Capital expenditures (a)	(51)	(71)
Other investing activities (b)	11	25
Net cash flow used for investing activities	$ (128)	$ (89)

(a) Includes payments associated with the nine months ended September 30, 2023, implementation of our transformation initiatives of $3 million and $4 million in 2024 and 2023, respectively.

(b) Both periods primarily reflect the increase collection of receivables associated with the sale of a 37.5% interest in operating cash flow The CW in 2022. 2023 also includes proceeds received from discontinued operations reflects higher collections, driven by higher revenues, and the timing disposition of inventory spending. certain channels in Latin America.

Affiliate and Subscription

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

Affiliate and subscription revenues decreased 1% for the nine months ended September 30, 2023. Domestic affiliate and subscription revenues decreased slightly to $5.76 billion as declines in affiliate fees were offset by higher subscription revenues from pay-per-view boxing events. The decrease in domestic affiliate fees reflects subscriber declines, which were largely offset by contractual pricing increases. International affiliate and subscription revenues decreased 13% 6% to $322 million, driven by a shift of revenue from our pay television services to our streaming services following the restructuring of certain affiliate agreements. $101 million.

Licensing and Other

Investing Activities

Licensing and other revenues decreased 3% 25%, principally reflecting a lower revenues from content produced for third parties. volume of licensing in the secondary market. Content available for licensing has been and may continue to be was impacted by temporary production shutdowns as a result of due to labor strikes. strikes in 2023.

	Nine Months Ended September 30,	
	2023	2022
Investments	$ (184)	$ (189)
Capital expenditures (a)	(213)	(228)
Other investing activities (b)	56	37
Net cash flow used for investing activities from continuing operations	(341)	(380)
Net cash flow used for investing activities from discontinued operations	(3)	(3)
Net cash flow used for investing activities	$ (344)	$ (383)

Adjusted OIBDA

Adjusted OIBDA decreased increased 12% 11%, primarily driven by reflecting the decline in revenues, benefit from the broadcast of *Super Bowl LVIII* and lower costs for content, partially offset by the impact from weakness in the linear advertising market and lower costs, principally for content and marketing. affiliate revenues.

Direct-to-Consumer

(a) Includes payments associated with the implementation of our transformation initiatives of $22 million and $34 million in 2023 and 2022, respectively.

(b) 2023 primarily reflects the collection of receivables associated with the sale of a 37.5% interest in The CW in the prior year and proceeds received from the disposition of certain channels in Latin America. 2022 primarily reflects the disposition of international intangible assets.

Financing Activities

	Three Months Ended September 30, 2023	2022
Proceeds from issuance of notes and debentures	$ —	$ 989
Repayment of notes and debentures	(139)	(3,010)
Proceeds from issuance of debt		
Repayment of debt		
Dividends paid on preferred stock	(43)	(43)
Dividends paid on common stock	(351)	(471)
Payment of payroll taxes in lieu of issuing shares for stock-based compensation	(21)	(14)
Payments to noncontrolling interests		

Direct-to-Consumer

	Nine Months Ended September 30, 2023	2022	Increase/(Decrease) $	%
Advertising	$ 430	$ 363	$ 67	18 %
Subscription	1,258	863	395	46
Licensing (a)	4	—	4	n/m
Revenues	$1,692	$1,226	$ 466	38 %
Adjusted OIBDA	$ (238)	$ (343)	$ 105	31 %

n/m - not meaningful

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

(in millions)	Three Months Ended September 30, 2023	2022	Increase/(Decrease)	
Paramount+ (Global)				
Subscribers (a)	63.4	46.0	17.4	38 %
Revenues	$1,138	$ 708	$ 430	61 %
Adjusted OIBDA				

(a) Subscribers include customers who are registered for Paramount+, either directly through our owned and operated apps and websites, or through third-party distributors. Subscribers also include customers who are provided with access through a subscription bundle with a domestic linear video streaming service (vMVPD) or an international third-party distributor. Our subscribers include paid subscriptions and those customers registered in a free trial. For the periods above, subscriber counts reflect the number of subscribers as of the applicable period-end date.

(Tabular dollars in millions, except per share amounts)

Revenues

Payments to noncontrolling interests

For the three months ended September 30, 2023 March 31, 2024, the 38% 24% increase in revenues was primarily driven by growth from Paramount+.

Payments to noncontrolling interests	Payments to noncontrolling interests	(97)	(106)
Other financing activities	Other financing activities	(93)	(26)

Advertising

The 31% increase in advertising revenues was driven by growth from Pluto TV and Paramount+. The increase for Paramount+ reflects the benefit of *Super Bowl LVIII* and an increase in subscribers to the advertising-supported subscription plan.

Other financing activities

Other financing activities

Net cash flow used for financing activities	Net cash flow used for financing activities	$(744)	$(2,681)

Net cash flow used for financing activities

Net cash flow used for financing activities

Advertising

Dividends

The 23% increase in advertising revenues was primarily driven by higher impressions for Paramount+ and growth from Pluto TV, including from international launches.

The following table presents dividends declared per share and total dividends for our Class A and Class B Common Stock and our 5.75% Series A Mandatory Convertible Preferred Stock ("Mandatory Convertible Preferred Stock") for the three and nine months ended September 30, 2023 March 31, 2024 and 2022. 2023. On April 1, 2024, each outstanding share of our Mandatory Convertible Preferred stock automatically and mandatorily converted into 1.1765 shares of our Class B Common Stock. The final dividend on the Mandatory Convertible Preferred Stock, which was declared during the three months ended March 31, 2024, was paid on April 1, 2024.

Subscription

September 30, 2022. The revenue growth also includes the impact from domestic and pricing increases for each of our domestic Paramount+ subscription plans, that went into which took effect in June 2023 when we launched the Paramount+ with Showtime plan on June 27, 2023 subscription plan. Growth in Paramount+ subscribers includes the migration of certain subscribers from Showtime's premium subscription streaming service, which was no longer offered as a standalone service to new subscribers effective July 6, 2023 and will no longer be available effective April 30, 2024. Paramount+ subscribers grew 11.2 million, as well as revenues from pay-per-view boxing events. 19%, compared with March 31, 2023.

During the quarter, global Paramount+ subscribers increased 2.7 million 3.7 million, or 4% 5%, to 63.4 million 71.2 million, compared with 60.7 million 67.5 million at June 30, 2023 December 31, 2023. The growth reflects was driven by the addition NFL playoffs and *Super Bowl LVIII*, the premiere of season two of *Halo* and the migration of certain Showtime OTT subscribers from Showtime's premium subscription streaming service to the Paramount+ with Showtime plan, as well as the benefit from the start of the NFL season and the premieres of *Special Ops: Lioness* and season six of *The Chi.* The increases were partially offset by a reduction of 1.3 million subscribers in Latin America after we restructured a distribution agreement. plan.

Adjusted OIBDA

Adjusted OIBDA improved by $105 million $225 million, as the reflecting revenue growth and lower marketing costs, partially offset by content costs associated with *Super Bowl LVIII* and higher revenues more than offset higher costs to support growth in our streaming services, including content, distribution, advertising and employee revenue-sharing costs.

		Three Months Ended September 30,		Nine Months Ended September 30,	
		2023	2022	2023	2022
Class A and Class B Common Stock	Class A and Class B Common Stock				
Dividends declared per common share	Dividends declared per common share	$ .05	$ .24	$ .34	$ .72
Total common stock dividends	Total common stock dividends	$ 34	$ 159	$ 228	$ 477

Three Months Ended

Three Months Ended

Three Months Ended

March 31

2024

March 31

2024

2023

Nine Months Ended September 30, 2023 and 2022

	Nine Months Ended September 30,		Increase/(Decrease)	
	2023	2022	$	%
Direct-to-Consumer				
Advertising	$ 1,269	$ 1,073	$ 196	18 %
Subscription	3,594	2,435	1,159	48
Licensing (a)	4	—	4	n/m
Revenues	$ 4,867	$ 3,508	$ 1,359	39 %
Adjusted OIBDA	$ (1,173)	$ (1,244)	$ 71	6 %

n/m - not meaningful

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

Dividends declared per common share

Total common stock dividends

	Nine Months Ended September 30,		Increase/(Decrease)

Total common stock dividends		2023	2022	$	%
Paramount+ (Global)					
Revenues		$ 3,093	$ 1,965	$ 1,128	57 %

Mandatory Convertible Preferred Stock	**Mandatory Convertible Preferred Stock**				
Dividends declared per preferred share					
Dividends declared per preferred share					
Dividends declared per preferred share	Dividends declared per preferred share	$1.4375	$1.4375	$4.3125	$4.3125
Total preferred stock dividends	Total preferred stock dividends	$ 14	$ 14	$ 43	$ 43
Total preferred stock dividends					
Total preferred stock dividends					

Revenues

For the nine months ended September 30, 2023, the 39% increase in revenues was primarily driven by growth from Paramount+.

