The Walt Disney Company

Q4'23 EARNINGS PRESENTATION

NOVEMBER 8, 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 earnings expectations and expected drivers; future cost reductions and source; plans or expectations for direct-to-consumer profitability, advertising and revenue growth, subscriber levels, pricing, product acceptance, expansion, enhancements, changes to subscription offerings, churn, engagement and margins; business plans or opportunities, including nature, timing and distribution channel for our products and services; financial or performance estimates or expectations (including operating income, operating results, programming and production costs and cash content spend, capital expenditures, profitability and any guidance); future performance and growth; plans, expectations, strategies, strategic priorities and opportunities and drivers of growth and profitability; estimates of the financial impact of certain items, accounting treatment, events or circumstances; future free cash flows and funding sources; value of our intellectual property content offerings, businesses and assets, including franchises and brands; 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), our ability to quickly execute on cost rationalization while preserving revenue, the discovery of additional information or other business decisions, as well as from developments beyond the Company’s control, including:

- the occurrence of subsequent events;
- further deterioration in domestic and global economic conditions or a failure of conditions to improve as anticipated;
- deterioration in or pressures from competitive conditions, including competition to create or acquire content, competition for talent and competition for advertising revenue;
- consumer preferences and acceptance of our content, offerings, pricing model and price increases, and corresponding subscriber additions and churn, 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, including direct-to-consumer 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.

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.

Key Building Opportunities

We have made considerable progress on these opportunities and will continue to move forward with a sense of purpose and urgency.

Streaming Profitability

- Focused on achieving significant and sustained profitability
- Continuing to improve our DTC offerings with high quality content, new advertising tools and a more unified experience for subscribers
- Capturing opportunities in pricing, marketing, programming, and advertising

Future of ESPN

- Confident in the value of sports and the power of ESPN, the world's leading sports brand
- Building ESPN into the preeminent digital sports platform, allowing us to reach fans in compelling new ways and fully integrating key features into our primary ESPN offering

Studio Creativity

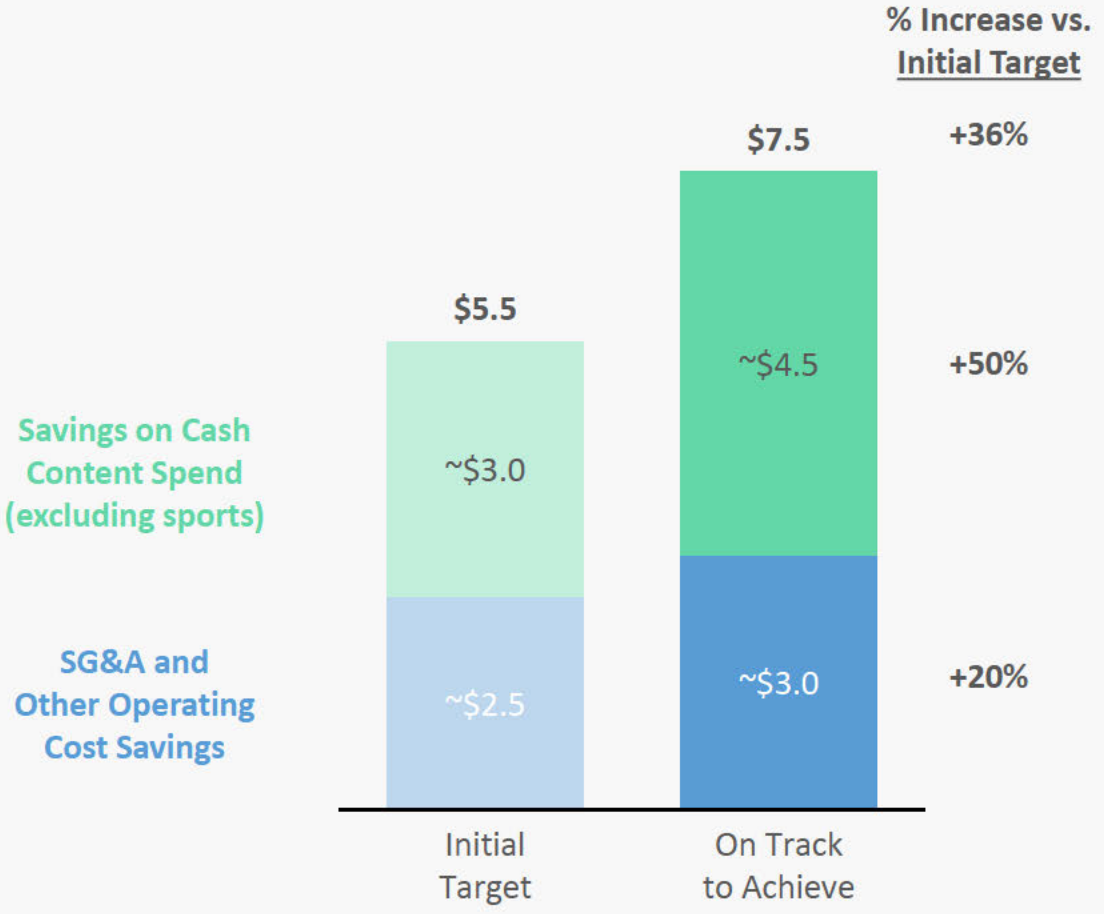
- Committed to telling great stories, leaning into our core brands and franchises
- Reducing overall output to enable us to concentrate on fewer projects and improve quality
- Continuing our effort around the creation of fresh and compelling original IP

