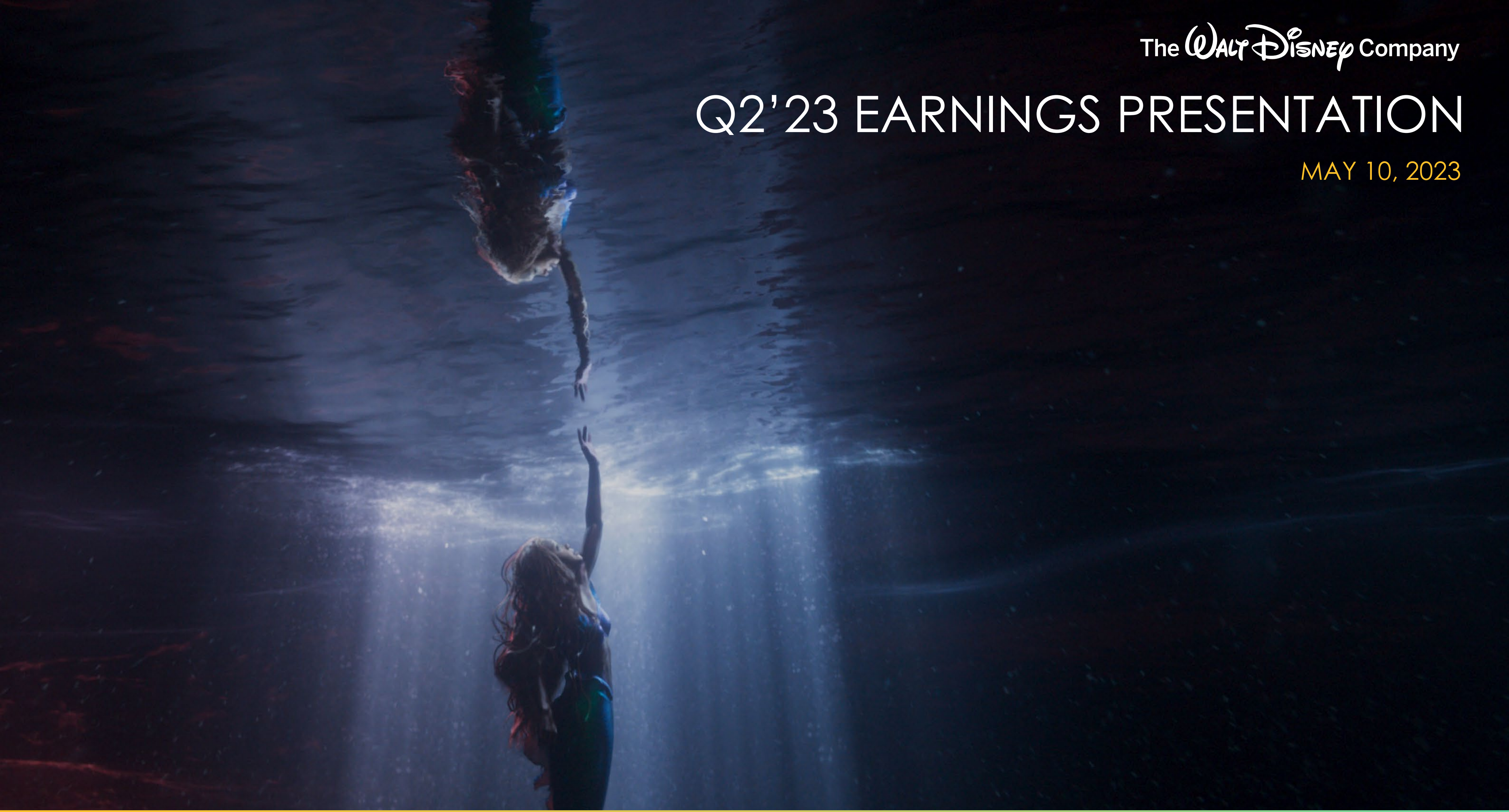


The Walt Disney Company

Q2'23 EARNINGS PRESENTATION

MAY 10, 2023

Forward-Looking Statements

Certain statements and information in this presentation may constitute “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995, including statements regarding future performance and growth; business plans, including nature, timing and distribution channel for our products and services; strategic priorities and drivers of growth and profitability; and other statements that are not historical in nature. Any information that is not historical in nature included in this presentation is subject to change. These statements are made on the basis of management’s views and assumptions regarding future events and business performance as of the time the statements are made. Management does not undertake any obligation to update these statements.

Actual results may differ materially from those expressed or implied. Such differences may result from actions taken by the Company, including restructuring or strategic initiatives (including capital investments, asset acquisitions or dispositions, new or expanded business lines or cessation of certain operations), our execution of our business plans (including the content we create and IP we invest in, our pricing decisions, our cost structure and our management and other personnel decisions) or other business decisions, as well as from developments beyond the Company’s control, including:

- further deterioration in domestic and global economic conditions;
- deterioration in or pressures from competitive conditions, including competition to create or acquire content and competition for talent;
- consumer preferences and acceptance of our content, offerings, pricing model and price increases and the market for advertising sales on our DTC services and linear networks;
- health concerns and their impact on our businesses and productions;
- international, political or military developments;
- Regulatory and legal developments;
- technological developments;
- labor markets and activities, including work stoppages;
- adverse weather conditions or natural disasters; and
- availability of content.

