



DISCOVERY COMMUNICATIONS REPORTS FIRST QUARTER 2014 RESULTS

First Quarter 2014 Financial Highlights:

- Revenues increased 22% to \$1,411 million
- Adjusted OIBDA increased 5% to \$525 million
- Free cash flow increased 103% to \$213 million
- Repurchased 3.4 million shares of common stock for \$266 million

Silver Spring, Maryland – May 6, 2014: Discovery Communications, Inc. (“Discovery” or the “Company”) (NASDAQ: DISCA, DISCB, DISCK) today reported financial results for the first quarter ended March 31, 2014.

David Zaslav, Discovery’s President and Chief Executive Officer, said, “Discovery’s strong organic growth continued during the first quarter as our unparalleled global reach and sustained investment in diverse and engaging content allowed us to capitalize on the growing demand for pay-tv programming worldwide. The larger audiences and consistent market share gains we are delivering are driving sustained financial results, even as we further invest in our platforms and integrate strategic acquisitions that will enhance our long-term growth prospects. As we look to the remainder of 2014, leveraging the significant opportunities across our existing asset portfolio remains our priority so we can maintain our financial momentum while further building long-term shareholder value.”

First Quarter Results

First quarter revenues of \$1,411 million increased \$255 million, or 22%, over the first quarter a year ago, led by 51% growth at International Networks and 3% growth at U.S. Networks. Adjusted Operating Income Before Depreciation and Amortization⁽¹⁾ (“OIBDA”) increased 5% to \$525 million, as International Networks were up 18% and U.S. Networks were up 2%. Excluding the impact of the SBS Nordic acquisition⁽²⁾, foreign currency fluctuations and digital licensing agreements, total Company revenues increased 8% and Adjusted OIBDA increased 6%.

First quarter net income available to Discovery Communications, Inc. of \$230 million (\$0.66 per diluted share)⁽³⁾ was in-line with last year's net income of \$231 million (\$0.63 per diluted share), as the strong operating performance in the current year and lower stock based compensation expense were more than offset by increased amortization associated with the purchase price allocation for the SBS Nordic transaction and higher other income in the prior year, primarily due to a \$92 million gain associated with the consolidation of Discovery Japan. Adjusted Earnings Per Diluted Share⁽⁴⁾ (“Adjusted EPS”), which excludes the impact of the amortization of acquisition related intangible assets, was \$0.75 per diluted share in the first quarter of this year compared with \$0.63 per diluted share in the same period a year ago.

(1) Note that beginning this period certain foreign currency transaction gains and losses have been reclassified to other income. See page 4 for more detail and for the full definition of Adjusted Operating Income Before Depreciation and Amortization.

(2) SBS Nordic was acquired in April 2013. See page 10 for reconciliation to results excluding SBS Nordic.

(3) All per share amounts are calculated using Net Income Available to Discovery Communications, Inc. stockholders. See table on page 12 for the reconciliation.

(4) See the full definition of Adjusted Earnings Per Diluted Share on page 5.

Free cash flow was \$213 million for the first quarter, an increase of \$108 million or 103% from the first quarter of 2013, primarily due to increased operating performance, lower tax payments and a decline in losses from derivatives partially offset by higher content payments and increased stock-based compensation. Free cash flow is defined as cash provided by operating activities less purchases of property and equipment.

SEGMENT RESULTS

(dollars in millions)

| | Three Months Ended March 31, | | |
|-----------------------------|-------------------------------------|-----------------|---------------|
| | 2014 | 2013 | Change |
| Revenues: | | | |
| U.S. Networks | \$ 708 | \$ 686 | 3 % |
| International Networks | 671 | 444 | 51 % |
| Education | 32 | 27 | 19 % |
| Corporate and Eliminations | — | (1) | NM |
| Total Revenues | \$ 1,411 | \$ 1,156 | 22 % |
| Adjusted OIBDA: | | | |
| U.S. Networks | \$ 383 | \$ 377 | 2 % |
| International Networks | 221 | 187 | 18 % |
| Education | 6 | 7 | (14)% |
| Corporate and Eliminations | (85) | (71) | (20)% |
| Total Adjusted OIBDA | \$ 525 | \$ 500 | 5 % |