Parks and Experiences Growth

- Strategically investing in our Experiences business to turbocharge growth
- Confident in the potential of these investments given our wealth of IP, innovative technology, buildable land, unmatched creativity, and historically strong returns on invested capital

On Track to Achieve $7.5 Billion of Cost Savings by the end of Fiscal 2024

- **By the end of fiscal 2024**, we expect to reduce annualized SG&A and other operating costs as well as our entertainment cash content spend (excluding sports) by approximately $7.5 billion, **nearly $2 billion ahead of our original $5.5 billion target**.
  - We have increased our annualized efficiency target for total company SG&A and other operating expenses to $3 billion (vs. $2.5 billion previously).
  - Our annualized entertainment cash content spend reduction target is now $4.5 billion (vs. $3 billion previously). Due to the timing of amortization, it will take a few years for the bulk of these savings to be reflected in the P&L.



Total Annualized Cost Savings
(In Billions)

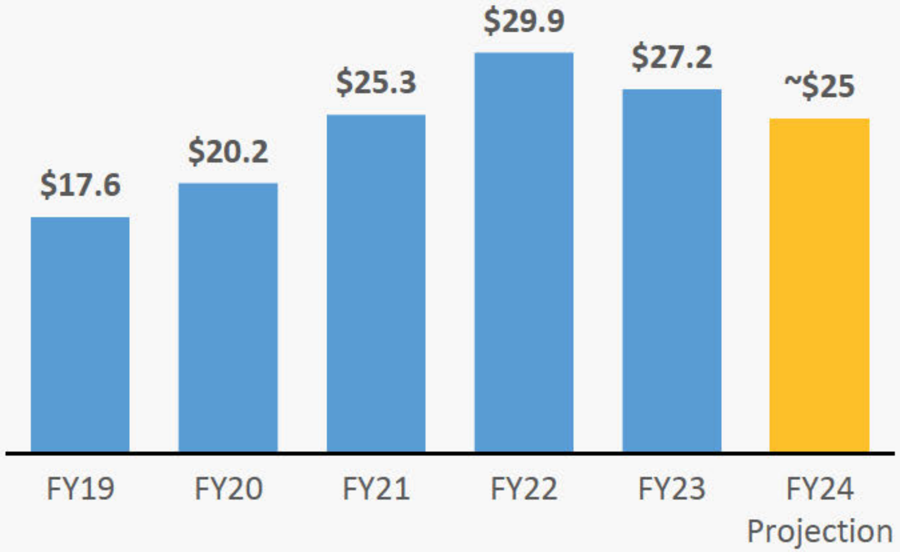
Note: Cost savings are not adjusted for inflation, exclude any strike-related impacts and do not reflect the cost incurred to achieve such cost savings

