

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

FORM 8-K

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

Date of Report (Date of earliest event reported): May 3, 2022

Paramount Global

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

001-09553
(Commission
File Number)

04-2949533
(IRS Employer
Identification Number)

1515 Broadway
New York, New York
(Address of principal executive offices)

10036
(Zip Code)

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

Not Applicable
(Former name or former address, if changed since last report)

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

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

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

Title of each class	Trading 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 is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

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

Item 2.02 Results of Operations and Financial Condition.

On May 3, 2022, Paramount Global issued a press release announcing earnings for the first quarter ended March 31, 2022. A copy of the press release is furnished herewith as Exhibit 99 and is incorporated by reference herein in its entirety.

The information furnished pursuant to this Item 2.02, including Exhibit 99, shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934 or otherwise subject to the liabilities under that Section and shall not be deemed to be incorporated by reference into any filings under the Securities Act of 1933 or the Securities Exchange Act of 1934.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

<u>Exhibit Number</u>	<u>Description of Exhibit</u>
99	Press release of Paramount Global dated May 3, 2022, announcing earnings for the first quarter ended March 31, 2022.
104	Cover Page Interactive Data File (embedded within the Inline XBRL document).

SIGNATURE

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

PARAMOUNT GLOBAL

By: /s/ Christa A. D'Alimonte

Name: Christa A. D'Alimonte

Title: Executive Vice President,
General Counsel and Secretary

Date: May 3, 2022



EARNINGS PRESS RELEASE | May 3, 2022

PARAMOUNT REPORTS Q1 2022 EARNINGS RESULTS

- ★ Continued Momentum in Direct-to-Consumer (DTC), With Strong Consumer Demand in the Quarter
 - Grew Total Global Streaming Subscribers to Over 62M, Driven by 6.8M Paramount+ Subscriber Additions
 - Expanded Pluto TV Global Monthly Active Users (MAUs) to Nearly 68M
- ★ Robust Monetization in DTC, With Revenue up 82% Year-Over-Year to \$1.1 Billion
 - Achieved 95% Growth in DTC Subscription Revenue, Fueled by Paramount+
 - Generated a 59% Increase in DTC Advertising Revenue, Driven by Pluto TV
- ★ Ongoing Strength at TV Media and Filmed Entertainment Year-To-Date
 - CBS is the #1 Network For the 14th Consecutive Season
 - Paramount Pictures Opened Four #1 Films in a Row; Next Up, *Top Gun Maverick*

STATEMENT FROM
BOB BAKISH
PRESIDENT & CEO

“The first quarter once again demonstrated the power and potential of Paramount’s unique assets and the company’s continued momentum. Our differentiated playbook – including a broad content line up, a streaming business model that spans ad-supported and subscription, and a global portfolio that links streaming with theatrical and television – drove strength across our entire ecosystem, including DTC revenue growth of 82% and 6.8 million Paramount+ subscriber additions. Our strategy is working and our execution is strong, as we remain focused on delivering a great experience for consumers and a compelling financial model to our shareholders.”

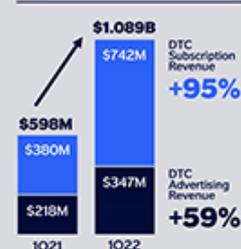
Q1 2022 CONSOLIDATED RESULTS*

- Total company revenue decreased 1%, which included an impact of 6 percentage points from CBS’s broadcast of *Super Bowl LV* in the year ago period. Excluding the Super Bowl comparison, Q1 revenue grew 5%.

\$ IN MILLIONS, EXCEPT PER SHARE AMOUNTS

GAAP	Three Months Ended March 31		
	2022	2021	B/(W)%
Revenue	\$ 7,328	\$ 7,412	(1)%
• TV Media	5,645	5,993	(6)%
• Direct-to-Consumer	1,089	598	82 %
• Filmed Entertainment	624	860	(27)%
• Eliminations	(30)	(39)	23 %
Operating income	\$ 775	\$ 1,528	(49)%
Diluted EPS from continuing operations attributable to Paramount	\$.58	\$ 1.42	(59)%
Non-GAAP[†]			
Adjusted OIBDA	\$ 913	\$ 1,627	(44)%
Adjusted diluted EPS from continuing operations attributable to Paramount	\$.60	\$ 1.52	(61)%

DTC REVENUE +82% YOY



* Non-GAAP measures are detailed in the Supplemental Disclosures at the end of this release.