U.S. Networks

(dollars in millions)

| | Three Months Ended March 31, | | |
|-----------------------|-------------------------------------|---------------|---------------|
| | 2014 | 2013 | Change |
| Revenues: | | | |
| Distribution | \$ 319 | \$ 308 | 4 % |
| Advertising | 373 | 356 | 5 % |
| Other | 16 | 22 | (27)% |
| Total Revenues | \$ 708 | \$ 686 | 3 % |
| Adjusted OIBDA | \$ 383 | \$ 377 | 2 % |
| Adjusted OIBDA Margin | 54% | 55% | |

U.S. Networks' revenues in the first quarter of 2014 were up 3% to \$708 million, driven by advertising and distribution revenue growth. Advertising revenues increased 5% mainly due to higher pricing. Distribution revenues increased 4% as higher rates were partially offset by additional revenues from licensing agreements in the first quarter of 2013. Other revenues declined by 27% due to a decrease in content production contracts. Excluding the impact of licensing agreements, distribution revenues increased 6% and total revenues increased 4% over the prior year's quarter.

Adjusted OIBDA increased 2% to \$383 million, primarily reflecting the 3% revenue growth which was partially offset by 5% higher operating expenses, mainly due to increased marketing costs. Excluding the impact of licensing agreements, Adjusted OIBDA grew 3% over last year's first quarter.

International Networks

(dollars in millions)

| | Three Months Ended March 31, | | |
|-----------------------|-------------------------------------|---------------|---------------|
| | 2014 | 2013 | Change |
| Revenues: | | | |
| Distribution | \$ 338 | \$ 275 | 23% |
| Advertising | 316 | 152 | 108% |
| Other | 17 | 17 | —% |
| Total Revenues | <u>\$ 671</u> | <u>\$ 444</u> | 51% |
| Adjusted OIBDA | \$ 221 | \$ 187 | 18% |
| Adjusted OIBDA Margin | 33% | 42% | |

International Networks' revenues for the first quarter increased 51% to \$671 million, as advertising revenues were up 108% and distribution revenues were up 23%. Excluding SBS Nordic and foreign currency fluctuations, total revenues were up 13%. Advertising revenues, excluding SBS Nordic, were up 23% in local currency terms, primarily due to increased viewership and higher pricing in Western Europe as well as pricing growth in CEEMEA and the Nordics and volume increases in Latin America. Distribution revenues, excluding SBS Nordic, grew 10% in local currency terms mainly from increased subscribers and higher rates in Latin America and CEEMEA.

Adjusted OIBDA increased to \$221 million, up 18% on both a reported basis as well as excluding SBS Nordic and foreign currency fluctuations, reflecting the 13% revenue growth partially offset by a 10% increase in operating expenses. The higher operating expenses were primarily due to increased content amortization, marketing expenses and personnel costs.

Education

(dollars in millions)

| | Three Months Ended March 31, | | |
|-----------------------|-------------------------------------|-------------|---------------|
| | 2014 | 2013 | Change |
| Revenues | \$ 32 | \$ 27 | 19 % |
| Adjusted OIBDA | \$ 6 | \$ 7 | (14)% |
| Adjusted OIBDA Margin | 19% | 26% | |

Education revenues for the first quarter increased by \$5 million due to higher licensing revenues as well as additional revenues due to a business combination. Adjusted OIBDA decreased by \$1 million compared to the first quarter of 2013, as the revenue growth was more than offset by investment in new products as well as integration costs resulting from the business combination.

Corporate and Eliminations

Adjusted OIBDA decreased by \$14 million compared to the first quarter a year ago, primarily due to the acceleration of certain stock-based compensation expense as well as increased professional and strategic transaction costs.

STOCK REPURCHASE

During the quarter, the Company, pursuant to its existing stock repurchase program, repurchased 3.4 million shares of its Series C common stock for an aggregate purchase price of \$266 million at an average price of \$77.80

per share. Following the quarter, from April 1, 2014 through May 2, 2014, the Company repurchased 2.6 million shares of its Series C common stock for approximately \$194 million.