Such developments may further affect entertainment, travel and leisure businesses generally and may, among other things, affect (or further affect, as applicable):

- our operations, business plans or profitability;
- demand for our products and services;
- the performance of the Company’s content;
- our ability to create or obtain desirable content at or under the value we assign the content;
- the advertising market for programming;
- income tax expense; and
- performance of some or all Company businesses either directly or through their impact on those who distribute our products.

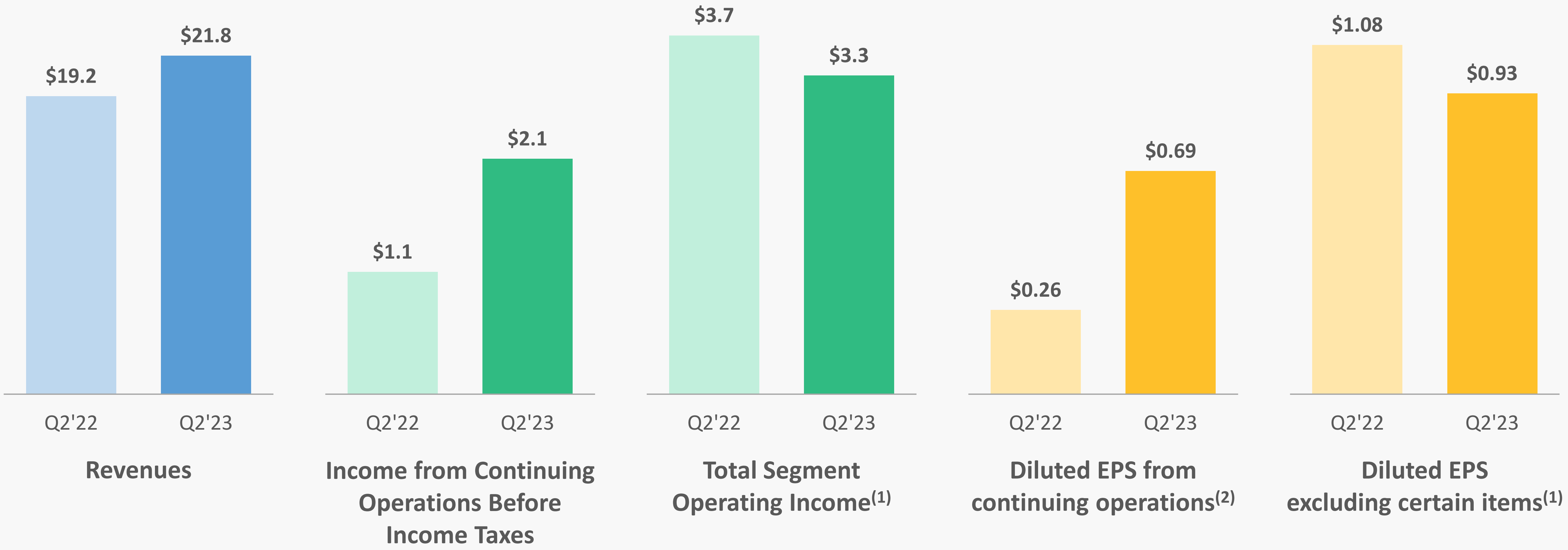
Additional factors are set forth in the Company’s Annual Report on Form 10-K for the year ended October 1, 2022, including under the captions “Risk Factors,” “Management’s Discussion and Analysis of Financial Condition and Results of Operations,” and “Business,” quarterly reports on Form 10-Q, including under the captions “Risk Factors” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations,” and subsequent filings with the Securities and Exchange Commission (SEC).

The terms “Company,” “Disney,” “we,” and “our” are used above and in this presentation to refer collectively to the parent company and the subsidiaries through which our various businesses are actually conducted.

BUSINESS RESULTS

Q2 Results for Fiscal 2023

(In Billions, Except Per Share Amounts)



(1) Diluted EPS excluding certain items and total segment operating income are non-GAAP financial measures. The most comparable GAAP measures are diluted EPS from continuing operations and income from continuing operations before income taxes, respectively. See the discussion on pages 14-16 for how we define and calculate these measures and a reconciliation thereof to the most directly comparable GAAP measures.

(2) Reflects amounts attributable to shareholders of The Walt Disney Company, i.e. after deduction of income attributable to noncontrolling interests.