† During 4Q20, Paramount entered into an agreement to sell Simon & Schuster. Simon & Schuster has been presented as a discontinued operation in the company’s consolidated financial statements for all periods.



DIRECT-TO-CONSUMER

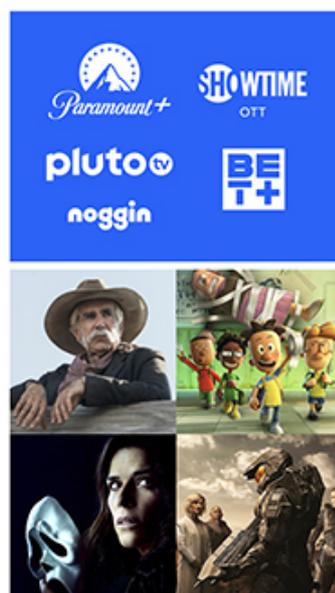
Q1 HIGHLIGHTS

- Global streaming subscribers rose to more than 62M, adding 6.3M total subscribers in the quarter.
 - Subscriber additions were driven by Paramount+, which added 6.8M subscribers in the quarter, bringing Paramount+ total subscribers to almost 40M.
 - Other DTC services subscribers declined, primarily due to timing of new programming.
- During the quarter, diverse content on Paramount+ drove strong global consumption, acquisition and engagement.
 - Average titles consumed and hours per active sub improved quarter-over-quarter across all demos highlighting improved engagement, content exploration and diversification.
 - Domestically, Paramount+ saw strong engagement and consumption from a variety of content, including *Halo*, *1883*, *Star Trek Picard*, live events and the NFL.
 - Internationally, *Acapulco Shore* was a top acquisition and engagement driver for the service.
- Pluto TV grew global Monthly Active Users (MAUs) to nearly 68M.
 - Pluto TV gained broad distribution on T-Mobile via T-Mobile Tuesdays, giving customers exclusive access to new content and original series.
 - Grew total global viewing hours by double digits year-over-year.
 - Launched over 102 new channels internationally, totaling more than 1,000 global channels.

Q1 FINANCIALS

- DTC revenue increased 82% year-over-year.
 - Subscription revenue grew 95% year-over-year, reflecting paid subscriber growth on Paramount+.
 - Advertising revenue increased 59% year-over-year, reflecting growth from Pluto TV and Paramount+ driven by increased pricing and impressions on both services.
- Adjusted OIBDA decreased \$307M year-over-year, reflecting increased investment in streaming services.

\$ IN MILLIONS	Three Months Ended March 31			
	2022	2021	\$ B/(W)	%
Revenue	\$ 1,089	\$ 598	\$ 491	82 %
• Advertising	347	218	129	59
• Subscription	742	380	362	95
Expenses	1,545	747	(798)	(107)
Adjusted OIBDA	\$ (456)	\$ (149)	\$ (307)	(206)%



Clockwise from top-left: 1883, Big Nate, HALO, Screen

GLOBAL STREAMING SUBSCRIBERS **62.4M**
↑6.3M

Paramount+
REVENUE \$85M
+148% YOY
GLOBAL SUBSCRIBERS ~40M
↑6.8M

pluto tv
REVENUE \$253M
+51% YOY
GLOBAL MAUs ~68M
↑13.1M

TV MEDIA

Q1 HIGHLIGHTS

- In Q1, Paramount's family of networks delivered the #1 share of views among leading media families.
 - CBS was the most watched broadcast network for the 14th consecutive season.
 - At CBS, ratings for the NFL Playoffs and NCAA Tournament were up double digits year-over-year and CBS had the top two scripted series, #1 new series, #1 new comedy, #1 news program, and continues to be the most-watched network in Daytime and Late Night.
 - Paramount's cable portfolio had the #1 share of viewing in every key demo.
 - MTV Entertainment Group had the #1 cable series with *Yellowstone* and 4 of the top 10 series among P18-34.
 - Nickelodeon was the #1 network with kids, and had 9 of the top 10 shows among K2-11.
 - Comedy Central was the #1 Cable Entertainment network among P18-34.