The Company has repurchased 76.0 million shares of Series C common stock and 2.8 million shares of its Series A common stock under its stock repurchase program to date at an aggregate purchase price of approximately \$4.0 billion. In aggregate, including the 17.73 million preferred shares acquired from Advance/Newhouse Programming Partnership and from Advance Programming Holdings, LLC, the Company has repurchased 23% of its outstanding shares since buyback activity was authorized in 2010.

Under the stock repurchase program, management is authorized to purchase shares of common stock from time to time through open market purchases at prevailing prices or privately negotiated purchases or pursuant to one or more accelerated stock repurchase agreements or other derivatives, subject to market conditions and other factors.

OTHER ITEMS

In March 2014, Discovery Communications, LLC, a subsidiary of the Company, completed the issuance of €300 million 2.375% Senior Notes due 2022. The Company intends to use the net proceeds to fund the acquisition of a controlling stake in Eurosport International and for general corporate purposes.

FULL YEAR 2014 OUTLOOK

For the full year ending December 31, 2014, Discovery Communications, Inc. expects total revenue between \$6.45 billion and \$6.625 billion, Adjusted OIBDA between \$2.6 billion and \$2.725 billion, and net income available to Discovery Communications, Inc. between \$1.2 billion and \$1.3 billion. Our outlook incorporates current foreign exchange rates for revenues and expenses, the current share price for mark-to-market equity-based compensation calculations, and assumes that the Eurosport transaction closes during the second quarter of 2014.

NON-GAAP FINANCIAL MEASURES

Adjusted OIBDA, Adjusted Earnings Per Share and Free Cash Flow

In addition to the results prepared in accordance with U.S. generally accepted accounting principles (“GAAP”) provided in this release, the Company has presented Adjusted OIBDA, Adjusted EPS and free cash flow. The Company evaluates the operating performance of its segments based on financial measures such as revenues and Adjusted OIBDA. Adjusted OIBDA is defined as revenues less costs of revenues and selling, general and administrative expenses excluding: (i) mark-to-market equity-based compensation, (ii) depreciation and amortization, (iii) amortization of deferred launch incentives, (iv) exit and restructuring charges, (v) certain impairment charges, and (vi) gains and losses on business and asset dispositions.

Beginning January 1, 2014, the Company reclassified foreign currency gains (losses), net due to transaction settlements and re-measurement of working capital items from selling, general and administrative expense, which is a component of operating income, to other income (expense), net. Prior period amounts have been reclassified to conform to the current year presentation. The total foreign currency loss reclassifications were \$11 million and \$2 million for the three months ended March 31, 2014 and 2013, respectively.

The Company uses Adjusted OIBDA to assess operating results and performance of its segments, perform analytical comparisons, identify strategies to improve performance and allocate resources to each segment. The Company believes this measure is relevant to investors because it allows them to analyze the operating performance of each segment using the same metric management uses. The Company excludes mark-to-market equity-based compensation, exit and restructuring charges, certain impairment charges, and gains and losses on business and asset dispositions from the calculation of Adjusted OIBDA due to their volatility. The Company

also excludes depreciation of fixed assets and amortization of intangible assets and deferred launch incentives, as these amounts do not represent cash payments in the current reporting period.

The Company defines Adjusted EPS as earnings excluding the impact of amortization of acquisition-related intangible assets per diluted share. The Company believes Adjusted EPS is relevant to investors because it allows them to evaluate the performance of the Company's operations exclusive of the non-cash amortization of acquisition-related intangible assets that impact the comparability of results from period to period.

The Company defines free cash flow as cash provided by operating activities less acquisitions of property and equipment. The Company uses free cash flow as it believes it is an important indicator for management and investors of the Company's liquidity, including its ability to reduce debt, make strategic investments and return capital to stockholders.

Adjusted OIBDA, Adjusted EPS and free cash flow are non-GAAP measures, and should be considered in addition to, but not as a substitute for, operating income, net income, earnings per diluted share and other measures of financial performance reported in accordance with GAAP. Please review the supplemental financial schedules beginning on page 9 for reconciliations to GAAP measures.

Conference Call Information

Discovery Communications, Inc. will host a conference call today at 8:30 a.m. ET to discuss its first quarter results. To listen to the call, visit <http://discoverycommunications.com> or dial 1-800-901-5213 inside the U.S. and 1-617-786-2962 outside of the U.S., using the following passcode: 31638409.