Advertising

The 18% increase in advertising revenues was driven by an increase in impressions for Paramount+ and growth from Pluto TV, including from international launches.

Subscription

The 40% increase in subscription revenues reflects growth across our streaming services, primarily from Paramount+, as well as higher revenues from pay-per-view boxing events.

Capital Structure

The following table sets forth our debt.

Adjusted OIBDA

Adjusted OIBDA improved by $71 million, as revenue growth more than offset higher costs to support growth in our streaming services, including content, advertising, distribution and employee costs.

	At March 31, 2024	At December 31, 2023
Senior debt	$ 12,975	$ 12,969
Junior debt	1,632	1,632
Obligations under finance leases	1	1
Total debt (a)	14,608	14,602
Less current portion	1	1
Total long-term debt, net of current portion	$ 14,607	$ 14,601

(a) At March 31, 2024 and December 31, 2023, the senior and junior subordinated debt balances included (i) a net unamortized discount of $415 million and $419 million, respectively, and (ii) unamortized deferred financing costs of $79 million and $81 million, respectively. The face value of our total debt was $15.10 billionat both March 31, 2024 and December 31, 2023.

Filmed Entertainment

Three Months Ended September 30, 2023 March 31, 2024 and 2022 2023

	Three Months Ended September 30,		Increase/(Decrease)	
Filmed Entertainment	**2023**	**2022**	**$**	**%**
Advertising (a)	$ 5	$ 3	$ 2	67 %
Theatrical	377	231	146	63
Licensing and other	509	549	(40)	(7)
Revenues	$ 891	$ 783	$ 108	14 %
Adjusted OIBDA	$ (49)	$ 41	$ (90)	n/m

n/m - not meaningful

	Three Months Ended March 31,		Increase/(Decrease)	
Filmed Entertainment	**2024**	**2023**	**$**	**%**
Advertising (a)	$ 1	$ 5	$ (4)	(80)%
Theatrical	153	127	26	20
Licensing and other	451	456	(5)	(1)
Revenues	$ 605	$ 588	$ 17	3 %
Adjusted OIBDA	$ (3)	$ (99)	$ 96	97 %

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

Capital Structure *Senior Debt*

The following table sets forth At March 31, 2024, our debt.

	At September 30, 2023	At December 31, 2022
Senior debt (2.90%-7.875% due 2023-2050)	$ 14,030	$ 14,149
Junior debt (6.25% and 6.375% due 2057 and 2062)	1,632	1,632
Other bank borrowings	—	55

Revenues

For the three months ended September 30, 2023 March 31, 2024, revenues increased 14% 3%, driven by higher theatrical revenues.

Obligations under finance leases	3	10
Total debt (a)	15,665	15,846
Less current portion	38	239
Total long-term debt, net of current portion	$ 15,627	$ 15,607

(a) At September 30, 2023 and December 31, 2022, the senior and junior subordinated debt balances included (i) a net unamortized discount of $427 million and $442 million, respectively, and (ii) unamortized deferred financing costs of $84 million and $89 million, respectively. The face value of our total debt was $16.18 billion and $16.38 billion at September 30, 2023 and December 31, 2022, respectively.

Theatrical

Theatrical For the three months ended March 31, 2024, theatrical revenues increased 63% $26 million, primarily reflecting the third timing and mix of releases in each year. Releases in the first quarter 2023 releases of 2024 included *Bob Marley: One Love, Mean Girls* and Miramax's release of *Mission: Impossible The Beekeeper*—, while the first quarter of 2023 included *Dead Reckoning Part One*, *Scream VI*, and *80 for Brady* Teenage Mutant Ninja Turtles: Mutant Mayhem, and. Theatrical revenues in the prior-year period were principally from the continued success of *Top Gun: Maverick* *Dungeons & Dragons: Honor Among Thieves*, which was released in on the second quarter last day of 2022. the quarter.

Licensing and Other

In September 2023, we repaid our $139 million comprised of 7.875% debentures upon maturity. In addition, on November 1, 2023, we repaid our $35 million of 7.125% senior notes upon maturity. Licensing and other revenues decreased 7%, principally due to the success of *Top Gun: Maverick* in the digital home entertainment market in the prior-year period, as well as lower revenue from studio rentals and production services as a result of labor strikes. 1%.

On November 2, 2023, we announced the commencement of cash tender offers for up to $1.0 billion combined aggregate purchase price of certain of our outstanding senior notes and debentures due between 2025 and 2028. 2050 with interest rates ranging from 2.90% to 7.875%.

During the nine months ended September 30, 2022 Junior Debt

At March 31, 2024, we redeemed $2.39 billion our junior debt was comprised of senior notes, prior to maturity, for an aggregate redemption price of $2.49 billion. Also in 2022, we redeemed $520 million of 5.875% $643 million 6.25% junior subordinated debentures due February 2057 at par. These redemptions resulted in a total pre-tax loss on extinguishment of debt of $120 million for the nine months ended September 30, 2022.

Results of Operations and Financial Condition (Continued)

(Tabular dollars in millions, except per share amounts)

During the nine months ended September 30, 2022, we also issued $1.00 billion of and $989 million 6.375% junior subordinated debentures due 2062. The interest rate on these debentures will reset on March 30, 2027, and every five years thereafter to a fixed rate equal to the 5-year Treasury Rate (as defined pursuant to the terms of the debentures) plus a spread. These debentures can be called by us at par plus a make whole premium any time before March 30, 2027, or at par on March 30, 2027, or at any interest payment date thereafter.

Adjusted OIBDA

Adjusted OIBDA decreased $90 million improved by $96 million, primarily from principally driven by lower marketing costs for theatrical releases in the first quarter of 2024, reflecting the timing and mix of theatrical releases in each year, incremental costs incurred during production shutdowns, as well as lower revenue from studio rentals and production services, which contributed approximately $20 million of the decline. year.

Our 6.25% junior subordinated debentures due February 2057 accrue interest at the stated fixed rate until February 28, 2027, on which date the rate will switch to a floating rate. These debentures can be called by us at par at any time after the expiration of the fixed-rate period.

The subordination and extended term, as well as an interest deferral option and extended term of our the junior subordinated debentures provide significant credit protection measures for senior creditors and, as a result of these features, the debentures received a 50% equity credit by Standard & Poor's Rating Services, and Fitch Ratings Inc., and a 25% equity credit by Moody's Investors Service, Inc.

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

Commercial Paper

Nine Months Ended September 30, 2023 and 2022

At both September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023, we had no outstanding commercial paper borrowings.