Investing in Our Businesses

(Full Year Values in Billions)

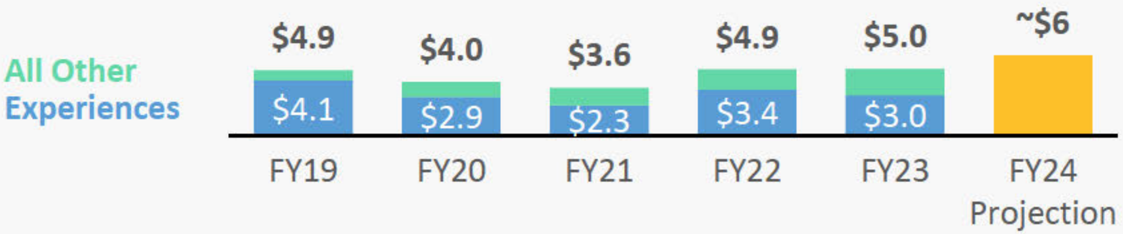
Spend on Produced and Licensed Content

- Fiscal 2023 spend on produced and licensed content, including sports rights, was $27 billion, nearly $3 billion below the prior year as we significantly reduced our spend on entertainment content.
- Fiscal 2024 enterprise-wide content spend is expected to decrease by $2 billion vs. fiscal 2023, to approximately $25 billion, as a result of our continued work to be more efficient in our content spend, in addition to impacts from the strikes and the timing of sports payments.



Capital Expenditures

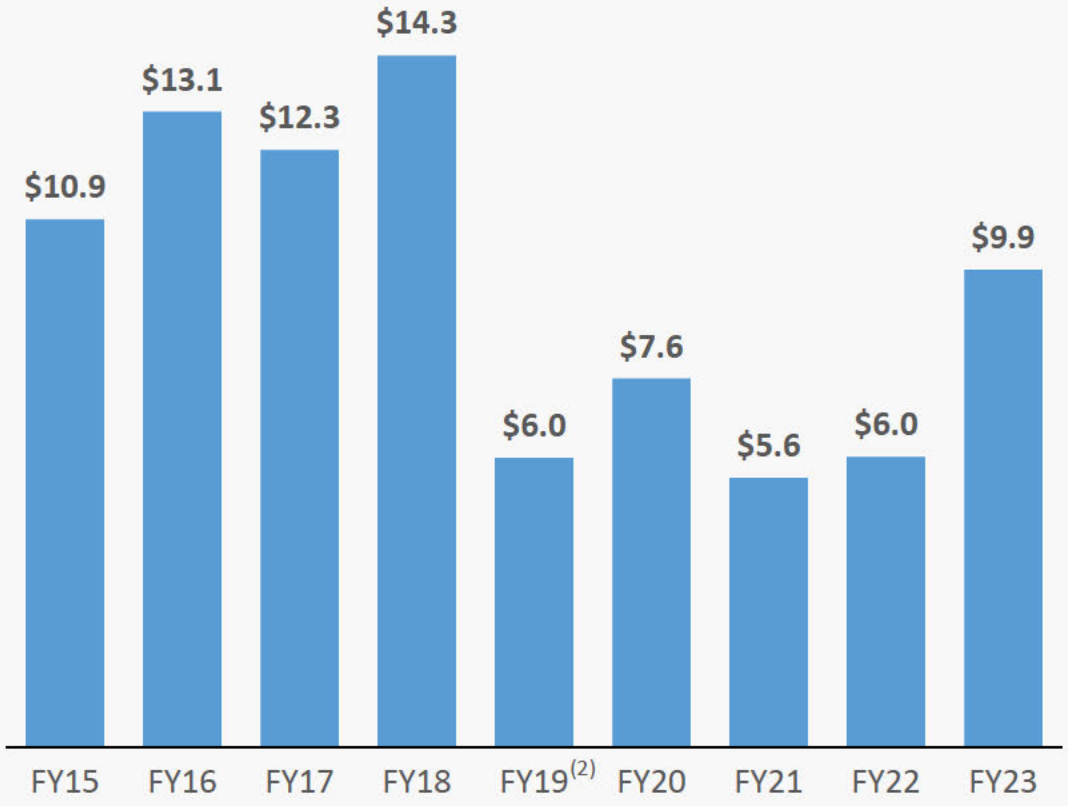
- Fiscal 2023 capital expenditures totaled $5 billion, roughly comparable to the prior year.
- Fiscal 2024 capital expenditures are projected to total $6 billion, an increase of approximately $1 billion vs. fiscal 2023, driven by higher spend at Experiences.
- Capital expenditures at Experiences in fiscal 2024 will look more comparable to fiscal year 2019 and includes spend at our Cruise business ahead of the launch of three new ships in fiscal 2025 and 2026.