Cautionary Statement Concerning Forward-Looking Statements

This press release contains certain "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements are based on current expectations, forecasts and assumptions that involve risks and uncertainties and on information available to the Company as of the date hereof. The Company's actual results could differ materially from those stated or implied, due to risks and uncertainties associated with its business, which include the risk factors disclosed in its Annual Report on Form 10-K filed with the SEC on February 20, 2014. Forward-looking statements include statements regarding the Company's expectations, beliefs, intentions or strategies regarding the future, and can be identified by forward-looking words such as "anticipate," "believe," "could," "continue," "estimate," "expect," "intend," "may," "should," "will" and "would" or similar words. Forward-looking statements in this release include, without limitation, statements regarding investing in our brands, strategic growth initiatives, plans for stock repurchases, the anticipated closing of our investment in Eurosport and the full year 2014 outlook. The Company expressly disclaims any obligation or undertaking to disseminate any updates or revisions to any forward-looking statement contained herein to reflect any change in the Company's expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

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DISCOVERY COMMUNICATIONS, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
(unaudited; in millions, except per share amounts)

| | Three Months Ended March 31, | |
|--|---------------------------------|---------|
| | 2014 | 2013 |
| Revenues: | | |
| Distribution | \$ 657 | \$ 583 |
| Advertising | 689 | 508 |
| Other | 65 | 65 |
| Total revenues | 1,411 | 1,156 |
| Costs and expenses: | | |
| Costs of revenues, excluding depreciation and amortization | 482 | 342 |
| Selling, general and administrative | 409 | 365 |
| Depreciation and amortization | 83 | 32 |
| Restructuring charges | 3 | 1 |
| Total costs and expenses | 977 | 740 |
| Operating income | 434 | 416 |
| Interest expense | (81) | (68) |
| Income (loss) from equity investees, net | 13 | (2) |
| Other (expense) income, net | (17) | 31 |
| Income from continuing operations before income taxes | 349 | 377 |
| Provision for income taxes | (118) | (146) |
| Net income | 231 | 231 |
| Net income attributable to redeemable noncontrolling interests | (1) | — |
| Net income available to Discovery Communications, Inc. | \$ 230 | \$ 231 |
| Basic earnings per share available to Discovery Communications, Inc. stockholders: | | |
| Net income | \$ 0.66 | \$ 0.64 |
| Diluted earnings per share available to Discovery Communications, Inc. stockholders: | | |
| Net income | \$ 0.66 | \$ 0.63 |
| Weighted average shares outstanding: | | |
| Basic | 348 | 363 |
| Diluted | 352 | 367 |

DISCOVERY COMMUNICATIONS, INC.
CONSOLIDATED BALANCE SHEETS
(unaudited; in millions)

| | March 31, 2014 | December 31, 2013 |
|---|-------------------|----------------------|
| ASSETS | | |
| Current assets: | | |
| Cash and cash equivalents | \$ 757 | \$ 408 |
| Receivables, net | 1,341 | 1,371 |
| Content rights, net | 307 | 277 |
| Deferred income taxes | 76 | 73 |
| Prepaid expenses and other current assets | 259 | 281 |
| Total current assets | 2,740 | 2,410 |
| Noncurrent content rights, net | 1,902 | 1,883 |
| Property and equipment, net | 522 | 514 |
| Goodwill | 7,370 | 7,341 |
| Intangible assets, net | 1,516 | 1,565 |
| Equity method investments | 1,080 | 1,087 |
| Other noncurrent assets | 181 | 179 |
| Total assets | \$ 15,311 | \$ 14,979 |
| LIABILITIES AND EQUITY | | |
| Current liabilities: | | |
| Accounts payable | \$ 151 | \$ 141 |
| Accrued liabilities | 947 | 992 |
| Deferred revenues | 137 | 144 |
| Current portion of debt | 18 | 17 |
| Total current liabilities | 1,253 | 1,294 |
| Noncurrent portion of debt | 6,900 | 6,482 |
| Deferred income taxes | 614 | 637 |
| Other noncurrent liabilities | 326 | 333 |
| Total liabilities | 9,093 | 8,746 |
| Redeemable noncontrolling interests | 37 | 36 |
| Equity: | | |
| Preferred stock | 2 | 2 |
| Common stock | 3 | 3 |
| Additional paid-in capital | 6,845 | 6,826 |
| Treasury stock, at cost | (3,797) | (3,531) |
| Retained earnings | 3,123 | 2,892 |
| Accumulated other comprehensive income | 4 | 4 |
| Total Discovery Communications, Inc. stockholders' equity | 6,180 | 6,196 |
| Noncontrolling interests | 1 | 1 |
| Total equity | 6,181 | 6,197 |
| Total liabilities and equity | \$ 15,311 | \$ 14,979 |