	Nine Months Ended September 30,			
			Increase/(Decrease)	
Filmed Entertainment	**2023**	**2022**	**$**	**%**
Advertising (a)	$ 21	$ 17	$ 4	24 %
Theatrical	735	1,126	(391)	(35)
Licensing and other	1,554	1,627	(73)	(4)
Revenues	$ 2,310	$ 2,770	$ (460)	(17)%
Adjusted OIBDA	$ (143)	$ 185	$ (328)	n/m

n/m - not meaningful

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

Management's Discussion and Analysis of

Results of Operations and Financial Condition (Continued)

(Tabular dollars in millions, except per share amounts)

Credit Facility

During the first quarter of 2023, At March 31, 2024, we amended and extended our had a $3.50 billion revolving credit facility (the "Credit Facility"), which now that matures in January 2027 (the "2023 Amendment" "Credit Facility"). The Credit Facility is used for general corporate purposes and to support commercial paper borrowings, if any. We may, at our option, also borrow in certain foreign currencies up to specified limits under the Credit Facility. Borrowing rates under the Credit Facility are determined at the time of each borrowing and are generally based on either the prime rate in the U.S. or an applicable benchmark rate plus a margin (based on our senior unsecured debt rating), depending on the type and tenor of the loans entered into. Under the 2023 Amendment, we replaced LIBOR as the The benchmark rate for loans denominated in U.S. dollars with is Term SOFR. The benchmark rate SOFR, and for loans denominated in euros, sterling and yen is based on EURIBOR, SONIA and TIBOR, respectively. The Credit Facility was also amended to include a provision that the occurrence of a Change of Control (as defined in the amended credit agreement) of Paramount will be an event of default that would give the lenders the right to accelerate any outstanding loans and terminate their commitments. At September 30, 2023 March 31, 2024, we had no borrowings outstanding under the Credit Facility and the availability under the Credit Facility was $3.50 billion.

Revenues

For the nine months ended September 30, 2023, revenues decreased 17%, driven by lower theatrical revenues primarily due to the success of *Top Gun: Maverick* in the prior-year period.

Theatrical

The 35% decrease in theatrical revenues reflects the comparison against the success of *Top Gun: Maverick* in the prior-year period, partially offset by theatrical revenues from the previously mentioned third quarter 2023 releases.

Licensing and Other

The Credit Facility has one principal financial covenant which sets a maximum Consolidated Total Leverage Ratio ("Leverage Ratio") at the end of each quarter, which prior to the 2023 Amendment was 4.5x. Under the 2023 Amendment, the quarter. The maximum Leverage Ratio was increased to 5.75x for the quarter ended March 31, 2024 and will remain at this level for each quarter through and including the quarter ending September 30, 2024, and will then decrease to 5.5x for the quarters ending December 31, 2024 and March 31, 2025, with decreases of 0.25x for each subsequent quarter until it reaches 4.5x for the quarter ending March 31,

Licensing and other revenues decreased 4%, principally due to the success of *Top Gun: Maverick* in the digital home entertainment market in the prior-year period, as well as lower revenue from studio rentals and production services.

(Tabular dollars in millions, except per share amounts)

2026. when it will be 4.5x, and will remain at this level until maturity. The Leverage Ratio reflects the ratio of our Consolidated Indebtedness, net of unrestricted cash and cash equivalents at the end of a quarter, to our Consolidated EBITDA (each as defined in the amended credit agreement) for the trailing twelve-month period. Under the 2023 Amendment, the definition of the Leverage Ratio was also modified to set For quarters ending on or after September 30, 2024, the maximum amount of unrestricted cash and cash equivalents that can be netted against Consolidated Indebtedness to in the calculation of the Leverage Ratio will be $1.50 billion for quarters ending on or after September 30, 2024. In addition, under the 2023 Amendment, Simon & Schuster was treated as a continuing operation for the purposes of calculating Consolidated EBITDA until its disposition in October 2023. We met the covenant as of September 30, 2023 March 31, 2024.

Adjusted OIBDA decreased $328 million, primarily reflecting the mix of theatrical releases in each year, including the success of *Top Gun: Maverick* in the prior-year period.

Other Bank Borrowings

At September 30, 2023 both March 31, 2024 and December 31, 2023, we had no outstanding bank borrowings under Miramax's $50 million credit facility which that matures in November 2024. This facility replaced the previous $300 million credit facility that matured in April 2023. At December 31, 2022, we had $55 million of bank borrowings under the previous facility with a weighted average interest rate of 7.09%.

Liquidity and Capital Resources

Sources and Uses of Cash

We use cash to fund these needs. Our operating needs include, among other things, the production and acquisition of programming for our broadcast and cable networks and streaming services, including television and film programming, sports rights, and talent contracts, as well as advertising and marketing costs to promote our content and platforms; payments for leases, interest, and income taxes; and pension funding obligations. While our planned spending in 2023 included continued increased investment in our streaming services, our spending for content will be lower than we initially anticipated due to temporary shutdowns of production on certain of our television and film productions. Our investing and financing spending includes capital expenditures; acquisitions; discretionary share repurchases; dividends; and principal payments on our outstanding indebtedness. Our long-term debt obligations due over the next five years were $3.21 billion $2.14 billion as of September 30, 2023 March 31, 2024. We routinely assess our capital structure and opportunistically enter into transactions to manage our outstanding debt maturities, which could result in a charge from the early extinguishment of debt. Beginning with the dividend declared in the second quarter of 2023, we reduced the quarterly cash dividend on our Class A and Class B Common Stock to $.05 per share (or $.20 annually).

Guarantees

Letters of Credit and Surety Bonds

At September 30, 2023 March 31, 2024, we had outstanding letters of credit and surety bonds of $174 million $2.07 billion that were not recorded on the Consolidated Balance Sheet, as well as including $1.86 billion that was issued under a $1.9 billion standby letter of credit facility under which no letters of credit were issued. In accordance with the contractual requirements of one of our commitments, we expect that a $1.9 billion letter of credit will be issued in January 2024 under the standby letter of credit facility. commitments. The amount outstanding under the letter of credit facility will decrease throughout 2024 as we make payments under the related contractual commitment. Letters of credit and surety bonds are primarily used as security against non-performance in the normal course of business under contractual requirements of certain of our commitments. The standby letter of credit facility, which matures in May 2026, is subject to the same principal financial covenant as the Credit Facility (see *Capital Structure—Credit Facility*).

Funding for both our short-term and long-term operating, investing and financing needs will come primarily from cash flows from operating activities, cash and cash equivalents, which were $1.80 billion $2.38 billion as of September 30, 2023 March 31, 2024, proceeds from noncore asset sales, including the October 2023 sale of Simon & Schuster, and our ability to refinance our debt, and with short-term borrowings, including commercial paper, and long-term debt. To the extent that commercial paper is not available to us, our borrowing capacity under our $3.50 billion Credit Facility described below is sufficient to satisfy short-term borrowing needs. In addition, if necessary, we can increase our liquidity position by reducing non-committed spending.

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

CBS Television City

In connection with the sale of the CBS Television City property and sound stage operation ("CBS Television City") in 2019, we guaranteed a specified level of cash flows to be generated by the business during the first five years following the completion of the sale. Included in "Other current liabilities" on the Consolidated Balance Sheet at September 30, 2023 is a liability totaling $26 million, reflecting the present value of the remaining estimated amount payable under the guarantee obligation.

Lease Guarantees

We have certain indemnification obligations with respect to leases primarily associated with the previously discontinued operations of Famous Players Inc. These Our guarantee liability relating to these lease commitments was $11 million $8 million at September 30, 2023 March 31, 2024, and are is presented within "Other liabilities" on the Consolidated Balance Sheet. The amount of these lease commitments varies over time depending on the expiration or termination of individual underlying leases, or the related indemnification obligation, and foreign exchange rates, among other things. We may also have exposure for certain other expenses related to the leases, such as property taxes and common area maintenance. We believe our accrual is sufficient to meet any future obligations based on our consideration of available financial information, the lessees' historical performance in meeting their lease obligations and the underlying economic factors impacting the lessees' business models.