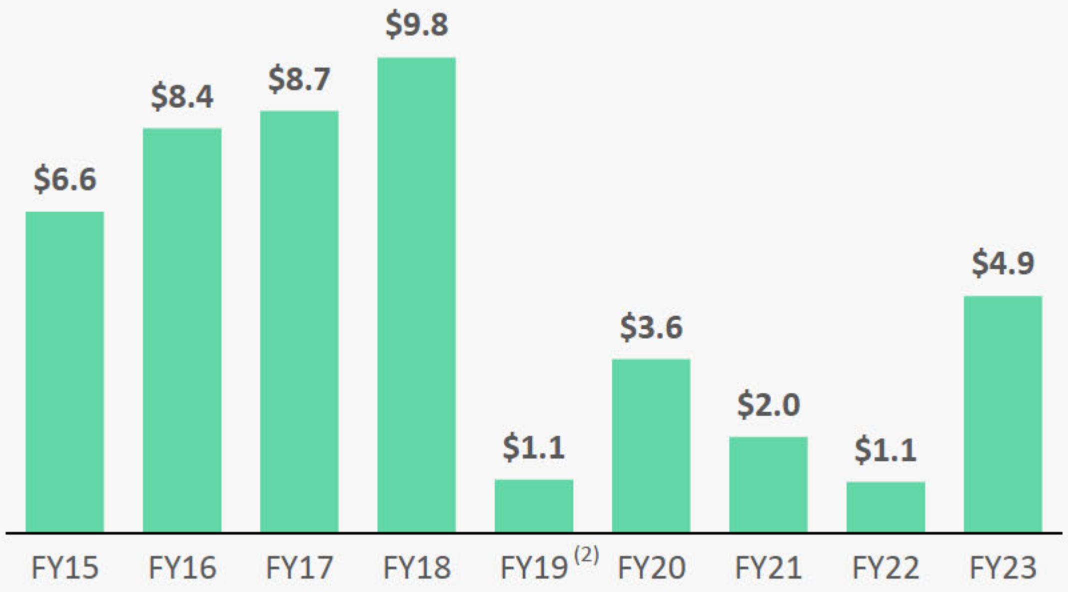
Expect Continued Improvement in Cash Generation

(Full Year Values in Billions)

We **expect a significant year over year increase** in free cash flow[1] in fiscal 2024, approaching levels we last achieved pre-pandemic.



Cash Provided by Continuing Operations



Free Cash Flow[1]