Recent Business Highlights

Guardians of the Galaxy Vol. 3. topped the global box office in its opening weekend, earning $289 million

Season 3 of *The Mandalorian* is the most watched series on Disney+ globally this year[1]

Won 7 Peabody Awards after receiving 11 nominations

The first round of the NBA playoffs was the most-watched ever across Disney networks, and through the first 22 games viewership has averaged 5 million

Tokyo Disney Resort kicked off its 40th Anniversary "Dream-Go-Round"[2]

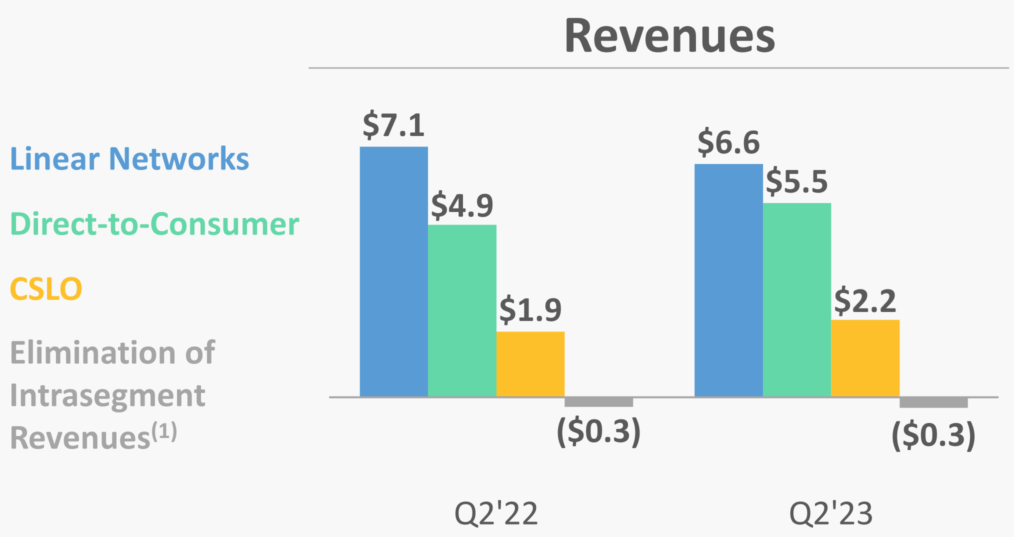
Reimagined Mickey's Toontown at Disneyland Resort opened March 19 and TRON Lightcycle / Run opened at Walt Disney World on April 4

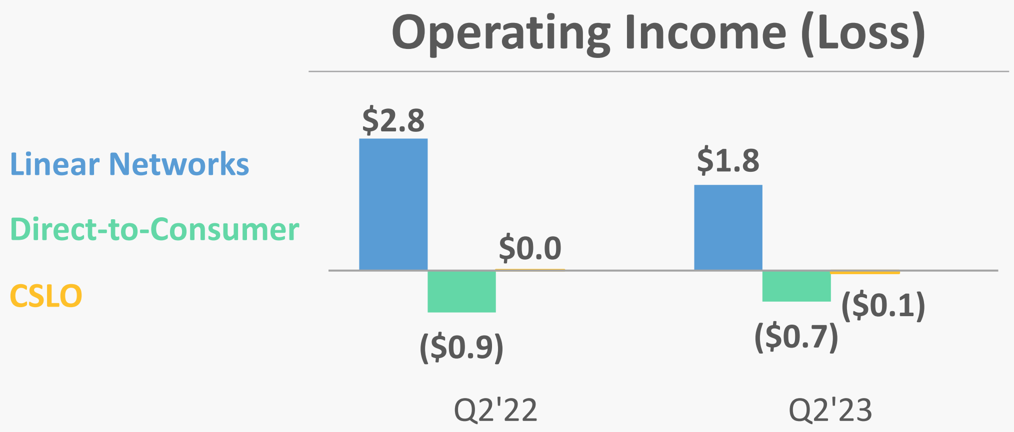
ABC is the #1 entertainment broadcast network for the 4th consecutive season[3]

(1) Based on hours streamed; As of May 5, 2023
(2) The Company earns royalties on revenues generated by the Tokyo Disney Resort, which is owned and operated by Oriental Land Co., Ltd., a third-party Japanese company
(3) L7 P18-49; Excluding Sports; September 19, 2022 – April 2, 2023

Q2 Media & Entertainment Distribution Results

(In Billions)





Linear Networks

- The decline in operating income vs. prior year was primarily driven by decreases of ~$800 million at our domestic linear networks and ~$160 million at our international linear networks. Domestic results decreased at both Cable and Broadcasting.
  - Lower Cable results were largely due to higher sports programming and production costs, which were driven by the timing of costs for the College Football Playoffs and the NFL, in addition to NBA contractual rate increases and higher sports production costs.
  - Lower Broadcasting results reflected decreases in advertising revenue across the ABC Network and our owned television stations.
- International Channels operating income decreased due to lower advertising revenue, partially offset by a decrease in programming costs.

Direct-to-Consumer

- Revenues increased by 12% and operating loss decreased by ~$200 million vs. the prior year due to improved results at Disney+ and ESPN+, partially offset by lower operating income at Hulu.