Q1 FINANCIALS

- Revenue declined 6% year-over-year, which included an impact of 8 percentage points from the comparison to CBS' broadcast of *Super Bowl LV* in the year ago period, partially offset by higher licensing and affiliate revenue. Excluding the impact of the Super Bowl, TV Media revenue grew 2%.
 - Advertising revenue decreased 13% year-over-year, primarily reflecting an impact of 17 percentage points from the comparison against CBS' broadcasts of *Super Bowl LV* in the prior-year quarter. Excluding the impact of the Super Bowl, TV Media advertising revenue grew 4%.
 - Affiliate and subscription revenue grew 1% year-over-year, as higher revenues from rate increases and expanded vMVPD distribution were somewhat offset by MVPD subscriber declines.
- Adjusted OIBDA decreased 13% year-over-year, primarily driven by the comparison to the Super Bowl broadcast in the prior-year period, and higher costs in 2022 associated with more original programming.

	Three Months Ended March 31				
	2022	2021	\$ B/(W)	%	
Revenue	\$ 5,645	\$ 5,993	\$ (348)	(6)%	
• Advertising	2,521	2,888	(367)	(13)	
• Affiliate and subscription	2,093	2,083	15	1	
• Licensing and other	1,026	1,022	4	—	
Expenses	4,101	4,228	127	3	
Adjusted OIBDA	\$ 1,544	\$ 1,765	\$ (221)	(13)%	

\$ IN MILLIONS



Clockwise from top-left: *Jersey Shore Family Vacation* (MTV), *Blaze and the Monster Machines* (Nickelodeon), *Ghost* (CBS), NCAA Tournament (CBS Sports)



Source: Nielsen Media Research

#1 PORTFOLIO IN SHARE OF VIEWING AMONG KEY DEMOS

P2+, P2-11, P12-17, P12-34, P18-34, P18-49, P25-54, P2-49

THE MOST TOP 25 CABLE NETWORKS

P18-34, P18-49

#1 NETWORK FOR KIDS

TOP 2 KIDS PROGRAMS
#1 *Blaze & the Monster Machines*
#2 *Patrick Star Show*

9 OF THE TOP 10 CABLE SERIES
Among K2-11



CABLE'S MOST-WATCHED TELECAST SINCE 2017
Yellowstone Season 4 finale



#1 PREMIUM SCRIPTED ORIGINAL
Dexter: New Blood



#1 CABLE COMEDY SERIES
Among key adult demos

Source: Nielsen Media Research

FILMED ENTERTAINMENT

Q1 HIGHLIGHTS

- Paramount Pictures has had a phenomenal start to the year, with three #1 box-office hits during the quarter – *Scream*, *Jackass Forever*, *The Lost City* – and a fourth #1 in Q2 with *Sonic The Hedgehog 2*.

Q1 FINANCIALS

- Revenue declined 27% year-over-year, driven by lower licensing revenues, partially offset by the benefit of current quarter theatrical releases.
 - Theatrical revenue increased \$130M and includes revenues from the first quarter releases of *Scream*, *Jackass Forever* and *The Lost City* while the prior-year period was impacted by the closure or reduced capacity of movie theaters in response to COVID-19.
 - Licensing and other revenue decreased 42% year-over-year, primarily driven by the benefit in the prior-year period from the licensing of *Coming 2 America* and Tom Clancy's *Without Remorse*.
- Adjusted OIBDA declined \$216M in the quarter, due to increased marketing expense associated with in-quarter and future theatrical releases.

\$ IN MILLIONS

	Three Months Ended March 31				
	2022	2021	\$ B/(W) %		
Revenue	\$ 624	\$ 860	\$ (236)		(27)%
• Advertising	2	6	(4)		(67)
• Theatrical	131	1	130		n/m
• Licensing and other	491	853	(362)		(42)
Expenses	661	681	20		3
Adjusted OIBDA	\$ (37)	\$ 179	\$ (216)		n/m

n/m = not meaningful



THREE #1 HITS AT THE BOX OFFICE IN Q1



BALANCE SHEET & LIQUIDITY

- As of March 31, 2022, the company had \$5.3B of cash on its balance sheet and a committed \$3.5B revolving credit facility that remains undrawn.
- Repaid nearly \$2B of notes and issued \$1B of junior subordinated debt during the quarter.

\$5.3B

**CASH ON
BALANCE
SHEET**

\$3.5B

**UNDRAWN
REVOLVING
CREDIT
FACILITY**

Paramount

CBS

SHOWTIME



nickelodeon



COMEDY CENTRAL



pluto

Simon & Schuster

5



telefe

colors

ABOUT PARAMOUNT

Paramount (NASDAQ: PARA; PARAA) is a leading global media and entertainment company that creates premium content and experiences for audiences worldwide. Driven by iconic consumer brands, its portfolio includes CBS, Showtime Networks, Paramount Pictures, Nickelodeon, MTV, Comedy Central, BET, Paramount+, Pluto TV and Simon & Schuster, among others. The company delivers the largest share of the U.S. television audience and boasts one of the industry's most important and extensive libraries of TV and film titles. In addition to offering innovative streaming services and digital video products, Paramount provides powerful capabilities in production, distribution and advertising solutions.

