

Netflix - Annual 2024 Financial Report

Metric	Value
Revenue	\$9,757,214.00
Growth Rate	-3.2%
Profit Margin	8.2%

Netflix, Inc. - Annual Report 2024 **Executive Summary:** 2024 was a year of sustained growth and profitability for Netflix, as we continued to strengthen our position as the leading global streaming entertainment service. We achieved significant milestones in subscriber acquisition, content production, and technological innovation, resulting in a strong financial performance. Revenue reached \$42.5 billion, representing an 11% year-over-year increase. Operating income grew by 22% to \$8.4 billion, demonstrating continued margin expansion driven by disciplined cost management and operational efficiencies. **Revenue Performance:** Global revenue for 2024 reached \$42.5 billion, a solid increase from \$38.2 billion in the previous year. This growth was primarily driven by a net addition of 25 million paid memberships globally, bringing our total paid memberships to 265 million. North America contributed \$20 billion to total revenue, reflecting a mature market with a focus on ARPU (Average Revenue Per User) growth through plan optimization. EMEA generated \$12 billion, showcasing strong adoption of our ad-supported tier. Latin America revenue amounted to \$6 billion, benefiting from local content investment and price adjustments. APAC revenue reached \$4.5 billion, demonstrating accelerating growth driven by increasing internet penetration and strategic partnerships. **Key Business Highlights:** * Successful rollout and expansion of our ad-supported tier, now accounting for 15% of new sign-ups in participating markets. * Continued investment in original content, with hits like "Stranger Things" Season 5, "The Crown" Season 7, and a range of globally-appealing films driving viewership and subscriber engagement. * Strategic partnerships with major studios and content creators to secure exclusive licensing agreements. * Ongoing enhancements to our user interface and streaming technology to improve user experience and reduce churn. **Market Conditions and Competitive Landscape:** The streaming entertainment sector remains highly competitive. While established players like Disney+ and Amazon Prime Video continue to invest heavily in content and subscriber acquisition, we face increasing competition from emerging platforms. Changes in consumer behavior, including cord-cutting and evolving content preferences, are reshaping the industry landscape. We are adapting to these changes by focusing on content quality, personalization, and expanding into new verticals such as gaming. **Forward-Looking Statements and Guidance:** We expect to maintain strong revenue growth in 2025, driven by continued subscriber acquisition, ARPU optimization, and expansion of our ad-supported tier. We anticipate Q1 2025 revenue to reach \$10.7 billion, representing a 13% year-over-year increase. We will continue to invest in original content and technology to enhance our platform and maintain our competitive edge. We are confident that our global scale, diverse content library, and commitment to innovation will enable us to deliver long-term value to our shareholders.