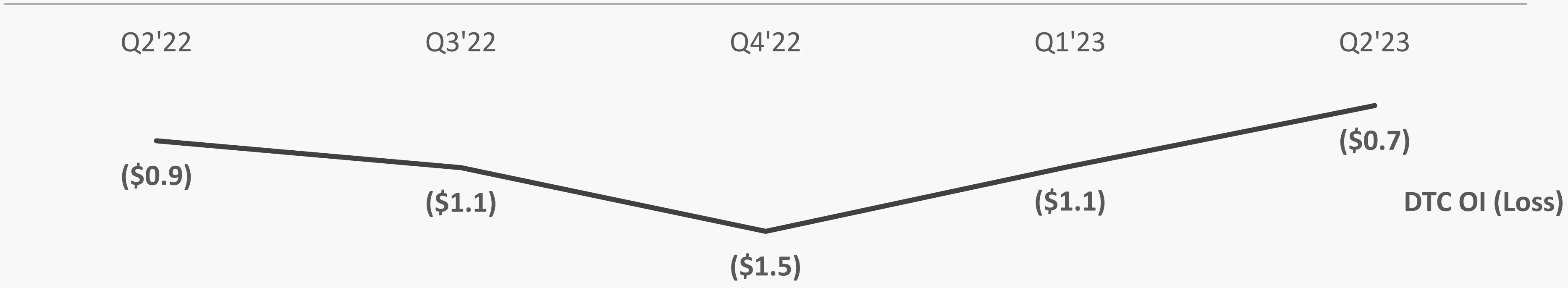
Content Sales / Licensing and Other (CSLO)

- Operating results decreased by $66 million vs. the prior year due to lower TV/SVOD distribution results, partially offset by an improvement at theatrical distribution.

(1) Reflects fees received by the Linear Networks from other DMED businesses for the right to air our Linear Networks and related services

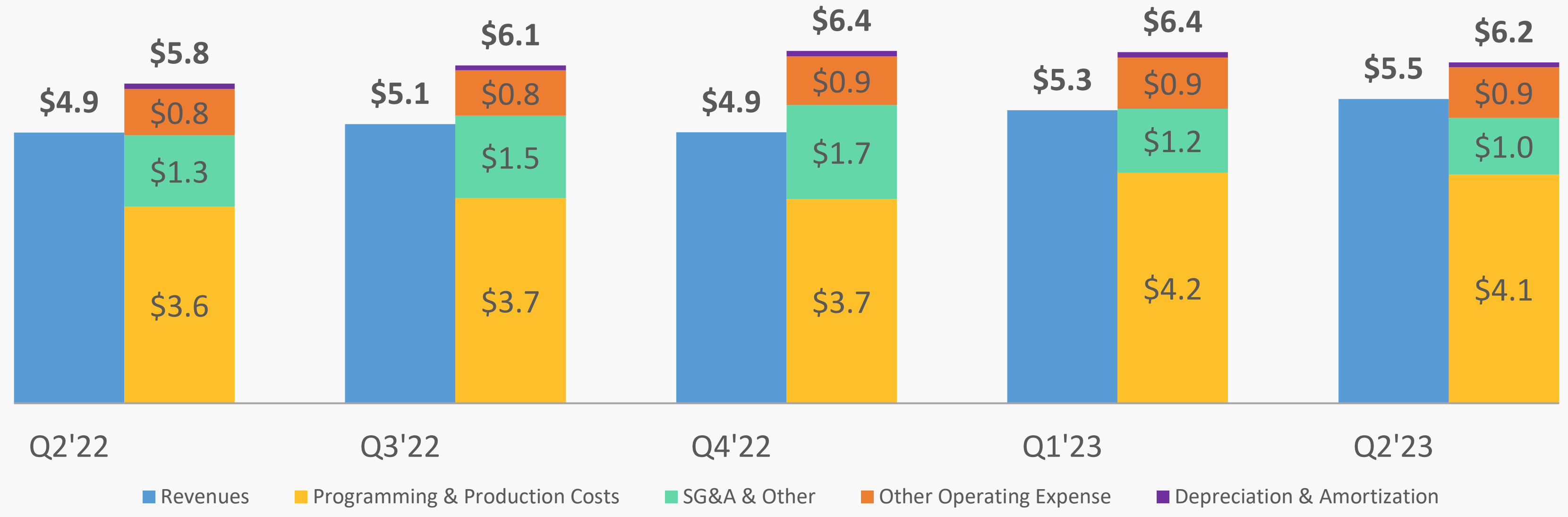
DTC Quarterly Operating Income (Loss)

(In Billions)



- Q2 DTC operating losses **improved sequentially by ~$400 million vs. the prior quarter** driven by revenue growth and cost reductions.

DTC Revenues and Expense Breakdown

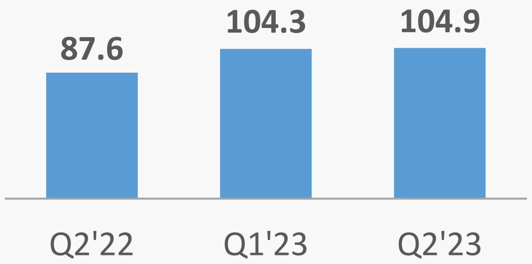


Note: All quarters shown include $0.1 billion in Depreciation & Amortization

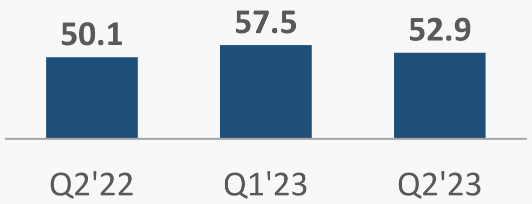
Q2 Disney+ Subscribers & ARPU

(Paid Subscribers in Millions and Average Monthly Revenue per Paid Subscriber (ARPU) in USD)

