

Simpson Thacher Represents Initial Purchasers and Selling Securityholders in \$30 Billion Senior Notes Offering and Lenders Under \$10 Billion New Term Loan by AT&T in Connection With Combination of AT&T's WarnerMedia Business With Discovery

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The Firm represented the initial purchasers and J.P. Morgan Securities LLC and Goldman Sachs & Co. LLC, in their capacities as selling securityholders (the “selling securityholders”), in connection with the 144A/Regulation S offering by Magallanes, Inc. (“Spinco”), a wholly owned subsidiary of AT&T Inc. (“AT&T”), of eleven tranches of fixed and floating rate senior notes for an aggregate offering size of \$30 billion. The notes are being offered by Spinco and the selling securityholders, as applicable, in connection with the previously announced combination of Discovery, Inc. (“Discovery”) and the business, operations and activities that constitute a portion of the WarnerMedia segment of AT&T in a Reverse Morris Trust-type transaction. Spinco intends to use the net proceeds from the notes offering to fund the special cash payment to AT&T and pay fees and expenses related to the notes offering. The selling securityholders received the notes offered by them from AT&T in satisfaction of indebtedness held by certain of their affiliates outstanding under the Exchange Term Loan.

The Firm also represented Goldman Sachs Lending Partners LLC, as agent, and the lenders party thereto in providing a new \$10 billion senior unsecured term loan to AT&T.

AT&T is a diversified, global leader in telecommunications, media and entertainment, and technology. AT&T Communications provides more than 100 million U.S. consumers with communications and entertainment experiences across mobile and broadband. 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, serving a passionate audience of superfans around the world with content that inspires, informs and entertains. Discovery delivers over 8,000 hours of original programming each year and has category leadership across deeply loved content genres around the world. 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 included Art Robinson, David Azarkh, Patrick Baron, Matt Petrone and Pia Figuerola (Capital Markets); Patrick Ryan and Adam Moss (Banking and Credit); Andrew Purcell and Lina Pan (Tax); Kristy Fields (Executive Compensation and Employee

Benefits); Abram Ellis, Mark Skerry and Christine Tillema (Regulatory); Genevieve Dorment and Rachelle Broida (Intellectual Property); Tim Mulvihill (Environmental); and Jennie Getsin (Blue Sky).

Team and Contacts

Arthur Robinson

Partner

arobinson@stblaw.com

+1-212-455-7086

Patrick Baron

Senior Counsel

pbaron@stblaw.com

+1-212-455-7215

Pia Figuerola

Associate

pia.figueroa@stblaw.com

+1-212-455-3128

Adam Moss

Partner

adam.moss@stblaw.com

+1-212-455-2210

Lina Pan

Associate

lina.pan@stblaw.com

+1-212-455-3472

Abram Ellis

Partner

aellis@stblaw.com

+1-202-636-5579

Christine Tillema

Associate

christine.tillema@stblaw.com

+1-202-636-5559

Timothy Mulvihill

Counsel

tmulvihill@stblaw.com

+1-212-455-2394

David Azarkh

Partner

dazarkh@stblaw.com

+1-212-455-2462

Matthew Petrone

Associate

matthew.petrone@stblaw.com

+1-212-455-2831

Patrick Ryan

Partner

pryan@stblaw.com

+1-212-455-3463

Andrew Purcell

Partner

apurcell@stblaw.com

+1-212-455-3064

Kristy Fields

Counsel

kristy.fields@stblaw.com

+1-713-423-8597

Mark Skerry

Partner

mark.skerry@stblaw.com

+1-202-636-5523

Rachelle Broida

Associate

rachelle.broida@stblaw.com

+1-212-455-3544

Jennie Getsin

Counsel

jgetsin@stblaw.com

+1-212-455-7145

