

Financial Performance Report

Overview

Netflix closed 2024 with **\$39B in total revenue**, marking a year of consistent quarter-on-quarter growth compared to 2022 and 2023. The company continued its streak of delivering higher results each year, with revenue peaking at **\$10.2B in Q4 2024**, highlighting the importance of year-end seasonality in driving performance. Netflix's 2024 performance underscores the company's ability to generate strong, recurring growth with clear geographic strengths and opportunities. However, while topline expansion remains robust, the late-year decline in margins highlights the importance of **cost discipline and scalability**. Moving forward, Netflix's strategy will need to balance **pricing power in mature markets** with **subscriber acquisition in emerging regions**, ensuring profitability keeps pace with growth.

Key Takeaways

Consistent Topline Growth: Netflix achieved solid annual revenue gains, outperforming past years and peaking in Q4

US+CA Dominance: The region continues to be the backbone of revenue, showcasing strong ARPU and pricing resilience

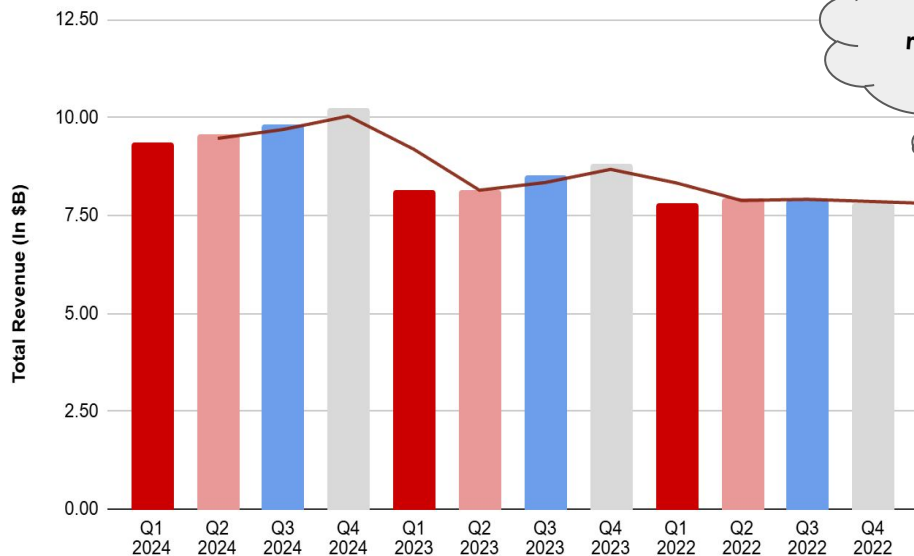
EMEA's Monetization Gap: Despite leading in subscriber scale, monetization lags, signaling a strategic opportunity

Emerging Market Potential: LATAM and APAC reflect a scalefirst, monetize-later strategy, offering longterm growth upside

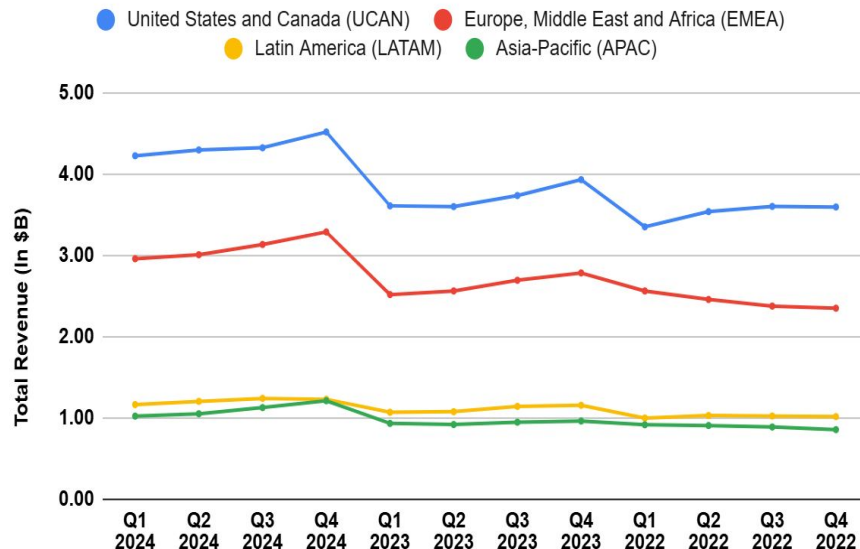
Margin Pressures: Profitability weakened in Q4, underscoring the need for tighter cost management

Revenue increased consistently across 2024, peaking at just \$10B in Q3. Compared to 2023 and 2022, each 2024 quarter is visibly higher, signaling steady YoY growth