Disney+ Core Subscribers



Disney+ hotstar Subscribers



	Q2'22	Q1'23	Q2'23	Q2'23 vs. Q2'22	Q2'23 vs. Q1'23
Disney+ Core Subscribers	87.6	104.3	104.9	+17.3	+0.6
Disney+ Hotstar Subscribers	50.1	57.5	52.9	+2.8	(4.6)
Total Disney+ Subscribers[(1)]	*137.7*	*161.8*	*157.8*	*+20.1*	*(4.0)*
Global ARPU	**$4.35**	**$3.93**	**$4.44**	**+$0.09**	**+$0.51**
Disney+ Core	**$6.33**	**$5.77**	**$6.47**	**+$0.14**	**+$0.70**
Disney+ Hotstar	**$0.76**	**$0.74**	**$0.59**	**($0.17)**	**($0.15)**

Disney+ Core

- Disney+ core subscribers grew modestly vs. the prior quarter.
- Disney+ core ARPU increased by $0.70 vs. the prior quarter driven primarily by an increase in average retail pricing and a favorable foreign exchange impact.

Disney+ Hotstar

- Disney+ Hotstar subscribers decreased by 4.6 million vs. the prior quarter.
- Disney+ Hotstar ARPU decreased by $0.15 vs. the prior quarter due to lower per-subscriber advertising revenue.

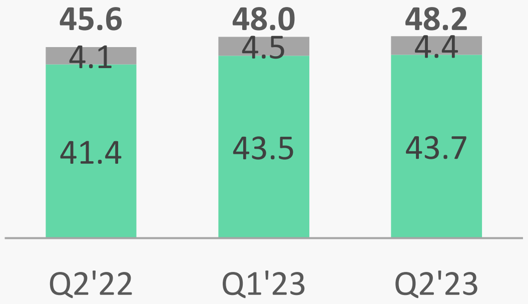
Note: See DTC Product Descriptions and Key Definitions on page 17

(1) Total may not equal the sum due to rounding

Q2 Hulu and ESPN+ Subscribers & ARPU

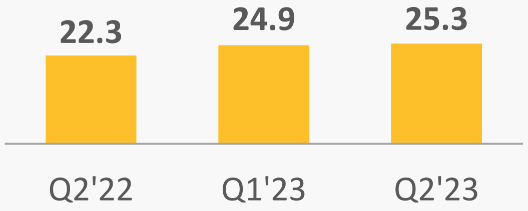
(Paid Subscribers in Millions and Average Monthly Revenue per Paid Subscriber (ARPU) in USD)

hulu Subscribers



	Q2'22	Q1'23	Q2'23	Q2'23 vs. Q2'22	Q2'23 vs. Q1'23
Total Hulu[1]	**45.6**	**48.0**	**48.2**	**+2.6**	**+0.2**
LiveTV + SVOD	4.1	4.5	4.4	+0.3	(0.1)
SVOD Only	41.4	43.5	43.7	+2.3	+0.2
SVOD Only ARPU	**$12.77**	**$12.46**	**$11.73**	**($1.04)**	**($0.73)**
Live TV+SVOD ARPU	**$88.77**	**$87.90**	**$92.32**	**+$3.55**	**+$4.42**

ESPN+ Subscribers



	Q2'22	Q1'23	Q2'23	Q2'23 vs. Q2'22	Q2'23 vs. Q1'23
Subscribers	**22.3**	**24.9**	**25.3**	**+3.0**	**+0.4**
ARPU	**$4.73**	**$5.53**	**$5.64**	**+$0.91**	**+$0.11**

Hulu

- Total Hulu subscribers increased slightly vs. the prior quarter.
- Hulu SVOD Only ARPU decreased by $0.73 vs. the prior quarter due to lower per-subscriber advertising revenue and a higher mix of subscribers to multi-product offerings, partially offset by an increase in average retail pricing.
- Hulu Live TV+SVOD ARPU increased by $4.42 vs. the prior quarter primarily due to an increase in average retail pricing, partially offset by lower per-subscriber advertising revenue.

