



December 08, 2025

Netflix's \$72 Billion Power Move — Hollywood Enters a New Era

Netflix, Inc., the world's largest streaming platform, has made one of the boldest bets in media history by agreeing to acquire Warner Bros. Discovery for \$72 billion. This acquisition marks a pivotal moment in Hollywood, as Netflix gains control of a vast entertainment empire—including HBO Max, DC Comics, Game of Thrones, and Harry Potter.

Industry experts say this may mark the beginning of a radical reshaping of the US media landscape, consolidating power around one dominant streaming giant.

Why This Deal Matters

Netflix Gains HBO Max & Iconic Franchises

The acquisition gives Netflix ownership of major IP including Harry Potter, Game of Thrones, DC Comics, and the entire Warner Bros film and TV library—greatly strengthening its content dominance.

Strategic Push to Control Long-Term Content Rights

By owning premium franchises, Netflix reduces dependence on external studios and secures long-term rights crucial for films, series, gaming, and global expansion.

Massive Boost to Competitive Power

With Warner Bros Discovery's ~130M streaming subscribers, Netflix extends its lead over rivals like Disney and Paramount, further consolidating the streaming market.

Challenges of the Deal

Intense Antitrust & Regulatory Scrutiny

US and European regulators may challenge the deal due to concerns over reduced competition in streaming and content ownership.

High Financial Risk

A \$72bn acquisition significantly increases Netflix's financial burden, putting pressure on margins and increasing exposure if subscriber growth slows.

Integration Complexity

Merging HBO Max, Warner Bros studios, Discovery networks, and global operations could pose cultural, structural, and technological integration challenges.

Competitor Backlash & Legal Disputes

Paramount has already raised concerns about preferential treatment in the sale process, potentially leading to legal hurdles or delays.

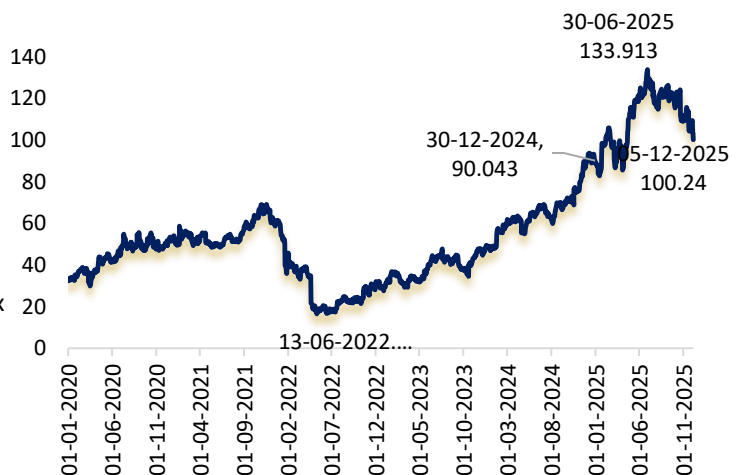
Bottom Line: Netflix's \$72bn takeover of Warner Bros Discovery doesn't just reshape streaming, it reshapes Hollywood itself. With control over some of the world's most powerful franchises and a massive global subscriber base, Netflix is positioning itself as the undisputed entertainment powerhouse of the future. Challenges around regulation and integration remain, but the message is clear: Netflix is no longer just a platform, it is becoming the center of the global media ecosystem. Overall, the acquisition positions Netflix as a more diversified, IP-rich entertainment giant, offering potential upside for long-term investors who can tolerate near-term uncertainty.

Netflix US Equity

CMP (\$)	100.24
YTD Returns (%)	12.5%
52 week high (\$)	134.115
52 week low (\$)	82.11
Mkt cap (\$)	424B

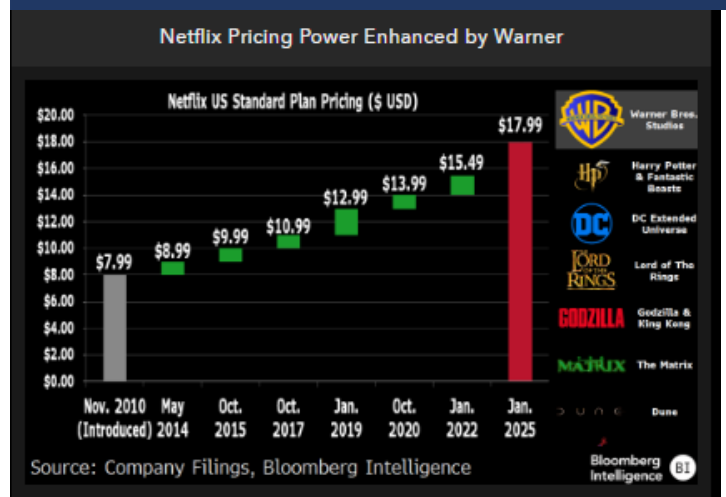
Source: Bloomberg (CMP as on 05-12-2025)

Netflix Price Trend Since 2020



Source: Bloomberg

Netflix Pricing Power



Source: Bloomberg