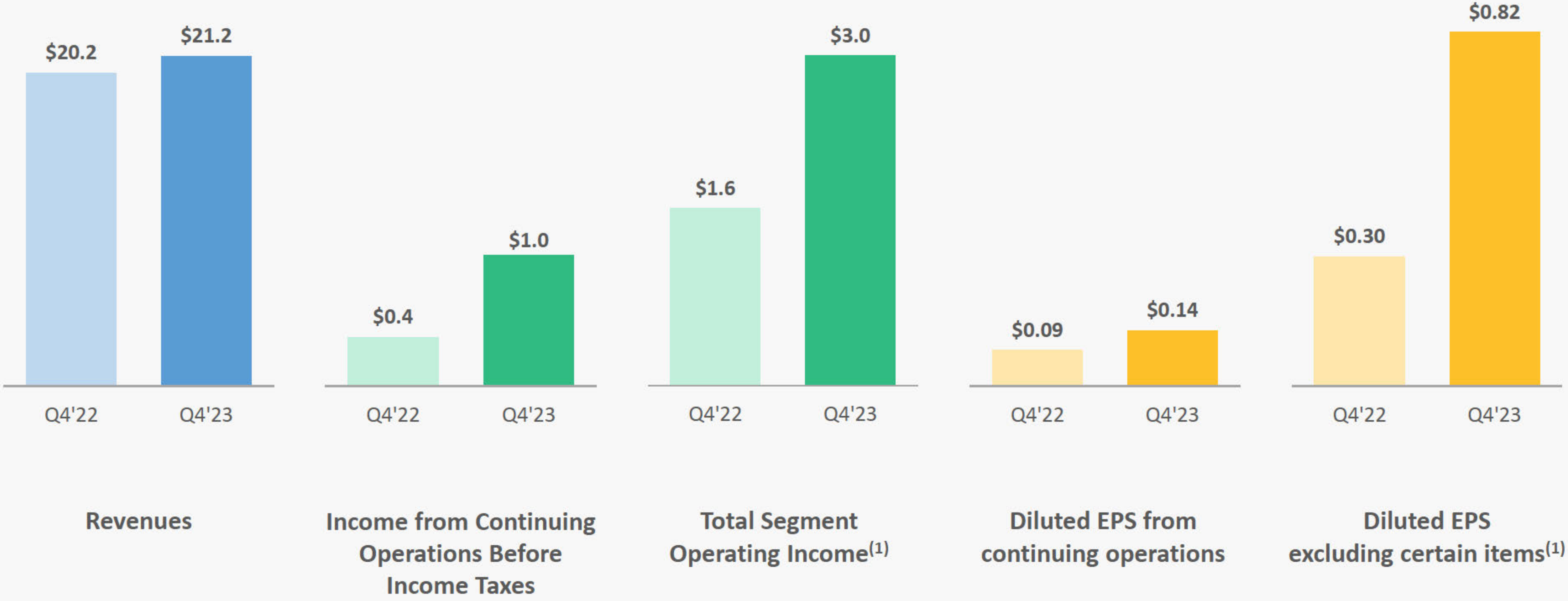
(1) Free cash flow is a non-GAAP financial measure. The most comparable GAAP measure is cash provided by continuing operations. See the discussion on pages 20 and 25 for how we define and calculate this measure and a reconciliation thereof to the most directly comparable GAAP measure.

(2) Fiscal 2019 included the payment of approximately $7.6 billion of tax obligations that arose from the spin-off of Fox Corporation in connection with the TFCF acquisition.