For more information about Paramount, please visit www.paramount.com and follow @ParamountCo on social platforms.

PARA-IR



CAUTIONARY NOTE CONCERNING FORWARD-LOOKING STATEMENTS

This communication contains both historical and forward-looking statements, including statements related to our future results and performance. All statements that are not statements of historical fact are, or may be deemed to be, forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Similarly, statements that describe our objectives, plans or goals are or may be forward-looking statements. These forward-looking statements reflect our current expectations concerning future results and events; generally can be identified by the use of statements that include phrases such as "believe," "expect," "anticipate," "intend," "plan," "foresee," "likely," "will," "may," "could," "estimate" or other similar words or phrases; and involve known and unknown risks, uncertainties and other factors that are difficult to predict and which may cause our actual results, performance or achievements to be different from any future results, performance or achievements expressed or implied by these statements. These risks, uncertainties and other factors include, among others: risks related to our streaming initiatives; changes in consumer behavior, as well as evolving technologies, distribution platforms and packaging; the impact on our advertising revenues as a result of changes in consumer viewership, advertising market conditions and deficiencies in audience measurement; our ability to maintain attractive brands and our reputation, and to offer popular programming and other content; increased costs for content and other rights; competition for talent, content, audiences, subscribers, advertising and distribution; the potential for loss of carriage or other reduction in or the impact of negotiations for the distribution of our content; losses due to asset impairment charges for goodwill, intangible assets, FCC licenses and programming; risks related to our ongoing investments in new businesses, products, services and technologies, through acquisitions and other strategic initiatives; evolving business continuity, cybersecurity, privacy and data protection and similar risks; content infringement; the impact of COVID-19 and other pandemics and measures taken in response thereto; domestic and global political, economic and regulatory factors affecting our businesses generally; 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; potential conflicts of interest arising from our ownership structure with a controlling stockholder; and other factors described in our news releases and filings with the Securities and Exchange Commission, including but not limited to our most recent Annual Report on Form 10-K and reports on Form 10-Q and Form 8-K. There may be additional risks, uncertainties and factors that we do not currently view as material or that are not necessarily known. The forward-looking statements included in this communication are made only as of the date of this communication, and we do not undertake any obligation to publicly update any forward-looking statements to reflect subsequent events or circumstances.

CONTACTS

PRESS

Justin Dini

Executive Vice President
Corporate Communications
(212) 846-2724
justin.dini@paramount.com

Peter Collins

Vice President
Corporate Communications
(917) 826-4182
peter.collins@paramount.com

Justin Blaber

Senior Director
Corporate Communications
(646) 823-6616
justin.blaber@paramount.com

INVESTORS

Anthony DiClemente

Executive Vice President
Investor Relations
(917) 796-4647
anthony.diclemente@paramount.com

Jaime Morris

Senior Vice President
Investor Relations
(646) 824-5450
jaime.morris@paramount.com

Robert Amparo

Director
Investor Relations
(347) 223-1682
robert.amparo@paramount.com



Paramount

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

	Three Months Ended March 31,	
	2022	2021
Revenues	\$ 7,328	\$ 7,412
Costs and expenses:		
Operating	4,796	4,363
Selling, general and administrative	1,619	1,422
Depreciation and amortization	96	99
Restructuring and other corporate matters	57	—
Total costs and expenses	6,568	5,884
Gain on sales	15	—
Operating income	775	1,528
Interest expense	(240)	(259)
Interest income	21	13
Loss on extinguishment of debt	(73)	(128)
Other items, net	(13)	1
Earnings from continuing operations before income taxes and equity in loss of investee companies	470	1,155
Provision for income taxes	(34)	(226)
Equity in loss of investee companies, net of tax	(37)	(18)
Net earnings from continuing operations	399	911
Net earnings from discontinued operations, net of tax	42	12
Net earnings (Paramount and noncontrolling interests)	441	923
Net earnings attributable to noncontrolling interests	(8)	(12)
Net earnings attributable to Paramount	\$ 433	\$ 911
Amounts attributable to Paramount:		
Net earnings from continuing operations	\$ 391	\$ 899
Net earnings from discontinued operations, net of tax	42	12
Net earnings attributable to Paramount	\$ 433	\$ 911
Basic net earnings per common share attributable to Paramount:		
Net earnings from continuing operations	\$.58	\$ 1.44
Net earnings from discontinued operations	\$.06	\$.02
Net earnings	\$.65	\$ 1.46
Diluted net earnings per common share attributable to Paramount:		
Net earnings from continuing operations	\$.58	\$ 1.42
Net earnings from discontinued operations	\$.06	\$.02
Net earnings	\$.64	\$ 1.44
Weighted average number of common shares outstanding:		
Basic	649	622
Diluted	651	631