Cash Flows

The changes in cash and cash equivalents were as follows:

	Three Months Ended March 31		Three Months Ended March 31
	2024	2023	Increase/(Decrease)

Other

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

Legal Matters

General

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

Stockholder Matters

Litigation Relating to the Merger

Beginning in February 2020, three purported CBS stockholders filed separate derivative and/or putative class action lawsuits in the Court of Chancery of the State of Delaware (the "Delaware Chancery Court"). In March 2020, the Delaware Chancery Court consolidated the three lawsuits and appointed Bucks County Employees Retirement Fund and International Union of Operating Engineers of Eastern Pennsylvania and Delaware as co-lead plaintiffs for the consolidated action captioned *In re CBS Corporation Stockholder Class Action and Derivative Litigation* (the "CBS Litigation"). In April 2020, the lead plaintiffs filed a Verified Consolidated Class Action and Derivative Complaint (as used in this paragraph, the "Complaint") against Shari E. Redstone, National Amusements, Inc., Sumner M. Redstone National Amusements Trust, additional members of the CBS Board of

Discontinued operations

Net cash flow provided by (used for) operating activities

Net cash flow provided by (used for) operating activities

Management's Discussion and Analysis of
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(Tabular dollars in millions, except per share amounts)

Net cash flow provided

Directors (including Candace K. Beinecke, Barbara M. Byrne, Gary L. Countryman, Linda M. Griego, Robert N. Klieger, Martha L. Minow, Susan Schuman, Frederick O. Terrell and Strauss Zelnick), former CBS President and Acting Chief Executive Officer Joseph Ianniello and the Company as nominal defendant. The Complaint alleged breaches of fiduciary duties in connection with the negotiation and approval of an Agreement and Plan of Merger, dated as of August 13, 2019, between CBS and Viacom (as amended, the "Merger Agreement"). The Complaint also alleged waste and unjust enrichment in connection with certain aspects of Mr. Ianniello's compensation awards. The Complaint sought unspecified damages, costs and expenses, as well as other relief. In December 2022, the Delaware Chancery Court dismissed the fiduciary duty claim against Mr. Klieger.

In May 2023, the parties to the CBS Litigation entered into a settlement agreement that provided for, among other things, the final dismissal of the CBS Litigation in exchange for a settlement payment to the Company in the amount of $167.5 million, less administrative costs and plaintiffs' counsels' fees and expenses. In September 2023, the Delaware Chancery Court approved the settlement and dismissed the CBS Litigation with prejudice. In October 2023, the Company received the settlement payment in the amount of $120 million, which reflects the settlement of $167.5 million after a deduction was made for administrative costs and plaintiffs' counsels' fees and expenses, and accordingly, we will recognize a gain of $120 million during the fourth quarter of 2023.

operations 205 107 98

Beginning in November 2019, four purported Viacom stockholders filed separate putative class action lawsuits in the Delaware Chancery Court. In January 2020, the Delaware Chancery Court consolidated the four lawsuits. In February 2020, the Delaware Chancery Court appointed California Public Employees' Retirement System ("CalPERS") as lead plaintiff for the consolidated action. Subsequently, in February 2020, CalPERS, together with Park Employees' and Retirement Board Employees' Annuity and Benefit Fund of Chicago and Louis M. Wilen, filed a First Amended Verified Class Action Complaint (as used in this paragraph, the "Complaint") against NAI, NAI Entertainment Holdings LLC, Shari E. Redstone, the members of the special transaction committee of the Viacom Board of Directors (comprised of Thomas J. May, Judith A. McHale, Ronald L. Nelson and Nicole Seligman) and our President and Chief Executive Officer and director, Robert M. Bakish (as used in this paragraph, the "Viacom Litigation"). The Complaint alleged breaches of fiduciary duties to Viacom stockholders in connection with the negotiation and approval of the Merger Agreement. The Complaint sought unspecified damages, costs and expenses, as well as other relief. In December 2020, the Delaware Chancery Court dismissed the claims against Mr. Bakish, while allowing the claims against the remaining defendants to proceed.

Net cash flow used for

In March 2023, the parties to the Viacom Litigation entered into a settlement agreement that provided for, among other things, the final dismissal of the Viacom Litigation in exchange for a settlement payment in the amount of $122.5 million, which has been fully paid. In July 2023, the Delaware Chancery Court granted approval of the settlement and dismissed the Viacom Litigation with prejudice.

investing activities

Litigation Related to Stock Offerings

In August 2021, Camelot Event Driven Fund filed a putative securities class action lawsuit in New York Supreme Court, County of New York, and in November 2021, an amended complaint was filed that, among other changes, added an additional named plaintiff (as used in this paragraph, the "Complaint"). The Complaint is purportedly on behalf of investors who purchased shares of the Company's Class B Common Stock and 5.75% Series A Mandatory Convertible Preferred Stock pursuant to public securities offerings completed in March 2021, and was filed against

Net cash flow used for investing activities (344) (383) 39

Net cash flow used for financing activities	Net cash flow used for financing activities	(744)	(2,681)	1,937

Net cash flow used for financing activities

Net cash flow used for financing activities

Effect of exchange rate changes on cash and cash equivalents

Effect of exchange rate changes on cash and cash equivalents

Management's Discussion and Analysis of
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(Tabular dollars in millions, except per share amounts)

the Company, certain senior executives, members of our Board of Directors, and the underwriters involved in the offerings. The Complaint asserts violations of federal securities law and alleges that the offering documents contained material misstatements and omissions, including through an alleged failure to adequately disclose certain total return swap transactions involving Archegos Capital Management referenced to our securities and related alleged risks to the Company's stock price. In December 2021, the plaintiffs filed a stipulation seeking the voluntary dismissal without prejudice of the outside director defendants from the lawsuit, which the Court subsequently ordered. On the same date, the defendants filed motions to dismiss the lawsuit, which were heard in

Effect of exchange rate changes on cash and cash equivalents	Effect of exchange rate changes on cash and cash equivalents	(24)	(146)	12
Net decrease in cash and cash equivalents	Net decrease in cash and cash equivalents			

Management's Discussion and Analysis of
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(Tabular dollars in millions, except per share amounts)

January 2023. In February 2023, the Court dismissed all claims against the Company while allowing the claims against the underwriters to proceed. The plaintiffs and underwriter defendants have appealed the ruling.

Litigation Related to Television Station Owners

In September 2019, ruling, and in April 2024, the New York Supreme Court, Appellate Division, First Department, ruled in our favor and upheld the decision of the trial court dismissing the case against the Company was added as a defendant in a multi-district putative class action lawsuit filed in the United States District Court for the Northern District of Illinois. The lawsuit was filed by parties that claim to have purchased broadcast television spot advertising beginning about January 2014 on television stations owned by one or more of the defendant television station owners and alleges the sharing of allegedly competitively sensitive information among such television stations in alleged violation of the Sherman Antitrust Act. The action, which names the Company among fourteen total defendants, seeks monetary damages, attorneys' fees, costs and interest as well as injunctions against the allegedly unlawful conduct. We reached an agreement with the plaintiffs to settle the lawsuit. The settlement, which includes no admission of liability or wrongdoing by the Company, is subject to Court approval. In August 2023, the Court granted preliminary approval of the settlement. its officers.

Claims Related to Former Businesses

Asbestos

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

Claims are frequently filed and/or settled in groups, which may make the amount and timing of settlements, and the number of pending claims, subject to significant fluctuation from period to period. We do not report as pending those claims on inactive, stayed, deferred or similar dockets that some jurisdictions have established for claimants who allege minimal or no impairment. As of September 30, 2023 March 31, 2024, we had pending approximately 20,670 19,510 asbestos claims, as compared with approximately 21,580 19,970 as of December 31, 2022 December 31, 2023. During the third first quarter of 2023, 2024, we received approximately 690 810 new claims and closed or moved to an inactive docket approximately 770 1,270 claims. We report claims as closed when we become aware that a dismissal order has been entered by a court or when we have reached agreement with the claimants on the material terms of a settlement. Settlement costs depend on the seriousness of the injuries that form the basis of the claims, the quality of evidence supporting the claims and other factors. Our total costs for the years 2022 2023 and 2021 2022 for settlement and defense of asbestos claims after insurance recoveries and net of tax were approximately $57 million $54 million and $63 million $57 million, respectively. Our costs for settlement and defense of asbestos claims may vary year to year and insurance proceeds are not always recovered in the same period as the insured portion of the expenses.

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

reasonably estimated. Our liability estimate is based upon many factors, including the number of outstanding claims, estimated average cost per claim, the breakdown of claims by disease type, historic claim filings, costs per claim of resolution and the filing of new claims, as well as and is assessed in consultation with a third party firm on trends that may impact our future asbestos liability. While we believe that our accrual for matters related to our predecessor operations, including environmental and asbestos, are adequate, there can be no assurance that the third-party firm. Changes in circumstances will not change in future periods and as a result could cause our actual liabilities may to be higher or lower than our current accrual. We will continue to evaluate our estimates and update our accrual as needed.

Other

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

Related Parties

See Note 4 to the consolidated financial statements.

Accounting Pronouncements Not Yet Adopted

See Note 1 to the consolidated financial statements.