BUSINESS RESULTS

Q4 Results for Fiscal 2023

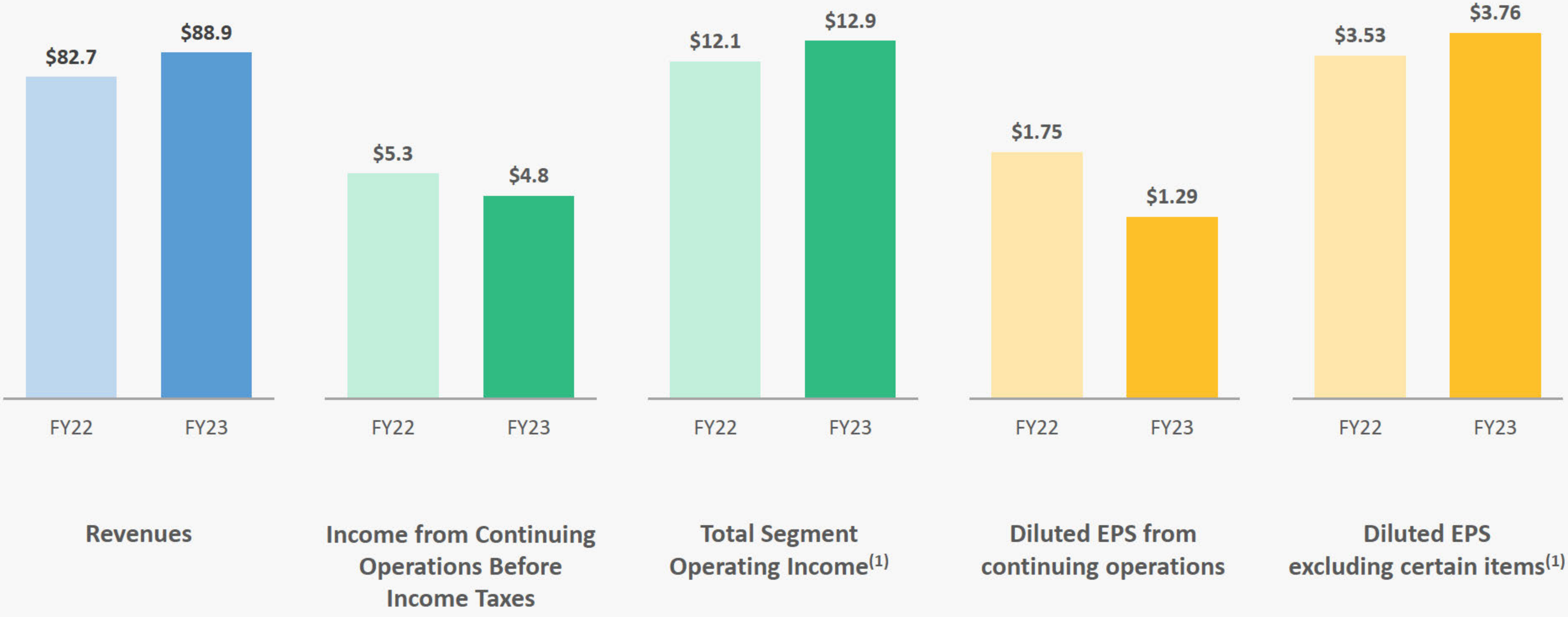
(In Billions, Except Per Share Amounts)



(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 20-23 for how we define and calculate these measures and a reconciliation thereof to the most directly comparable GAAP measures.

Full Year Results for Fiscal 2023

(In Billions, Except Per Share Amounts)



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Recent Business Highlights

Elemental has earned nearly $500 million at the global box office[(1)] and had a strong start on Disney+, with 26.4 million views in its first five days of streaming

Began our international rollout of Disney+ with Ads, launching in Canada and Europe[(2)] on November 1

ESPN platforms are on pace for their most-watched college football season since 2019 among P18-49 viewers, and this season has featured 2 of the ESPN's top 10 regular season college football games of all time[(3)]

ESPN had its most-watched NBA opening night in 11 years and its second-most watched opening night ever

ABC's *World News Tonight* ranked as America's #1 evening newscast for the seventh straight year[(4)]

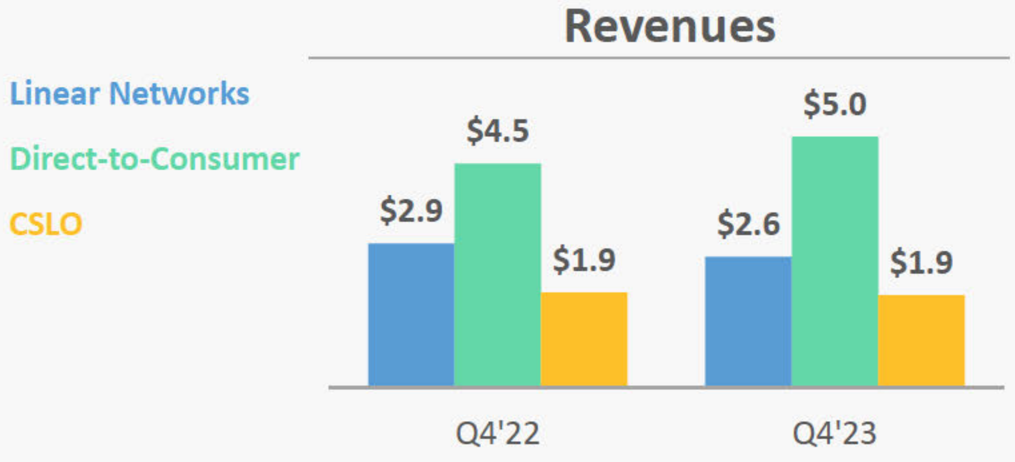
Opened The Villas at Disneyland Hotel, a new Disney Vacation Club Resort, on September 28

