

Simpson Thacher Represents JPMorgan and Goldman Sachs in Bridge Financing for Approximately \$43 Billion Combination of AT&T's WarnerMedia With Discovery

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Simpson Thacher is representing JPMorgan Chase Bank, N.A., Goldman Sachs Bank, USA and Goldman Sachs Lending Partners LLC in connection with senior unsecured bridge term loans in an amount up to \$41.5 billion for Magallanes, Inc. ("Spinco"), a wholly owned subsidiary of AT&T Inc. ("AT&T"), to finance a cash dividend to be paid to AT&T in connection with AT&T's announced spin-off of WarnerMedia into Spinco and Spinco's combination with Discovery, Inc. ("Discovery"). The transaction is expected to close in mid-2022, subject to approval by Discovery shareholders and customary closing conditions, including receipt of regulatory approvals.

AT&T is a diversified, global leader in telecommunications, media and entertainment, and technology. WarnerMedia is a leading media and entertainment company that creates and distributes premium and popular content to global audiences through its consumer brands, including: HBO, HBO Max, Warner Bros., TNT, TBS, truTV, CNN, DC Entertainment, New Line, Cartoon Network, Adult Swim and Turner Classic Movies.

Discovery is a global leader in real life entertainment. Discovery delivers over 8,000 hours of original programming each year. Available in over 220 countries and territories and nearly 50 languages, Discovery is a platform innovator, reaching viewers on all screens.

The Simpson Thacher team includes Patrick Ryan, Bill Sheehan and Adam Moss (Banking and Credit); Art Robinson, David Azarkh, Patrick Baron and Pia Figuerola (Capital Markets); Patrick Naughton (M&A); Drew Purcell and Joseph Tootle (Tax); Jennifer Neilsson (Executive Compensation and Employee Benefits); Corina McIntyre (Intellectual Property); and Abram Ellis, Mark Skerry and Christine Tillema (Regulatory).

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