ESPN+

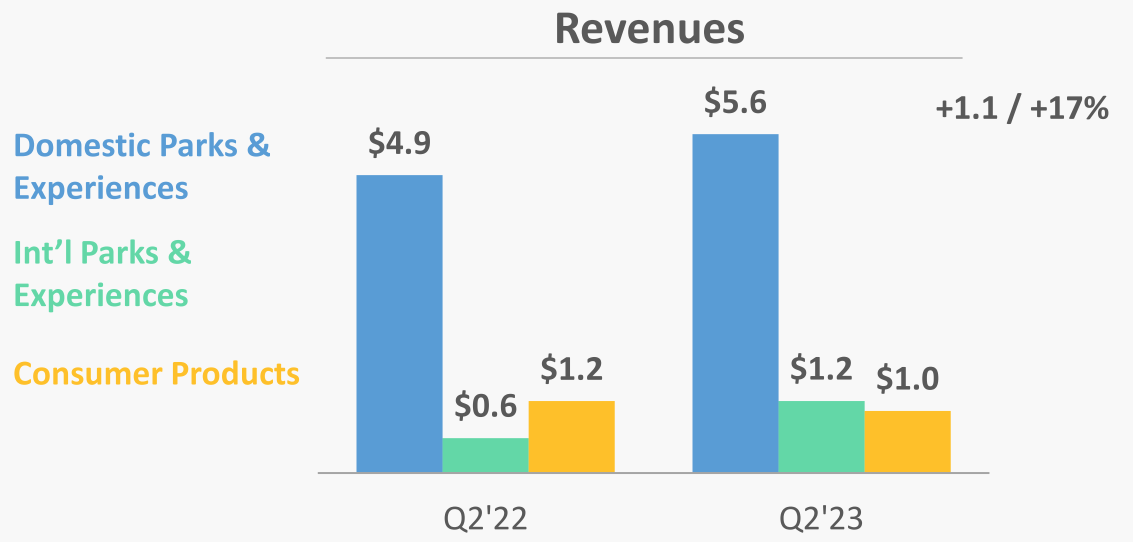
- Both subscribers and ARPU grew vs. the prior quarter.
- ESPN+ ARPU increased by $0.11 vs. the prior quarter driven by higher per-subscriber advertising revenue, partially offset by a higher mix of subscribers to multi-product offerings.

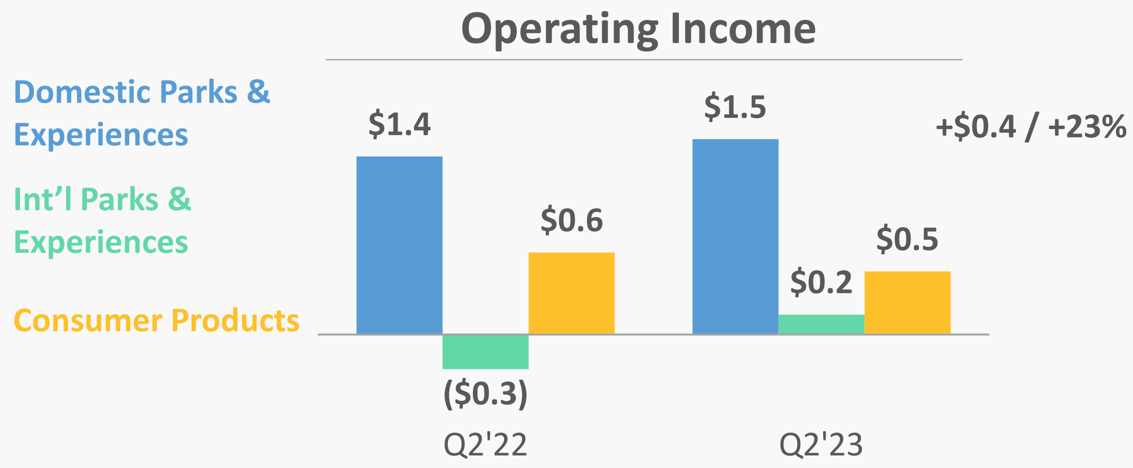
Note: See DTC Product Descriptions and Key Definitions on page 17

(1) Total may not equal the sum due to rounding

Q2 Parks, Experiences & Products Results

(In Billions)





Note: Total may not equal the sum of the column due to rounding

Domestic Parks & Experiences

- Operating income increased 10% versus the prior year, driven primarily by the continued post-pandemic recovery of our cruise line, partially offset by a comparison to a real estate gain in the prior year.
- Domestic Parks growth in attendance and guest spending was more than offset by higher costs, reflecting cost pressures including wage increases, costs associated with new guest offerings and other inflationary cost impacts.

International Parks & Experiences

- Strong year-over-year operating income growth was driven by higher volumes and guest spending at Shanghai Disney Resort and Disneyland Paris, as well as a favorable comparison at Hong Kong Disneyland Resort due to a closure in the prior year.

Consumer Products

- Decrease in operating income vs. the prior year included lower merchandise revenue on certain franchises.

APPENDIX

Upcoming Theatrical Releases

(Reflects publicly announced planned releases as of May 10, 2023)

Date	Title	Brand
May 26, 2023	*The Little Mermaid*	Disney
June 2, 2023	*The Boogeyman*	20th Century
June 16, 2023	*Elemental*	Pixar
June 30, 2023	*Indiana Jones and the Dial of Destiny*	Lucasfilm
July 14, 2023	*Theater Camp*	Searchlight
July 28, 2023	*Haunted Mansion*	Disney
September 8, 2023	*Poor Things*	Searchlight
September 15, 2023	*A Haunting in Venice*	20th Century
September 29, 2023	*The Creator*	20th Century
November 10, 2023	*The Marvels*	Marvel
November 17, 2023	*Next Goal Wins*	Searchlight
November 22, 2023	*Wish*	Disney
December 8, 2023	*Magazine Dreams*	Searchlight

Key Upcoming Disney+ and Hulu Releases

(Reflects publicly announced planned domestic releases as of May 10, 2023; list is not exhaustive)