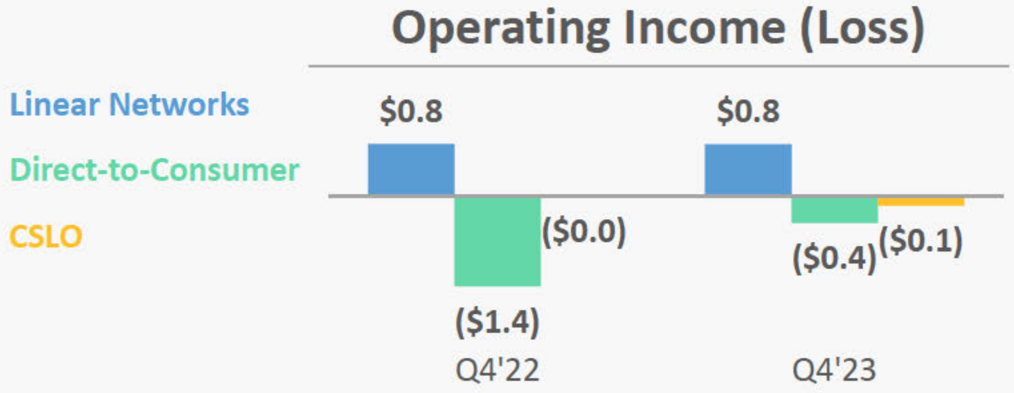
Disney Cruise Line's inaugural sailing in Australia and New Zealand began on October 25 aboard the Disney Wonder

(1) As of November 8, 2023
(2) Disney+ with Ads is now available in the following European countries: United Kingdom, France, Germany, Switzerland, Italy, Spain, Norway, Sweden and Denmark
(3) Live CFB games through Week 10 on E1/E2/EU/ABC, P18-49 viewers; all time ranks are based on P2+ viewers for E1
(4) Per Nielsen, Total Viewers, based on Live+7

Q4 Entertainment Results

(In Billions)





Linear Networks

- Operating income was flat to the prior year, reflecting lower advertising and affiliate revenues, which were generally offset by a decrease in marketing and programming and production costs.
- Advertising revenue declines were driven by our domestic business, primarily at ABC and our owned TV stations.

Direct-to-Consumer

- Revenues increased by 12% and operating loss improved by nearly $1 billion vs. the prior year driven by:
  - Higher subscription revenue from increases in retail pricing and subscriber growth at both Disney+ Core and Hulu
  - Lower marketing, technology and distribution costs
  - Partially offset by an increase in programming and production costs

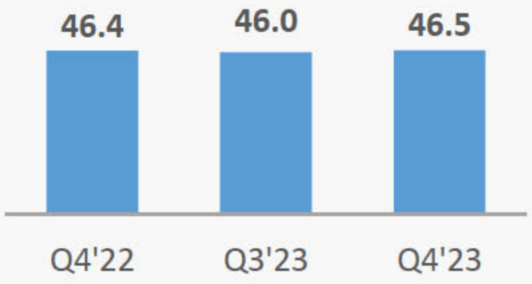
Content Sales / Licensing and Other (CSLO)

- Operating loss increased by ~$140 million vs. the prior year due to lower theatrical results, partially offset by higher home entertainment results.