(a) Diluted net earnings per common share ("EPS") for the three months ended March 31, 2022, excludes the effect of the assumed conversion of our 5.75% Series A Mandatory Convertible Preferred Stock to shares of common stock since it would have been antidilutive. As a result, in the calculations of diluted EPS the weighted average number of diluted shares outstanding does not include the assumed issuance of shares upon conversion of preferred stock, and preferred stock dividends recorded during the three months ended March 31, 2022 of \$14 million are deducted from net earnings from continuing operations and net earnings, as applicable.

PARAMOUNT GLOBAL AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(Unaudited; in millions, except per share amounts)

	At March 31, 2022	At December 31, 2021
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ 5,302	\$ 6,267
Receivables, net	7,263	6,984
Programming and other inventory	950	1,504
Prepaid expenses and other current assets	1,245	1,176
Current assets of discontinued operations	594	745
Total current assets	15,354	16,676
Property and equipment, net	1,706	1,736
Programming and other inventory	14,180	13,358
Goodwill	16,561	16,584
Intangible assets, net	2,760	2,772
Operating lease assets	1,614	1,630
Deferred income tax assets, net	1,280	1,206
Other assets	3,771	3,824
Assets held for sale	—	19
Assets of discontinued operations	817	815
Total Assets	\$ 58,043	\$ 58,620
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities:		
Accounts payable	\$ 977	\$ 800
Accrued expenses	1,960	2,323
Participants' share and royalties payable	2,172	2,159
Accrued programming and production costs	1,687	1,342
Deferred revenues	1,055	1,091
Debt	15	11
Other current liabilities	1,374	1,182
Current liabilities of discontinued operations	483	571
Total current liabilities	9,723	9,479
Long-term debt	16,797	17,698
Participants' share and royalties payable	1,310	1,244
Pension and postretirement benefit obligations	1,914	1,946
Deferred income tax liabilities, net	1,067	1,063
Operating lease liabilities	1,579	1,598
Program rights obligations	429	404
Other liabilities	1,753	1,898
Liabilities of discontinued operations	209	213
Redeemable noncontrolling interest	105	107
Commitments and contingencies		
Paramount stockholders' equity:		
5.75% Series A Mandatory Convertible Preferred Stock, par value \$0.01 per share; 25 shares authorized and 10 shares issued (2022 and 2021)	—	—
Class A Common Stock, par value \$0.01 per share; 55 shares authorized; 41 shares issued (2022 and 2021)	—	—
Class B Common Stock, par value \$0.01 per share; 5,000 shares authorized; 1,111 (2022) and 1,110 (2021) shares issued	1	1
Additional paid-in capital	32,946	32,918
Treasury stock, at cost; 503 (2022 and 2021) Class B shares	(22,958)	(22,958)
Retained earnings	14,599	14,343
Accumulated other comprehensive loss	(1,924)	(1,902)
Total Paramount stockholders' equity	22,664	22,402
Noncontrolling interests	493	568
Total Equity	23,157	22,970
Total Liabilities and Equity	\$ 58,043	\$ 58,620