DISCOVERY COMMUNICATIONS, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(unaudited; in millions)

| | Three Months Ended March 31, | |
|---|-------------------------------------|-----------------|
| | 2014 | 2013 |
| Operating Activities | | |
| Net income | \$ 231 | \$ 231 |
| Adjustments to reconcile net income to cash provided by operating activities: | | |
| Equity-based compensation expense | 19 | 60 |
| Depreciation and amortization | 83 | 32 |
| Content amortization and impairment expense | 350 | 231 |
| Remeasurement gain on previously held equity interest | — | (92) |
| Equity in (earnings) losses and distributions from investments, net | (11) | 4 |
| Deferred income tax (benefit) expense | (35) | 134 |
| Launch amortization expense | 2 | 5 |
| Loss from hedging instruments, net | — | 39 |
| Other, net | 11 | 25 |
| Changes in operating assets and liabilities: | | |
| Receivables, net | 31 | (20) |
| Content rights | (391) | (301) |
| Accounts payable and accrued liabilities | 6 | (70) |
| Equity-based compensation liabilities | (81) | (59) |
| Income tax receivable | 53 | (62) |
| Other, net | (27) | (26) |
| Cash provided by operating activities | <u>241</u> | <u>131</u> |
| Investing Activities | | |
| Purchases of property and equipment | (28) | (26) |
| Business acquisitions, net of cash acquired | (17) | (60) |
| Hedging instruments, net | — | (39) |
| Distributions from equity method investees | 16 | — |
| Returns from (investments in) equity method investees, net | 1 | (25) |
| Cash used in investing activities | <u>(28)</u> | <u>(150)</u> |
| Financing Activities | | |
| Borrowings from debt, net of discount and issuance costs | 412 | 1,186 |
| Principal repayments of capital lease obligations | (4) | (11) |
| Repurchases of common stock | (266) | — |
| Cash proceeds from equity-based plans, net | — | 7 |
| Other financing activities, net | (2) | — |
| Cash provided by financing activities | <u>140</u> | <u>1,182</u> |
| Effect of exchange rate changes on cash and cash equivalents | <u>(4)</u> | <u>(4)</u> |
| Net change in cash and cash equivalents | 349 | 1,159 |
| Cash and cash equivalents, beginning of period | 408 | 1,201 |
| Cash and cash equivalents, end of period | <u>\$ 757</u> | <u>\$ 2,360</u> |

DISCOVERY COMMUNICATIONS, INC.
SUPPLEMENTAL FINANCIAL DATA
RECONCILIATION OF ADJUSTED OPERATING INCOME BEFORE
DEPRECIATION AND AMORTIZATION
(unaudited; in millions)

Three Months Ended March 31, 2014

| | Adjusted Operating Income Before Depreciation and Amortization | Depreciation and Amortization | Amortization of Deferred Launch Incentives | Mark-to- Market Equity-Based Compensation | Other (1) | Operating Income |
|----------------------------|---|--|---|--|------------------|-----------------------------|
| U.S. Networks | \$ 383 | \$ (3) | \$ — | \$ — | \$ (1) | \$ 379 |
| International Networks | 221 | (64) | (2) | — | (1) | 154 |
| Education | 6 | (2) | — | — | (1) | 3 |
| Corporate and Eliminations | (85) | (14) | — | (3) | — | (102) |
| Total | \$ 525 | \$ (83) | \$ (2) | \$ (3) | \$ (3) | \$ 434 |

