

Warner Bros. Discovery stock plunges on \$10 bn quarterly loss

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Warner Bros. Discovery's share price plunged more than 10 percent after-hours on Wednesday after it reported a quarterly loss of almost \$10

billion.

Almost all of the loss was down to a \$9.1 billion write-down in the value of the US media giant's [cable network](#), it announced in a statement, underscoring the challenges facing the legacy television industry.

Warner Bros. Discovery shares fell more than 10.6 percent in after-hours trading after its results were published.

The write-down "was triggered in response to the difference between [market capitalization](#) and book value," the statement read, referring to the discrepancy between company and market valuations of the business.

It was also the result of "continued softness in the US linear advertising market, and uncertainty related to affiliate and sports rights renewals, including the NBA," the statement added, a possible nod to the failure of its cable subsidiary TNT to guarantee it will carry National Basketball Association games after next season.

The company's total revenues were \$9.7 billion for the three months ending June 30th, down from almost \$10.4 billion during the same period last year, the company said. Net losses were almost \$10.0 billion—far greater than in the [second quarter](#) of 2023.

Warner Bros. Discovery's poor second quarter came two years after it was formed by a merger between WarnerMedia and Discovery, whose chief executive David Zaslav now runs the vast media conglomerate.

"Two-plus years after launching our company, we are still in the midst of a long-term transition, marked by many notable progress points as well as some tough challenges," Zaslav said during an earnings call on Wednesday.

"Our direct-to-consumer business is doing very, very well, and we see a tremendous amount of upside," he added. "At the same time, there are tough conditions in the legacy business."

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