Critical Accounting Policies

See Item 7, Management's Discussion and Analysis of Results of Operations and Financial Condition in our Annual Report on Form 10-K for the year ended December 31, 2022 December 31, 2023, for a discussion of our critical accounting policies.

Cautionary Note Concerning Forward-Looking Statements

This Quarterly Report on Form 10-Q contains both historical and forward-looking statements, including statements related to our future results, performance and performance. 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 advertising market conditions and deficiencies in audience measurement; risks related to operating in highly competitive and dynamic industries, including cost increases; our ability to maintain attractive brands and to offer popular content; changes in 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; risks related to our ongoing investments in new businesses, products, services, technologies and other strategic activities; losses due to asset impairment charges for goodwill, intangible assets, FCC licenses and programming; 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; the impact of COVID-19 and other pandemics and measures taken in response thereto; liabilities related to discontinued operations and former businesses; the loss of existing or inability to hire new key employees or secure creative talent; strikes and other union activity, including the ongoing Screen Actors Guild-American Federation of Television and Radio

Management's Discussion and Analysis of
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(Tabular dollars in millions, except per share amounts)

Artists (SAG-AFTRA) strike; 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 price prices of our common stock; potential conflicts of interest arising from our ownership structure with a controlling stockholder; and other factors described in our news releases and filings with the Securities and Exchange Commission, including but not limited to our most recent Annual Report on Form 10-K and reports on Form 10-Q and Form 8-K. There may be additional risks, uncertainties and factors that we do not currently view as material or that are not necessarily known. The forward-looking statements included in this Quarterly Report on Form 10-Q are made only as of the date of this report, and we do not undertake any obligation to publicly update any forward-looking statements to reflect subsequent events or circumstances.

Item 3. Quantitative and Qualitative Disclosures About Market Risk.

There have been no significant changes to market risk since reported in our Annual Report on Form 10-K for the year ended December 31, 2022 December 31, 2023.

Item 4. Controls and Procedures.

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

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

PART II – OTHER INFORMATION

Item 1. Legal Proceedings.

The information set forth in Note 13 14 to the consolidated financial statements appearing in Item 1 of Part I of this Quarterly Report on Form 10-Q under the caption "Legal Matters" is incorporated by reference herein.

Item 1A. Risk Factors.

There have been no material changes to risk factors previously disclosed in Item 1A of our Annual Report on Form 10-K for the year ended December 31, 2022 December 31, 2023.

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

Company Purchases of Equity Securities

In November 2010, we announced that our Board of Directors approved a program to repurchase $1.5 billion of our common stock in open market purchases or other types of transactions (including accelerated stock repurchases or privately negotiated transactions). Since then, various increases totaling $16.4 billion have been approved and announced, including most recently, an increase to the share repurchase program to a total availability of $6.0 billion on July 28, 2016. During the third first quarter of 2023, 2024, we did not purchase any shares under our publicly announced share repurchase program, which had remaining authorization of $2.36 billion at September 30, 2023 March 31, 2024.

Item 6. Exhibits.

Exhibit No.		Description of Document
(10)		**Material Contracts**
	(a)	Insurance Procurement Form of Terms and Indemnification Agreement, dated as of July 25, 2023 Conditions for Performance Share Units under ViacomCBS Inc. 2009 Long-Term Incentive Plan (filed herewith).*
(31)		**Rule 13a-14(a)/15d-14(a) Certifications**
	(a)	Certification of the Chief Executive Officer of Paramount Global pursuant to Rule 13a-14(a), or 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes Oxley Act of 2002 (filed herewith).
	(b)	Certification of the Chief Financial Officer of Paramount Global pursuant to Rule 13a-14(a), or 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes Oxley Act of 2002 (filed herewith).
(32)		**Section 1350 Certifications**
	(a)	Certification of the Chief Executive Officer of Paramount Global furnished pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes Oxley Act of 2002 (furnished herewith).
	(b)	Certification of the Chief Financial Officer of Paramount Global furnished pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes Oxley Act of 2002 (furnished herewith).
(101)		**Interactive Data File**
		101. INS XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
		101. SCH Inline XBRL Taxonomy Extension Schema.
		101. CAL Inline XBRL Taxonomy Extension Calculation Linkbase.
		101. DEF Inline XBRL Taxonomy Extension Definition Linkbase.
		101. LAB Inline XBRL Taxonomy Extension Label Linkbase.
		101. PRE Inline XBRL Taxonomy Extension Presentation Linkbase.
(104)		**Cover Page Interactive Data File** (formatted as Inline XBRL and contained in Exhibit 101).

*Management contract or compensatory plan or arrangement.

SIGNATURES

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

PARAMOUNT GLOBAL
(Registrant)

Date: November 2, 2023 April 29, 2024	/s/ Naveen Chopra
	Naveen Chopra *Executive Vice President,* *Chief Financial Officer*
Date: November 2, 2023 April 29, 2024	/s/ Katherine Gill-Charest
	Katherine Gill-Charest *Executive Vice President, Controller and* *Chief Accounting Officer*

Exhibit 10(a)

INSURANCE PROCUREMENT AND INDEMNIFICATION AGREEMENT

This Insurance Procurement Paramount Global

[_] Terms and Indemnification Agreement (“Agreement” Conditions to the Performance Share Units

Granted under the ViacomCBS Inc. 2009 Long-Term Incentive Plan

ARTICLE I
TERMS OF PERFORMANCE SHARE UNITS

Section 1.1 Grant of Performance Share Units. Paramount Global, a Delaware corporation (f/k/a ViacomCBS Inc., the “Company”), has awarded the Participant Performance Share Units (the “Performance Share Units” or “PSUs”) is under the ViacomCBS Inc. 2009 Long-Term Incentive Plan, as amended from time to time (the “Plan”). The PSUs have been awarded to the Participant subject to the terms and conditions contained in (A) the certificate for the grant of PSUs, dated [__], that was previously delivered to the Participant (the “Performance Share Units Certificate” or the “Certificate”), (B) the terms and conditions contained herein and (C) the Plan, the terms of which are hereby entered into between Candace K. Beinecke, Barbara M. Byrne, Gary L. Countryman, Linda M. Griego, Robert Klieger, Joseph Ianniello, Martha L. Minow, Susan Schuman, Frederick O. Terrell, Strauss Zelnick, incorporated by reference (the items listed in (A), (B), and Shari Redstone (together, “Insureds” (C), collectively, the “Terms and Conditions”), . A copy of the Plan and the Prospectus dated [__] has been or will be made available to the Participant on the one hand, Morgan Stanley (or its successor’s) website or has been attached hereto.

Capitalized terms that are not otherwise defined herein have the meanings assigned to them in the Terms and Paramount Global (successor-in-interest Conditions. Performance Share Units are notional units of measurement and represent the right to CBS Corporation) (“Paramount”), receive a number of shares of the Class B Common Stock based on the other hand. Insureds and Paramount are referred to herein individually as a “Party” and collectively as the “Parties.”

RECITALS

Company’s performance against specific pre-determined goals.

WHEREAS, Insureds have been sued in civil lawsuits consolidated in an action pending Section 1.2 Terms of Performance Share Units.