Three Months Ended March 31, 2013

| | Adjusted Operating Income Before Depreciation and Amortization | Depreciation and Amortization | Amortization of Deferred Launch Incentives | Mark-to- Market Equity-Based Compensation | Other (1) | Operating Income |
|----------------------------|---|--|---|--|------------------|-----------------------------|
| U.S. Networks | \$ 377 | \$ (3) | \$ (2) | \$ — | \$ (1) | \$ 371 |
| International Networks | 187 | (15) | (3) | — | — | 169 |
| Education | 7 | (1) | — | — | — | 6 |
| Corporate and Eliminations | (71) | (13) | — | (46) | — | (130) |
| Total | \$ 500 | \$ (32) | \$ (5) | \$ (46) | \$ (1) | \$ 416 |

(1) For the three months ended March 31, 2014, amounts represent restructuring charges of \$3 million. For the three months ended March 31, 2013, amount represents restructuring charges of \$1 million.

DISCOVERY COMMUNICATIONS, INC.
SUPPLEMENTAL FINANCIAL DATA
RECONCILIATION OF SBS NORDIC⁽¹⁾
(unaudited; amounts in millions)

| | Three months ended March 31, | | | | |
|----------------|--|--------------------|---|--|-------------|
| | 2014 International Networks As Reported | 2014 SBS Nordic | 2014 International Networks Ex- SBS Nordic | 2013 International Networks As Reported | % Change |
| Revenues: | | | | | |
| Distribution | \$ 338 | \$ 46 | \$ 292 | \$ 275 | 6 % |
| Advertising | 316 | 128 | 188 | 152 | 24 % |
| Other | 17 | 5 | 12 | 17 | (29)% |
| Total Revenues | <u>\$ 671</u> | <u>\$ 179</u> | <u>\$ 492</u> | <u>\$ 444</u> | <u>11 %</u> |
| Adjusted OIBDA | \$ 221 | \$ 19 | \$ 202 | \$ 187 | 8 % |

| | Three months ended March 31, | | | | |
|----------------|---|--------------------|--|---|------------|
| | 2014 Total Company As Reported | 2014 SBS Nordic | 2014 Total Company Ex- SBS Nordic | 2013 Total Company As Reported | % Change |
| Revenues: | | | | | |
| Distribution | \$ 657 | \$ 46 | \$ 611 | \$ 583 | 5 % |
| Advertising | 689 | 128 | 561 | 508 | 10 % |
| Other | 65 | 5 | 60 | 65 | (8)% |
| Total Revenues | <u>\$ 1,411</u> | <u>\$ 179</u> | <u>\$ 1,232</u> | <u>\$ 1,156</u> | <u>7 %</u> |
| Adjusted OIBDA | \$ 525 | \$ 19 | \$ 506 | \$ 500 | 1 % |

(1) This reconciliation does not take into account other one-time items such as foreign exchange and licensing revenues.

DISCOVERY COMMUNICATIONS, INC.
SUPPLEMENTAL FINANCIAL DATA
SELECTED FINANCIAL DETAIL
(unaudited; in millions)

CALCULATION OF FREE CASH FLOW

| | Three Months Ended March 31, | | |
|---------------------------------------|-------------------------------------|---------------|---------------|
| | 2014 | 2013 | Change |
| Cash provided by operating activities | \$ 241 | \$ 131 | \$ 110 |
| Purchases of property and equipment | (28) | (26) | (2) |
| Free cash flow | <u>\$ 213</u> | <u>\$ 105</u> | <u>\$ 108</u> |

RECONCILIATION OF 2014 OUTLOOK TO GAAP MEASURES

| | Full Year 2014 | | | |
|--|-----------------------|----|-----------------|--|
| | 2014 | | 2013 | |
| Net income available to Discovery Communications, Inc. | \$ 1,200 | To | \$ 1,300 | |
| Interest expense, net | 375 | To | 365 | |
| Depreciation and amortization | 330 | To | 320 | |
| Other expense, including amortization of deferred launch incentives, mark-to-market equity-based compensation, asset impairment, exit and restructuring costs, gains (losses) on business disposition, gains (losses) on sale of securities, foreign currency gains (losses), equity earnings (losses) in unconsolidated affiliates, unrealized and realized gains (losses) from derivatives, income tax expense, net loss (income) attributable to noncontrolling interests, and stock dividends to preferred interests | 695 | To | 740 | |
| Adjusted OIBDA | <u>\$ 2,600</u> | To | <u>\$ 2,725</u> | |