Date	Title	Brand	Platform	Type
May 12	*Crater*	Disney	Disney+	Scripted Feature
May 19	*White Men Can't Jump*	20th Century Studios	Hulu	Scripted Feature
May 24	*American Born Chinese (Season 1)*	20th Television Studios	Disney+	Scripted Series
June 9	*Flamin' Hot*	Searchlight Pictures	Hulu and Disney+	Scripted Feature
June 21	*Secret Invasion*	Marvel	Disney+	Scripted Series
June 22	*The Bear (Season 2)*	FX	Hulu	Scripted Series
August	*Ahsoka (Season 1)*	Star Wars	Disney+	Scripted Series
Release dates not yet announced; titles listed in alphabetical order	*Anthem*	Onyx Collective	Hulu	Documentary
	Class of '09 (Season 1)	FX	Hulu	Scripted Series
	The Full Monty (Season 1)	FX	Hulu	Scripted Series
	The Great (Season 3)	Hulu Originals	Hulu	Scripted Series
	The Kardashians (Season 3)	Disney	Hulu	Unscripted Series
	Loki (Season 2)	Marvel	Disney+	Scripted Series
	Only Murders in the Building (Season 3)	20th Television	Hulu	Scripted Series
	Secret Invasion	Marvel	Disney+	Scripted Series
	Skeleton Crew	Star Wars	Disney+	Scripted Series
	X-Men '97 (Season 1)	Marvel	Disney+	Scripted Series

Upcoming Parks and Experiences Openings & Events

(Reflects publicly announced planned openings and events as of May 10, 2023; list is not exhaustive)

Date	Attraction / Event	Location
May – Sep 2023	Silver Anniversary at Sea (25th Anniversary)	Disney Cruise Line
June 30, 2023	"Rogers: The Musical" Stage Show	Disneyland Resort
Summer 2023	San Fransokyo Square at Disney California Adventure Park	Disneyland Resort
Summer 2023	"Pixar: We Belong Together" Stage Show	Disneyland Paris
Fall 2023	Journey of Water, Inspired by Moana	Walt Disney World Resort
Fall 2023	The Villas at Disneyland Hotel, a new Disney Vacation Club Resort	Disneyland Resort
2nd Half of 2023	World of Frozen	Hong Kong Disneyland
2023	Adventureland Treehouse	Disneyland Resort
Late 2023	Zootopia-Themed Land	Shanghai Disney Resort
Spring 2024	Fantasy Springs	Tokyo Disney Resort
Summer 2024	Lighthouse Point	Disney Cruise Line
2024	Disney Treasure	Disney Cruise Line
2024	Tiana's Bayou Adventure	Disneyland Resort & Walt Disney World
2024	Disneyland Hotel Royal Transformation	Disneyland Paris

Note: Dates provided are based on calendar year

Non-GAAP Financial Measures

This presentation includes diluted EPS excluding certain items and total segment operating income, both of which are important financial measures for the Company, but are not financial measures defined by GAAP.

These measures should be reviewed in conjunction with the most comparable GAAP financial measures and are not presented as alternative measures of diluted EPS or income from continuing operations before income taxes as determined in accordance with GAAP. Diluted EPS excluding certain items and total segment operating income as we have calculated them may not be comparable to similarly titled measures reported by other companies.

<u>Segment Results</u>

The Company evaluates the performance of its operating segments based on segment operating income, and management uses total segment operating income as a measure of the performance of operating businesses separate from non-operating factors. The Company believes that information about total segment operating income assists investors by allowing them to evaluate changes in the operating results of the Company's portfolio of businesses separate from non-operational factors that affect net income, thus providing separate insight into both operations and other factors that affect reported results. See page 15 for a reconciliation of total segment operating income.

<u>Diluted EPS excluding certain items</u>

The Company uses diluted EPS excluding (1) certain items affecting comparability of results from period to period and (2) amortization of TFCF and Hulu intangible assets, including purchase accounting step-up adjustments for released content, to facilitate the evaluation of the performance of the Company's operations exclusive of these items, and these adjustments reflect how senior management is evaluating segment performance.

The Company believes that providing diluted EPS exclusive of certain items impacting comparability is useful to investors, particularly where the impact of the excluded items is significant in relation to reported earnings and because the measure allows for comparability between periods of the operating performance of the Company's business and allows investors to evaluate the impact of these items separately.

The Company further believes that providing diluted EPS exclusive of amortization of TFCF and Hulu intangible assets associated with the acquisition in 2019 is useful to investors because the TFCF and Hulu acquisition was considerably larger than the Company's historic acquisitions with a significantly greater acquisition accounting impact.

Total Segment Operating Income

(In millions)

The following are reconciliations of income from continuing operations before income taxes to total segment operating income (in millions):

	Quarter Ended		
	April 1, 2023	April 2, 2023	Change
Income from continuing operations before income taxes	$2,123	$1,102	93 %
Add (subtract):			
Content license early termination [1]	—	1,023	100%
Corporate and unallocated shared expenses	279	272	(3%)
Restructuring and impairment charges	152	195	(22%)
Other (income) expense, net	(149)	158	nm
Interest expense, net	322	355	9 %
Amortization of TFCF and Hulu intangible assets and fair value step-up on film and television costs	558	594	6 %
Total segment operating income	**$3,285**	**$3,699**	**(11%)**

(1) In February 2022, the Company terminated certain license agreements with a customer for film and television content, which was delivered in previous years, in order for the Company to use the content primarily on our direct-toconsumer services (Content License Early Termination).