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

	Three Months Ended March 31,	
	2022	2021
Operating Activities:		
Net earnings (Paramount and noncontrolling interests)	\$ 441	\$ 923
Less: Net earnings from discontinued operations, net of tax	42	12
Net earnings from continuing operations	399	911
Adjustments to reconcile net earnings from continuing operations to net cash flow provided by operating activities from continuing operations:		
Depreciation and amortization	96	99
Deferred tax (benefit) provision	(62)	95
Stock-based compensation	36	52
Gain on sales	(15)	—
Loss on extinguishment of debt	73	128
Equity in loss of investee companies, net of tax	37	18
Change in assets and liabilities	(269)	348
Net cash flow provided by operating activities from continuing operations	295	1,651
Net cash flow provided by operating activities from discontinued operations	102	72
Net cash flow provided by operating activities	397	1,723
Investing Activities:		
Investments	(59)	(40)
Capital expenditures	(52)	(62)
Proceeds from dispositions	31	213
Other investing activities	—	(25)
Net cash flow (used for) provided by investing activities	(80)	86
Financing Activities:		
Proceeds from issuance of long-term debt	1,028	25
Repayment of long-term debt	(2,009)	(2,117)
Dividends paid on preferred stock	(14)	—
Dividends paid on common stock	(158)	(151)
Proceeds from issuance of preferred stock	—	983
Proceeds from issuance of common stock	—	1,672
Payment of payroll taxes in lieu of issuing shares for stock-based compensation	(9)	(35)
Proceeds from exercise of stock options	—	408
Payments to noncontrolling interests	(77)	(27)
Other financing activities	(32)	(35)
Net cash flow (used for) provided by financing activities	(1,271)	723
Effect of exchange rate changes on cash and cash equivalents	(11)	(19)
Net (decrease) increase in cash, cash equivalents and restricted cash	(965)	2,513
Cash, cash equivalents and restricted cash at beginning of year (includes \$135 (2021) of restricted cash)	6,267	3,119
Cash, cash equivalents and restricted cash at end of period (includes \$133 (2021) of restricted cash)	\$ 5,302	\$ 5,632

SUPPLEMENTAL DISCLOSURES REGARDING NON-GAAP FINANCIAL MEASURES
(Unaudited; in millions, except per share amounts)

Results for the three months ended March 31, 2022 and 2021 included certain items identified as affecting comparability. Adjusted operating income before depreciation and amortization ("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 (together, the "adjusted measures") exclude the impact of these items and are measures of performance not calculated in accordance with accounting principles generally accepted in the United States of America ("GAAP"). We use these measures to, among other things, evaluate our operating performance. These measures are among the primary measures used by management for planning and forecasting of future periods, and they are important indicators of our operational strength and business performance. In addition, we use Adjusted OIBDA to, among other things, value prospective acquisitions. We believe these measures are relevant and useful for investors because they allow investors to view performance in a manner similar to the method used by our management; provide a clearer perspective on our underlying performance; and make it easier for investors, analysts and peers to compare our operating performance to other companies in our industry and to compare our year-over-year results.

Because the adjusted measures are measures of performance not calculated in accordance with GAAP, they should not be considered in isolation of, or as a substitute for, operating income, earnings from continuing operations before income taxes, provision/benefit for income taxes, net earnings from continuing operations attributable to Paramount or diluted EPS from continuing operations, 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.

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

	Three Months Ended	
	March 31,	
	2022	2021
Operating income (GAAP)	\$ 775	\$ 1,528
Depreciation and amortization	96	99
Restructuring and other corporate matters ^(a)	57	—
Gain on sales ^(a)	(15)	—
Adjusted OIBDA (Non-GAAP)	\$ 913	\$ 1,627

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

SUPPLEMENTAL DISCLOSURES REGARDING NON-GAAP FINANCIAL MEASURES (Continued)
(Unaudited; in millions, except per share amounts)

	Three Months Ended March 31, 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)	\$ 470	\$ (34)	\$ 391	\$.58
Items affecting comparability:				
Restructuring and other corporate matters ^(a)	57	(12)	45	.07
Gain on sales ^(b)	(15)	4	(11)	(.02)
Loss on extinguishment of debt	73	(17)	56	.09
Discrete tax items ^(c)	—	(78)	(78)	(.12)
Adjusted (Non-GAAP)	\$ 585	\$ (137)	\$ 403	\$.60

(a) Reflects restructuring charges of \$18 million, consisting of severance costs, and a charge of \$39 million, principally to reserve against amounts due from counterparties in Russia, Belarus and Ukraine, following Russia's invasion of Ukraine.

(b) Reflects a gain 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) 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.

	Three Months Ended March 31, 2021			
	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)	\$ 1,155	\$ (226)	\$ 899	\$ 1.42
Items affecting comparability:				
Loss on extinguishment of debt	128	(30)	98	.16
Gain from investments ^(a)	(20)	5	(15)	(.03)
Discrete tax items ^(b)	—	(21)	(21)	(.03)
Adjusted (Non-GAAP)	\$ 1,263	\$ (272)	\$ 961	\$ 1.52

(a) Reflects an unrealized gain from an increase in the fair value of a marketable security.

(b) Primarily reflects tax benefits from the resolution of certain state income tax matters and excess tax benefits from the vesting or exercise of stock-based compensation awards.