DISCOVERY COMMUNICATIONS, INC.
SUPPLEMENTAL FINANCIAL DATA
SELECTED FINANCIAL DETAIL
(unaudited; in millions)

NET INCOME AVAILABLE TO DISCOVERY COMMUNICATIONS, INC. STOCKHOLDERS

| | Three Months Ended March 31, | |
|---|---|---------------|
| | 2014 | 2013 |
| Net Income | \$ 231 | \$ 231 |
| Net income attributable to redeemable noncontrolling interests | (1) | — |
| Net income available to Discovery Communications, Inc. | 230 | 231 |
| Redeemable noncontrolling interest adjustments to redemption value | 1 | 2 |
| Net income available to Discovery Communications, Inc. stockholders | <u>\$ 231</u> | <u>\$ 233</u> |

CALCULATION OF ADJUSTED EARNINGS PER DILUTED SHARE

| | Three Months Ended March 31, | | |
|---|-------------------------------------|----------------|----------------|
| | 2014 | 2013 | Change |
| Diluted earnings per share available to Discovery Communications, Inc. stockholders | \$ 0.66 | \$ 0.63 | \$ 0.03 |
| Amortization of acquisition-related intangible assets, net of tax | 0.09 | — | 0.09 |
| Adjusted earnings per diluted share | <u>\$ 0.75</u> | <u>\$ 0.63</u> | <u>\$ 0.12</u> |

DISCOVERY COMMUNICATIONS, INC.
SUPPLEMENTAL FINANCIAL DATA
SELECTED FINANCIAL DETAIL
(unaudited; in millions)

BORROWINGS

| | March 31, 2014 |
|--|------------------------|
| 3.70% Senior Notes, semi-annual interest, due June 2015 | \$ 850 |
| 5.625% Senior Notes, semi-annual interest, due August 2019 | 500 |
| 5.05% Senior Notes, semi-annual interest, due June 2020 | 1,300 |
| 4.375% Senior Notes, semi-annual interest, due June 2021 | 650 |
| 2.375% Senior Notes, euro denominated, annual interest, due March 2022 | 412 |
| 3.30% Senior Notes, semi-annual interest, due May 2022 | 500 |
| 3.25% Senior Notes, semi-annual interest, due April 2023 | 350 |
| 6.35% Senior Notes, semi-annual interest, due June 2040 | 850 |
| 4.95% Senior Notes, semi-annual interest, due May 2042 | 500 |
| 4.875% Senior Notes, semi-annual interest, due April 2043 | 850 |
| Capital lease obligations | 175 |
| Total debt | <u>6,937</u> |
| Unamortized discount | (19) |
| Debt, net | <u>6,918</u> |
| Current portion of debt | (18) |
| Noncurrent portion of debt | <u><u>\$ 6,900</u></u> |

EQUITY-BASED COMPENSATION

| | March 31, 2014 | | | |
|--|--|---|---|---|
| Long-Term Incentive Plans | Total Units Outstanding (in millions) | Weighted Average Grant Price | Vested Units Outstanding (in millions) | Weighted Average Grant Price |
| Unit Awards | 0.6 | \$41.17 | — | \$— |
| Stock Appreciation Rights | 6.0 | 74.71 | — | — |
| Stock Options | 8.2 | 41.71 | 5.4 | 29.71 |
| Performance-based Restricted Stock Units | 2.3 | 64.20 | 0.5 | 35.29 |
| Service-based Restricted Stock Units | 0.9 | 67.75 | — | — |
| Total Equity-based Compensation Plans | <u>18.0</u> | <u>\$56.87</u> | <u>5.9</u> | <u>\$30.18</u> |

SHARE COUNT ROLL FORWARD

| | Common | Preferred | Total |
|--|---------------|------------------|---------------|
| (Basic shares, in millions) | | | |
| Total shares outstanding as of December 31, 2013 | 234.30 | 114.50 | 348.80 |
| Shares repurchased | (3.42) | — | (3.42) |
| Shares issued – equity-based compensation | 0.67 | — | 0.67 |
| Total shares outstanding as of March 31, 2014 | <u>231.55</u> | <u>114.50</u> | <u>346.05</u> |