(a) PSUs shall be tied to the achievement of relative total shareholder return or “Relative TSR”, as defined herein, measured over a three-year Performance Period commencing on [__] and ending [__], with the number of PSUs earned and underlying Shares delivered following the Determination Date based on the percentile rank of the Company’s TSR relative to the TSR of each other entity in the Delaware Court of Chancery captioned *In re CBS Corporation Stockholder Class Action Reference Group,* and *Derivative Litigation*, Consolidated Civil Action No. 2020-0111-SG (the “CBS Action”), filed in connection with, among other things, the December 4, 2019 merger of CBS Corporation and Viacom Inc.;

WHEREAS, on May 26, 2023, the underlying parties determined according to the CBS Action, inclusive of the Insureds, entered and filed with the Court of Chancery in the CBS Action a Stipulation and Agreement of Settlement, Compromise, and Release (the "Stipulation of Settlement") in which they agreed to resolve the CBS Action for a settlement payment of $167.5 million (the "CBS Action Payment");

WHEREAS, the Stipulation of Settlement states that Paramount will receive the proceeds of the CBS Action Payment, less certain attorneys' fees and costs;

WHEREAS, the Stipulation of Settlement states that the CBS Action Payment is to be funded to a substantial extent from the proceeds of directors and officers liability ("D&O") insurance policies issued to CBS Corporation for the period November 15, 2017 to November 15, 2018 (the "Policy Period");

WHEREAS, certain of the D&O insurance policies providing funding for the CBS Action Payment provide coverage to directors and officers of CBS Corporation, including the Insureds (the "Side A Policies");

WHEREAS, the Insureds, Paramount, the Side A Insurers, and certain other parties currently are contemplating a settlement agreement and release with the various insurers issuing the Side A Policies that would provide funding towards the CBS Action Payment (the "Side A Insurer Settlement Agreement"); following schedule:

WHEREAS,

Award Schedule
• **If the Company achieves less than the 25th percentile Relative TSR, the PSUs will be forfeited**
• **If the Company achieves the 25th percentile Relative TSR, the number of Shares to be delivered under the award will be 80% of the Target Award**
• **If the Company achieves the 50th percentile Relative TSR, the number of Shares to be delivered under the award will be 100% of the Target Award**
• **If Company achieves the 75th percentile Relative TSR or greater, the number of Shares to be delivered under the award will be 120% of the Target Award**

For Paramount Global Relative TSR achievement at an intermediate point between the Side A Insurer Settlement Agreement requires 25th and 50th percentile, or between the Insureds 50th percentile and the 75th percentile, the number of Shares to release coverage be delivered will be interpolated between the respective percentages of Target Award at each of the percentiles. For example, if the Company were to achieve the 60th percentile Relative TSR, 108% of the Target Award would be delivered pursuant to this Section 1.2(a). Fractional Shares shall be rounded up to the nearest whole share.

For purposes of determining the Company's percentile rank, (i) any entity that filed for all current and future, known and unknown claims bankruptcy protection under the Side A Policies; United States Bankruptcy Code during the Performance Period shall be assigned the lowest order of any entity in the Reference Group, and (ii) any entity that is acquired during the Performance Period, or otherwise no longer listed on a national securities exchange at the end of the Performance Period, shall be excluded from the Reference Group.

WHEREAS, under

Except as otherwise provided herein, the Side A Insurer PSUs earned shall vest on the Determination Date, subject to the Participant's continuous Service with the Company from the Date of Grant through the Determination Date. Any PSUs applicable to the Performance Target(s) and Performance Period that are no longer eligible to vest (due to the failure to achieve the applicable Performance Target achievement level(s)) shall immediately be forfeited and cancelled on the Determination Date, and the Participant shall not be entitled to any compensation or other amount with respect thereto.

(b) Settlement Agreement, and Delivery of Shares. Shares delivered in settlement of the Side A Insurers Performance Share Units will be delivered to the Participant (or, in the case of the Participant's death, to the person or persons who acquired the right to receive such shares by will, the laws of descent and distribution, or beneficiary designation), net of any shares withheld for Tax-Related Items pursuant to Section 4.2, as soon as administratively practicable following the Determination Date and the Committee's certification as to the Company's Relative TSR performance for the Performance Period; *provided, however*, that in no event shall settlement occur later than March 15th of the calendar year following the Determination Date. The Company will settle vested PSUs by delivering the corresponding number of shares of Class B Common Stock (subject to withholding to satisfy Tax-Related Items) to the Participant's stock plan account maintained with Morgan Stanley (or its successor as service provider to the Company's equity compensation plans). Following settlement, the Participant may direct Morgan Stanley (or its successor) to sell some or all of such shares, may leave such shares in such stock plan account or may transfer them to an account that the Participant maintains with a full release bank or broker by following the instructions made available to the Participant by the Company or on behalf of their coverage obligations under the Side A Policies for less Company by Morgan Stanley or its successor, as applicable. To the extent such shares are automatically swept from the Participant's Morgan Stanley stock plan account to a companion brokerage account maintained by an affiliate of Morgan Stanley, references to Morgan Stanley in the immediately preceding sentence shall include such Morgan Stanley affiliate that maintains the companion brokerage account.

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

WHEREAS, The decision to pay a dividend and, if so, the Insureds amount of any such dividend, is determined by the Company in its sole discretion. Accrued Dividend Equivalents will not be paid with respect to any PSUs that are cancelled. Dividend Equivalents will not be credited with any interest or other return between the date they accrue and Paramount agree that Paramount will use reasonable best efforts the date they are paid to procure new Side A insurance coverage the Participant.

(d) Termination of Employment.

(1) If, at the time of a Participant's Termination of Employment, the Participant is a party to an employment agreement with the Company or one of its

Subsidiaries or is covered by a written severance arrangement for the benefit of Company employees, in either case that contains provisions different from those set forth in Section 1.2(d)(2) below, then such different provisions will control so long as they are in effect and applicable to the Insureds (and potentially others) Participant at the time of the Participant's Termination of Employment. Further, if any such written arrangement should provide for accelerated vesting of outstanding PSUs, then unless otherwise provided in the terms of such arrangement, such PSUs shall be deemed earned at the Target Award and settled as soon as administratively practicable following the Participant's termination date (without requirement by the Committee to certify performance), but in no event later than March 15th of the calendar year following the Participant's termination date. In the event that is any such provision would cause the PSUs to be subject to certain terms discussed in greater detail below (the "New Side A Coverage").

NOW, THEREFORE, in consideration the requirements of Section 409A, the vesting and settlement of the mutual promises and covenants contained herein, the Parties agree as follows:

1. **Recitals**. The above recitals are incorporated into and made part of this Agreement. PSUs shall also comply with Section 4.6 hereof.

2. (2) Effective Date. The Effective Date for this Agreement is Otherwise, in the date it has been executed by all event that the Participant incurs a Termination of the Parties.

3. **Obligations of Paramount Employment:**

(A) Paramount agrees due to use reasonable best efforts the Participant's death or Permanent Disability:

1) prior to procure the New Side A Coverage for Determination Date, then the benefit Target Award (and all unvested Dividend Equivalents accrued thereon) will be deemed earned, certification by the Committee with respect to such PSUs shall not be required, and such PSUs will be settled as soon as administratively practicable following the Participant's termination date, but in no event later than March 15th of the Directors calendar year following the Participant's termination date. Any PSUs in excess of the Target Award will be cancelled immediately; and

2) after the Determination Date and prior to settlement of the PSUs, the number of shares of Class B Common Stock that the Participant will receive will be the Shares determined in accordance with Section 1.2(a) and such Shares and any Dividend Equivalents accrued on the underlying PSUs will be delivered in accordance with Section 1.2(b) and Section 1.2(c), respectively.

(B) for any reason other than due to the Participant's death or Officers Permanent Disability, then, unless otherwise determined by the Committee, the Participant shall forfeit all unearned PSUs (and all unearned Dividend Equivalents accrued thereon) as of the date of such Termination of Employment. Any PSUs that have been earned as of the date of Termination of Employment will be settled in accordance with Section 1.2(b).

ARTICLE II
EFFECT OF CERTAIN CORPORATE CHANGES

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

ARTICLE III
DEFINITIONS

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

(a) "Board" shall mean the Board of Directors of the Company.

(b) "Certificate" shall have the meaning set forth in Section 1.1 hereof.

(c) "Class B Common Stock" shall mean shares of Class B Common Stock, par value $0.001 per share, of the Company.

(d) "Code" shall mean the U.S. Internal Revenue Code of 1986, as amended, including any successor law thereto and the rules, regulations and guidance promulgated thereunder.

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

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

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

(h) "Determination Date" means the last calendar day of the Performance Period.

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

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

(k) "Good Reason" has the meaning assigned to such term in the Side A Policies, including Participant's employment agreement with the Insureds, Company or a Subsidiary as then in effect, if any.

(l) "Participant" shall mean the employee named in the Certificate.

(m) "Performance Share Units" shall mean notional units of measurement representing the contractual right granted to the extent available at a commercially reasonable price. To the extent available at a commercially reasonable price, such New Side A Coverage will be comprised Participant to receive shares of one or more Side A-only D&O policies that are consistent with the following criteria: Class B Common Stock pursuant to this Award, subject to these Terms and Conditions.