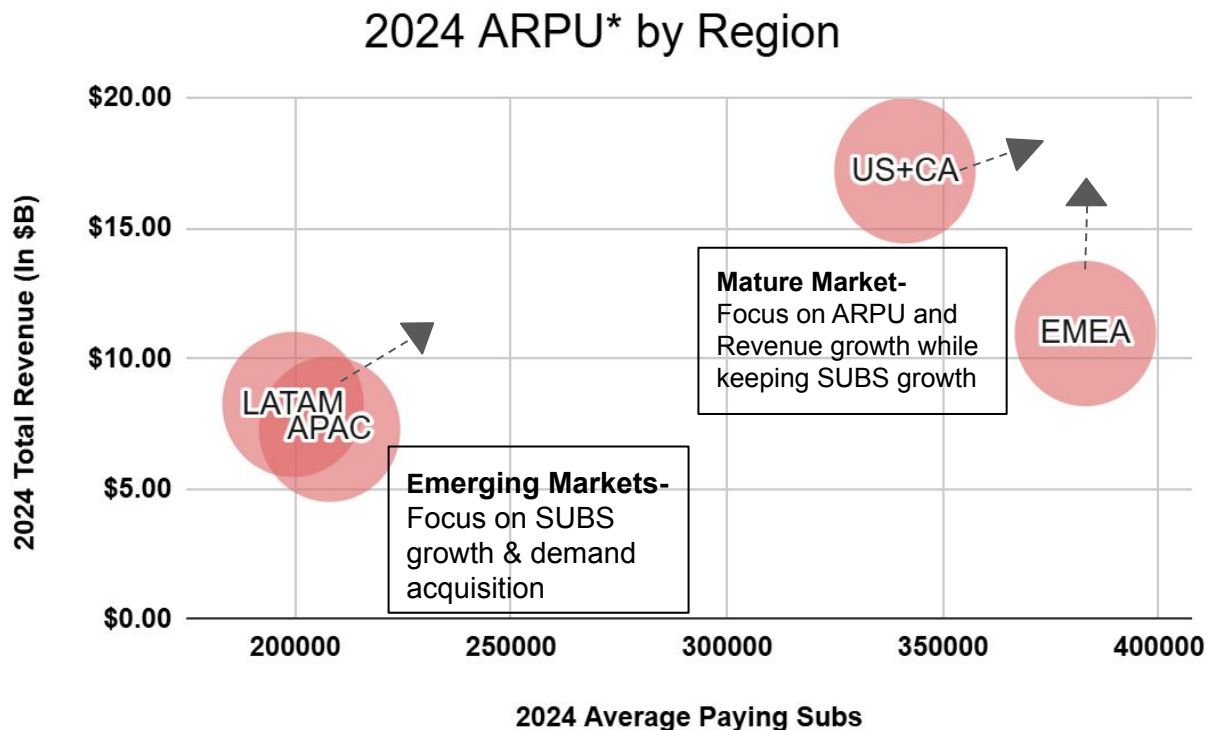
Total Revenue for Each Quarter From 2022 to 2024



Regional Revenue Over Quarters



US+CA leads in ARPU, while EMEA leads in subscription scale but lags in monetization, Still LATAM and APAC remain low-ARPU growth regions



Revenue & Subs Strategic Opportunities

US+CA - Defend Core Revenue Engine
high-ARPU market driving the majority of revenue, **focus on maintaining SUBS growth momentum.**

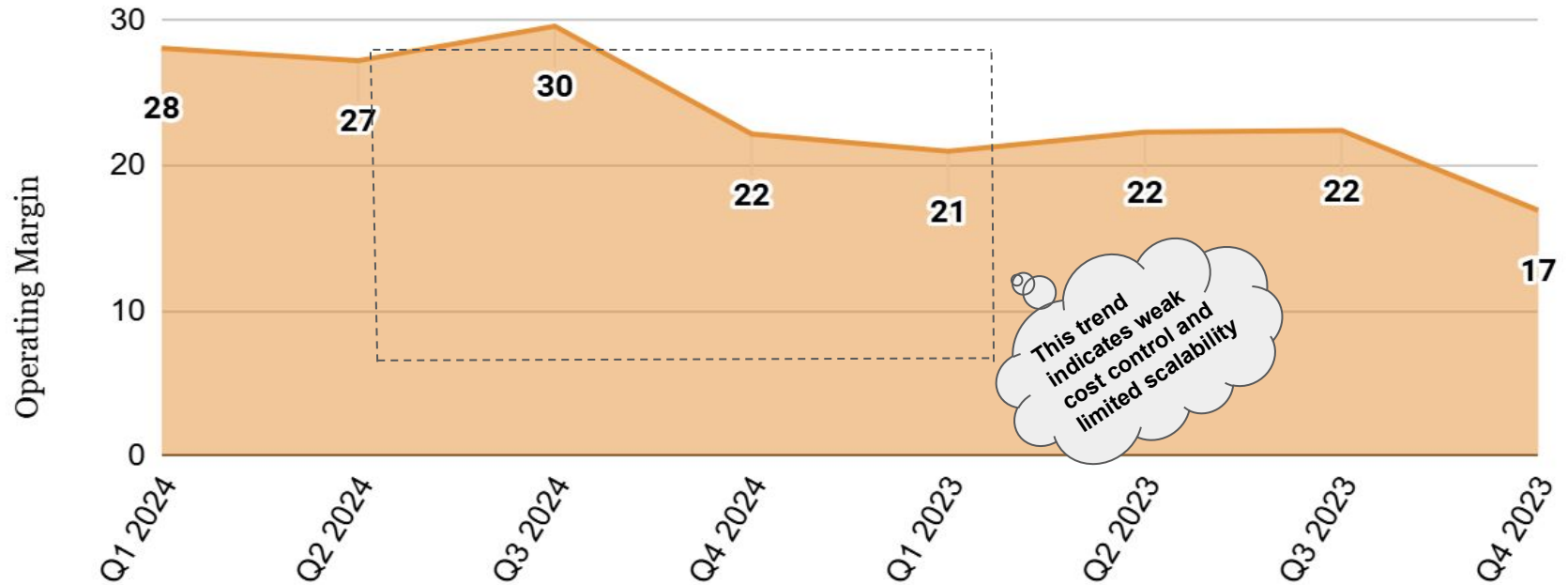
EMEA - Scale with Monetization Potential
High SUBS market, but still under-monetized compared to US+CA, **focus on scaling monetization.**