Diluted EPS Excluding Certain Items

(In millions except EPS)

The following table reconciles reported diluted EPS from continuing operations to diluted EPS excluding certain items:

(in millions except EPS)	Pre-Tax Income/ Loss	Tax Benefit/ Expense[1]	After-Tax Income/ Loss[2]	Diluted EPS[3]	Change vs. prior year period
Quarter Ended April 1, 2023					
As reported	$2,123	($635)	$1,488	$0.69	>100 %
Exclude:					
Amortization of TFCF and Hulu intangible assets and fair value step-up on film and television costs[4]	558	(130)	428	0.23	
Restructuring and impairment charges[5]	152	(35)	117	0.06	
Other Income, net[6]	(149)	35	(114)	(0.06)	
Excluding certain items	**$2,684**	**($765)**	**$1,919**	**$0.93**	**(14%)**
Quarter Ended April 2, 2022					
As reported	$1,102	($505)	$597	$0.26	
Exclude:					
Content license early termination	1,023	(238)	785	0.43	
Amortization of TFCF and Hulu intangible assets and fair value step-up on film and television costs[4]	594	(138)	456	0.24	
Restructuring and impairment charges[5]	195	(45)	150	0.08	
Other expense, net[6]	158	(37)	121	0.07	
Excluding certain items	**$3,072**	**($963)**	**$2,109**	**$1.08**	

(1) Tax benefit/expense is determined using the tax rate applicable to the individual item.
(2) Before noncontrolling interest share.
(3) Net of noncontrolling interest share, where applicable. Total may not equal the sum of the column due to rounding.
(4) For the current quarter, intangible asset amortization was $408 million, step-up amortization was $147 million and amortization of intangible assets related to TFCF equity investees was $3 million. For the prior-year quarter, intangible asset amortization was $435 million, step-up amortization was $156 million and amortization of intangible assets related to TFCF equity investees was $3 million
(5) Charges for the current quarter were primarily for severance. Charges for the prior-year quarter were due to the impairment of an intangible asset related to the Disney Channel in Russia.
(6) In the current quarter, other income, net was due to the DraftKings gain ($149 million). For the prior-year quarter, other expense, net was due to the DraftKings loss ($158 million).

DTC Product Descriptions and Key Definitions

Product offerings

In the U.S., Disney+, ESPN+ and Hulu SVOD Only are each offered as a standalone service or together as part of various multi-product offerings. Hulu Live TV + SVOD includes Disney+ and ESPN+. Disney+ is available in more than 150 countries and territories outside the U.S. and Canada. In India and certain other Southeast Asian countries, the service is branded Disney+ Hotstar. In certain Latin American countries, we offer Disney+ as well as Star+, a general entertainment SVOD service, which is available on a standalone basis or together with Disney+ (Combo+). Depending on the market, our services can be purchased on our websites or through third-party platforms/apps or are available via wholesale arrangements.

Paid subscribers

Paid subscribers reflect subscribers for which we recognized subscription revenue. Subscribers cease to be a paid subscriber as of their effective cancellation date or as a result of a failed payment method. Subscribers to multi-product offerings in the U.S. are counted as a paid subscriber for each service included in the multi-product offering and subscribers to Hulu Live TV + SVOD are counted as one paid subscriber for each of the Hulu Live TV + SVOD, Disney+ and ESPN+ services. In Latin America, if a subscriber has either the standalone Disney+ or Star+ service or subscribes to Combo+, the subscriber is counted as one Disney+ paid subscriber. Subscribers include those who receive a service through wholesale arrangements including those for which we receive a fee for the distribution of the service to each subscriber of an existing content distribution tier. When we aggregate the total number of paid subscribers across our DTC streaming services, we refer to them as paid subscriptions.

International Disney+ (excluding Disney+ Hotstar)

International Disney+ (excluding Disney+ Hotstar) includes the Disney+ service outside the U.S. and Canada and the Star+ service in Latin America.

Average Monthly Revenue Per Paid Subscriber (ARPU)

Average monthly revenue per paid subscriber is calculated based on the average of the monthly average paid subscribers for each month in the period. The monthly average paid subscribers is calculated as the sum of the beginning of the month and end of the month paid subscriber count, divided by two. Disney+ average monthly revenue per paid subscriber is calculated using a daily average of paid subscribers for the period. Revenue includes subscription fees, advertising (excluding revenue earned from selling advertising spots to other Company businesses) and premium and feature add-on revenue but excludes Premier Access and Pay-Per-View revenue. The average revenue per paid subscriber is net of discounts on offerings that carry more than one service. Revenue is allocated to each service based on the relative retail price of each service on a standalone basis. Hulu Live TV + SVOD revenue is allocated to the SVOD services based on the wholesale price of the Hulu SVOD Only, Disney+ and ESPN+ multi-product offering. In general, wholesale arrangements have a lower average monthly revenue per paid subscriber than subscribers that we acquire directly or through third-party platforms.