1) (n) The "Permanent Disability" shall have the same meaning as such term or a similar term has under the long-term disability plan or policy period covered maintained by the Side A Policies (*i.e.*, November 15, 2017 to November 15, 2018), including an extended reporting period through November 15, 2024 (the "New Side A Coverage Period");

2) Aggregate per claim limits Company or a Subsidiary under which the Participant has coverage and which is in effect on the date of the policies comparable to limits onset of the Side A Policies that were unused and released pursuant to the Side A Insurer Settlement Agreement (the "Prior Limits") with no applicable retentions; Participant's disability; *provided, however*, that if the Company Participant is unable to procure New Side A Coverage with limits comparable to the Prior Limits at a commercially reasonable price, the Company agrees to use reasonable best efforts to

procure the highest limits of coverage available at a commercially reasonable price;

3) AM Best credit ratings of the insurers issuing each of the policies of A- or better; provided, however, that this subparagraph 3) shall not apply if the New Side A Coverage is obtained through a captive insurance company; and

4) Substantive terms of coverage no less favorable for coverage than the terms provided by the Side A Policies.

The Insureds and Paramount mutually agree to reasonably cooperate with each other in the placement of the New Side A Coverage. Such reasonable cooperation shall include, but is not limited to, the opportunity for the Insureds to review and provide comments to the terms of the policies before they are purchased.

Paramount agrees that, to the extent not covered by a long-term disability plan or policy, then "Permanent Disability" shall have the New Side A Coverage, it shall advance and pay all legal and other expenses incurred by the Insureds in connection with any claim brought by the Insureds against Paramount for breach of this Paragraph 3(A), to the fullest extent permitted by contract (including without limitation Section 6.04 of the Agreement and Plan of Merger by and between CBS Corporation and Viacom Inc. dated as of August 13, 2019 the ("Merger Agreement")), Paramount's By-Laws and applicable law.

(B) Paramount agrees, to indemnify and hold harmless the Insureds to the fullest extent permitted by contract (including without limitation Section 6.04 of the Merger Agreement), Paramount's By-Laws and applicable law.

4. **Nature of Paramount's Obligations.** The Parties acknowledge and mutually agree that Paramount's obligations meaning set forth in Paragraph 3 are separate from and do not supplant or replace any contractual or legal indemnification and advancement obligations Paramount may have to them related to their prior tenures as directors or officers Section 22(e) of CBS Corporation, including without limitation for defense of any claims subject to such indemnification. Notwithstanding any other provision, term or agreement contained herein the Parties do not release each other from any such contractual or legal indemnification obligations they may respectively have from another Party. Code.

5. (o) Counterparts ". This Agreement Plan" shall mean the ViacomCBS Inc. 2009 Long-Term Incentive Plan, as may be executed in one or more counterparts, each of which shall be deemed amended from time to be an original, but all such counterparts shall together constitute one and the same instrument. Scanned or copied signatures are sufficient to bind the Parties.

6. **Confidentiality.** This Agreement will be confidential and the Parties will use their best efforts to preserve its confidentiality; provided, however, that the Parties mutually agree that this Agreement or its terms may be disclosed by any Party as reasonably required for its business purposes or pursuant to legal and regulatory obligations without the need to obtain the consent of the other Parties. time.

7. (p) Authorization. "The Parties represent and warrant that they have read and understand the contents of this Agreement, they have had an opportunity to consult with counsel before signing this Agreement, and they have executed this Agreement knowingly and voluntarily. The individuals executing this Agreement represent and warrant that they are authorized to execute this Agreement on behalf of their respective Party and

this Agreement will be binding on each such Party. This Agreement may be executed on behalf of any Party by the Party's counsel with the same force and effect as if the Party had personally executed the Agreement.

8. Reference GroupSeverance. If any provision or part-provision of this Agreement is or becomes invalid, illegal or unenforceable, it shall be deemed modified" means, in addition to the minimum extent necessary to make it valid, legal and enforceable. If such modification is not possible, Company, the relevant provision or part-provision shall be deemed deleted. Any modification to or deletion of a provision or part-provision under this clause shall not affect the validity and enforceability of the rest of this Agreement. following companies:

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IN WITNESS WHEREOF, the Parties, by their duly authorized representatives, execute this Agreement by affixing their signatures below.

- [Alphabet Inc. (NASDAQ: GOOGL)
- Altice USA, Inc.
- AMC Networks Inc.

Date: 7/24/2023

- Cable One, Inc.
- Charter Communications, Inc.
- CineMark Holdings, Inc.
- Clear Channel Outdoor Holdings, Inc.

Date: 7/25/2023

- Comcast Corporation
- EchoStar Corporation
- Fox Corporation (NASDAQ: FOXA)
- Gray Television, Inc. (NYSE: GTN)

Date: 7/25/2023

- iHeartMedia, Inc.

- Netflix, Inc.

Paramount Global

- Nextstar Media Group, Inc.
- Omincom Group Inc.

/s/ Naomi Waltman

- Pinterest, Inc.

By:

EVP, Deputy General Counsel

Its:

- Roku, Inc.
- Sinclair Broadcast Group, Inc.
- Sirius XM Holdings Inc.

/s/ Jaren Janghorbani

- Snap Inc.

Candace K. Beinecke

- Spotify Technology S.A.

by: Jaren Janghorbani

- TEGNA Inc.
- The E.W. Scripps Company

/s/ Jaren Janghorbani

- The Interpublic

Group of Companies, Inc.

- IMAX Corporation

Barbara M. Byrne

- The Trade Desk, Inc.

- Liberty Global plc (NASDAQ: LBTY.K)

by: Jaren Janghorbani

- The Walt Disney Company
- TKO Group Holdings, Inc.

- Lions Gate Entertainment Corp. (NYSE: LGF.A)

Date: 7/25/2023 /s/ Jaren Janghorbani

- Meta Platforms, Inc.

Gary L. Countryman

by: Jaren Janghorbani

Date: 7/25/2023 /s/ Jaren Janghorbani

Linda M. Griego

by: Jaren Janghorbani

Date: 7/25/2023 /s/ Benjamin Britz

Joseph Ianniello

By: Benjamin Britz, counsel to Mr. Ianniello

- Warner Bros. Discovery, Inc.]

(q) "Relative TSR" means for the Class B Common Stock and for the common stock of each company in the Reference Group, the percentage change in value (positive or negative) over the Performance Period as measured by dividing (i) the sum of (A) each company's cumulative value of dividends and other distributions in respect of its common stock for the Performance Period, assuming dividend reinvestment, and (B) the difference (positive or negative) between each company's common stock price on the first and last day of the Performance Period (calculated on the basis of the average closing prices over

Date:	7/25/2023	/s/ Robert Klieger
		Robert Klieger
Date:	7/25/2023	/s/ Jaren Janghorbani
		Martha L. Minow by: Jaren Janghorbani
Date:	7/25/2023	/s/ Jaren Janghorbani
		Susan Schuman by: Jaren Janghorbani
Date:	7/25/2023	/s/ Jaren Janghorbani
		Frederick O. Terrell by: Jaren Janghorbani
Date:	7/25/2023	/s/ Jaren Janghorbani
		Strauss Zelnick by: Jaren Janghorbani
Date:	7/25/2023	/s/ Shari Redstone
		Shari Redstone

the 20-day trading period starting on the first day of the Performance Period and the average closing prices over the 20-day trading period immediately prior to and including the Determination Date, in each case, as reported by Bloomberg L.P. (or such other reporting service that the Committee may designate from time to time)); by (ii) the common stock price on the first day of the Performance Period, calculated on the basis described above. Appropriate and equitable adjustments will be made to account for stock splits and reverse stock splits. Relative TSR will be determined by the Committee in a manner consistent with this definition. For purposes of computing Relative TSR, if a company has more than one class of common stock outstanding, then only the class for which the ticker symbol is set forth in the Reference Group definition herein shall be taken into account.

(r) "Shares" means the number of shares of Class B Common Stock delivered following the Determination Date based on the Award Schedule and other provisions set forth in Section 1.2 hereof.