LATAM - Optimize for Sustainable Growth
Modest scale and revenue with room to improve overall value per user.

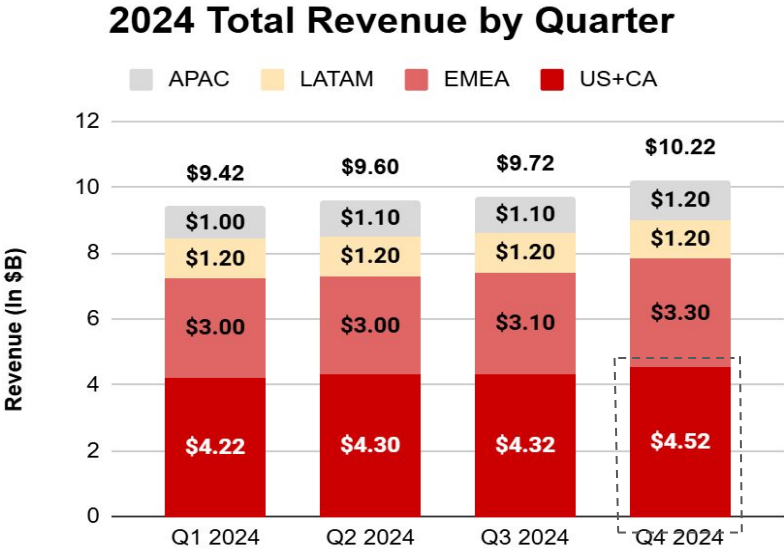
APAC - Position for Long-Term Upside
Early-stage region with low ARPU and subs, but strong future potential.

Operating margin remained relatively stable around 21–22% in 2023. But in 2024, it started much stronger (28–29% in Q1–Q2, peaking at 30% in Q3) before dropping sharply to 22% in Q4 2024. So, The sharp fall suggests that the company's efficiency in converting revenue into profit weakened

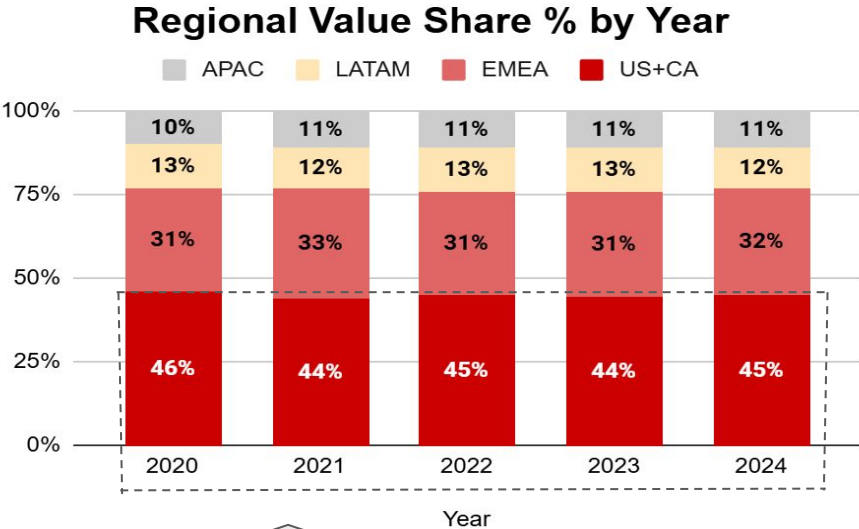
Quarterly Operating Margin for 2023 & 2024



Netflix 2024 Revenue at \$39B, with consistent growth every quarter driven by Q4 (\$10.2B).
US+CA is the key revenue driver, contributing ~45% total revenue in 2024 and since 2020.



Q4 has consistently been the strongest Q since 2020 likely due to eoy seasonality



Netflix's key revenue driver since 2020 has been the US + CA market, accounting for nearly 45% of total sales