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

(t) "Subsidiary" shall mean a corporation or other entity with respect to which the Company owns or controls, directly or indirectly, 50% or more of the outstanding shares of stock normally entitled to vote for the election of directors (or comparable voting power), provided that the Committee may also designate any other corporation or other entity in which the Company, directly or indirectly, has an equity or similar interest corresponding to less than 50% of such voting power as a Subsidiary for purposes of the Plan.

(u) "Target Award" means the target number of shares, subject to the Company's Relative TSR performance, reflected in the Certificate.

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

(w) "Termination of Employment" shall mean, for purposes of the PSUs, when a Participant is no longer an employee of the Company or any of its Subsidiaries for any reason, including, without limitation, a reduction in force, a sale or divestiture or shut-down of the business for which the Participant works, the Participant's voluntary resignation; the Participant's resignation with Good Reason (provided such right to resign for Good Reason applies to the Participant through their employment agreement); the Participant's termination with or without cause; or the Participant's retirement, death or Permanent Disability. Also, unless the Committee determines otherwise, the employment of a Participant who works for a

Subsidiary shall terminate, for purposes of the PSUs, on the date on which the Participant's employing company ceases to be a Subsidiary. Further, unless the Committee determines or a Participant's employment agreement provides otherwise, a Participant's resignation in connection with the Participant's acceptance of an offer of employment with the purchaser in a sale of the Participant's employing company's assets will be a "voluntary resignation."

ARTICLE IV
MISCELLANEOUS

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

Section 4.2 Taxes. The Company or a Subsidiary, as appropriate, shall be entitled to deduct and withhold from any PSUs that vest and from any payment (including payment of accrued Dividend Equivalents) made with respect to the PSUs or otherwise under the Plan to the Participant, a Participant's estate or any permitted transferee or beneficiary an amount sufficient to satisfy any Tax-Related Items. The amount sufficient to satisfy the Tax-Related Items with respect to the vesting of PSUs shall be calculated by valuing the shares of Class B Common Stock on the date of vesting or such other date as determined by the Committee, in its sole discretion. Further, any shares of Class B Common Stock that are retained to satisfy the Tax-Related Items shall be valued based on the Fair Market Value on the date that the amount sufficient to satisfy the Tax-Related Items is to be determined in accordance with the foregoing sentence.

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

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

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

Section 4.4 No Restriction on Right of Company to Effect Corporate Changes. Neither the Plan, the Certificate (nor the terms set forth herein) shall affect in any way the right or power of the Company or its stockholders to make or authorize any or all adjustments, recapitalizations, reorganizations or other changes in the Company's capital structure or its business, or any merger or consolidation of the Company, or any issue of stock or of options, warrants or rights to purchase stock or of bonds, debentures, preferred or prior preference stocks whose rights are superior to or affect the Class B Common Stock or the rights thereof or which are convertible into or exchangeable for Class B Common Stock, or the dissolution or liquidation of the Company, or any sale or transfer of all or any part of its assets or business, or any other corporate act or proceeding, whether of a similar character or otherwise.

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

Section 4.6 Section 409A. The intent of the Company is that payments and distributions under these Terms and Conditions comply with Section 409A of the Code and, accordingly, to the maximum extent permitted, these Terms and Conditions shall be interpreted to be in compliance therewith. If any provision of the Certificate (or set forth herein) contravenes any regulations or Treasury guidance promulgated under Section 409A or could cause the Participant to be required to recognize income for United States federal income tax purposes with respect to any PSUs before such PSUs are settled or to be subject to any additional tax or interest under Section 409A, such provision may be modified to maintain, to the maximum extent practicable, the original intent of the applicable provision without the imposition of any additional tax or interest under Section 409A. Moreover, any discretionary authority that the Board or the Committee may have pursuant to the

Certificate shall not be applicable to PSUs that are subject to Section 409A to the extent such discretionary authority will contravene Section 409A.

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

Section 4.7 Amendment. The Committee shall have broad authority to amend the Terms and Conditions without approval of the Participant to the extent necessary or desirable (a) to comply with, or take into account changes in, applicable tax laws, securities laws, accounting rules and other applicable laws, rules and regulations or (b) to ensure that the Participant is not required to recognize income for United States federal income tax purposes with respect to any PSUs before such PSUs are settled and is not subject to additional tax or interest under Section 409A with respect to any PSUs. The Committee shall not be obligated to make any such amendment, however, and neither the Committee nor the Company makes any representation or guarantee that the PSUs will not be subject to additional tax or interest under Section 409A.

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

Section 4.9 Breach of Covenants. In the event that (i) the Participant is party to an employment agreement or other agreement with the Company or one of its Subsidiaries containing restrictive covenants relating to non-competition, no solicitation of employees, confidential information or proprietary property, and (ii) the Committee makes a good faith determination at any time that the Participant committed a material breach of any such restrictive covenants during the Participant's employment or the one-year period after termination of the Participant's employment with the Company or a Subsidiary for any reason, then *(x)* the Participant shall be required to return to the Company all Shares received by him or her as a result of the vesting of the PSUs during

the one year period prior to such breach or any time after such breach occurs, and the cash payment of related accrued Dividend Equivalents; *provided, however,* to the extent that any such Shares within the one-year period prior to such breach were sold by the Participant, the Participant shall remit to the Company any proceeds realized on the sale of such Shares, whether such sale occurred during the one year period prior to such breach or any time after such breach occurs, and (y) notwithstanding any provision of the Terms and Conditions or any other agreement between the Company and the Participant, including any agreement referenced in Section 1.2(d) hereof, under no circumstances will any unvested PSUs vest following the Committee's determination that Participant has committed a material breach.

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

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

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

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

Section 4.14 Electronic Delivery and Acceptance**.** The Company may, in its sole discretion, deliver any documents related to Awards granted under the Plan and participation in the Plan, or future Awards that may be granted under the Plan, by electronic means or request the Participant's consent to participate in the Plan by electronic means. The Participant hereby consents to receive such documents by electronic delivery and, if requested, agrees to participate in the Plan through an on-line, electronic and/or voice activated system established and maintained by the Company or a third party designated by the Company. Further, unless the Participant declines an Award by written notice to the Company no later than 30 days following the grant date or such other date that may be communicated by the Company, the Company will automatically accept the Award, subject to all terms and conditions set forth in these Terms and Conditions, the Certificate and the

Plan, on the Participant's behalf. If the Participant properly declines the Award, the Award will be cancelled and the Participant will not be entitled to any benefits from the Award nor any compensation or benefits in lieu of the cancelled Award.

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

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

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

Section 4.18 Stock Plan Accounts. If the Participant is a Plan participant in the United States, the Company shall be entitled to access the information contained in the Participant's individual stock plan account maintained by the applicable plan administrator; *provided, however*, that the Company may not disclose individual account information to third parties (other than the plan administrator), unless required by applicable law.

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

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

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

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

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Exhibit 31(a)

CERTIFICATION

I, Robert M. Bakish, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Paramount Global;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 2, 2023 April 29, 2024

/s/ Robert M. Bakish

Robert M. Bakish
President and Chief Executive Officer

Exhibit 31(b)

CERTIFICATION

I, Naveen Chopra, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Paramount Global;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 2, 2023 April 29, 2024

/s/ Naveen Chopra

Naveen Chopra

Executive Vice President, Chief Financial Officer

Exhibit 32(a)

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

In connection with the Quarterly Report of Paramount Global (the "Company") on Form 10-Q for the period ended September 30, 2023 March 31, 2024 as filed with the Securities and Exchange Commission (the "Report"), I, Robert M. Bakish, President and Chief Executive Officer of the

Company, certify that to my knowledge:

1. the Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Robert M. Bakish

Robert M. Bakish

November 2, 2023 April 29, 2024

Exhibit 32(b)

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

In connection with the Quarterly Report of Paramount Global (the "Company") on Form 10-Q for the period ended September 30, 2023 March 31, 2024 as filed with the Securities and Exchange Commission (the "Report"), I, Naveen Chopra, Executive Vice President, Chief Financial Officer of the Company, certify that to my knowledge:

1. the Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Naveen Chopra

Naveen Chopra

November 2, 2023 April 29, 2024

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