Q4 Disney+ Core Subscribers & ARPU

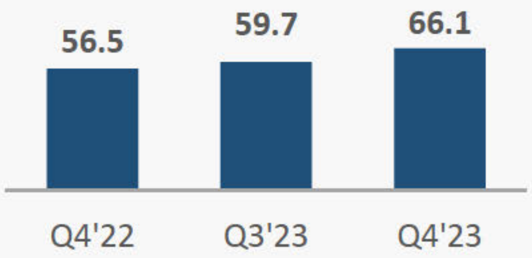
(Paid Subscribers in Millions and Average Monthly Revenue per Paid Subscriber (ARPU) in USD)

Disney+ Domestic(1) Subscribers



	Q4'23 vs. Q4'22	Q4'23 vs. Q3'23
Disney+ Domestic(1) Subscribers	+0.1	+0.5
Disney+ International(2) Subscribers	+9.6	+6.4

Disney+ International(2) Subscribers



	Q4'22	Q3'23	Q4'23	Q4'23 vs. Q4'22	Q4'23 vs. Q3'23
Disney+ Domestic(1)	**$6.10**	**$7.31**	**$7.50**	**+$1.40**	**+$0.19**
Disney+ International(2)	**$5.83**	**$6.01**	**$6.10**	**+$0.27**	**+$0.09**

Disney+ Domestic(1)

- Subscribers increased by 0.5 million vs. the prior quarter.
- ARPU increased by $0.19 vs. the prior quarter due to higher advertising revenue.

Disney+ International(2)

- Subscribers grew by 6.4 million vs. the prior quarter.
- ARPU increased by $0.09 vs. the prior quarter due to an increase in average retail pricing, partially offset by a higher mix of subscribers to promotional offerings.

Note: See DTC Product Descriptions and Key Definitions on page 19

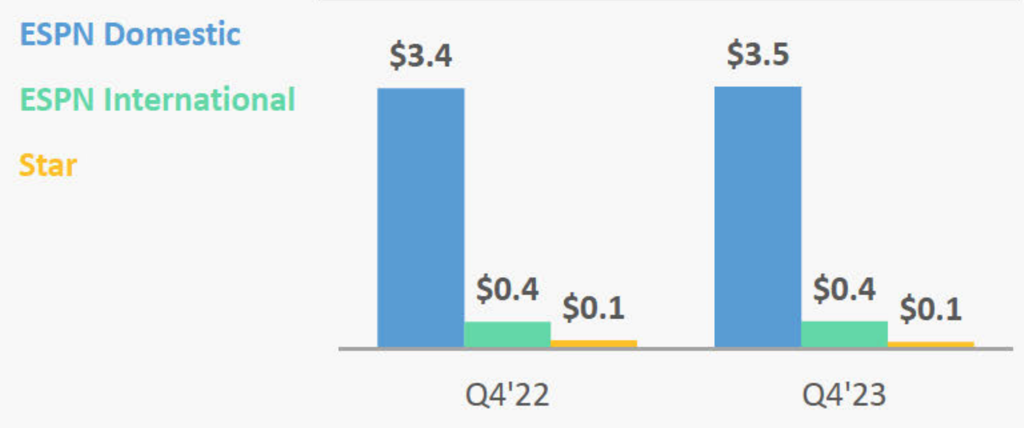
(1) U.S. and Canada

(2) Excluding Disney+ Hotstar

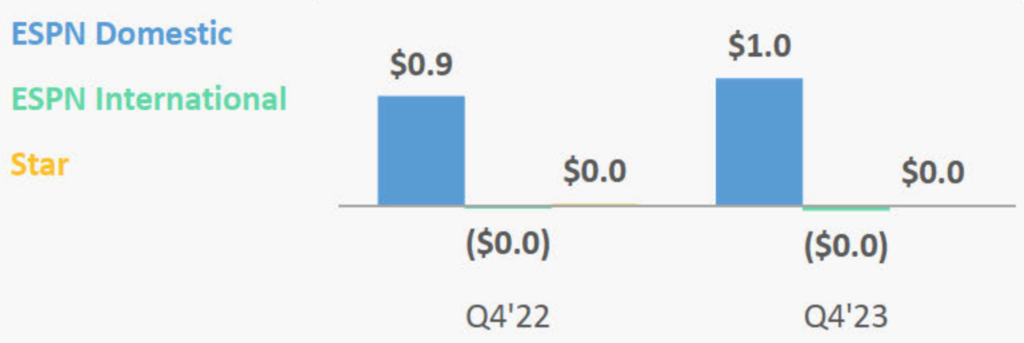
Q4 Sports Results

(In Billions)

Revenues



Operating Income (Loss)[1]



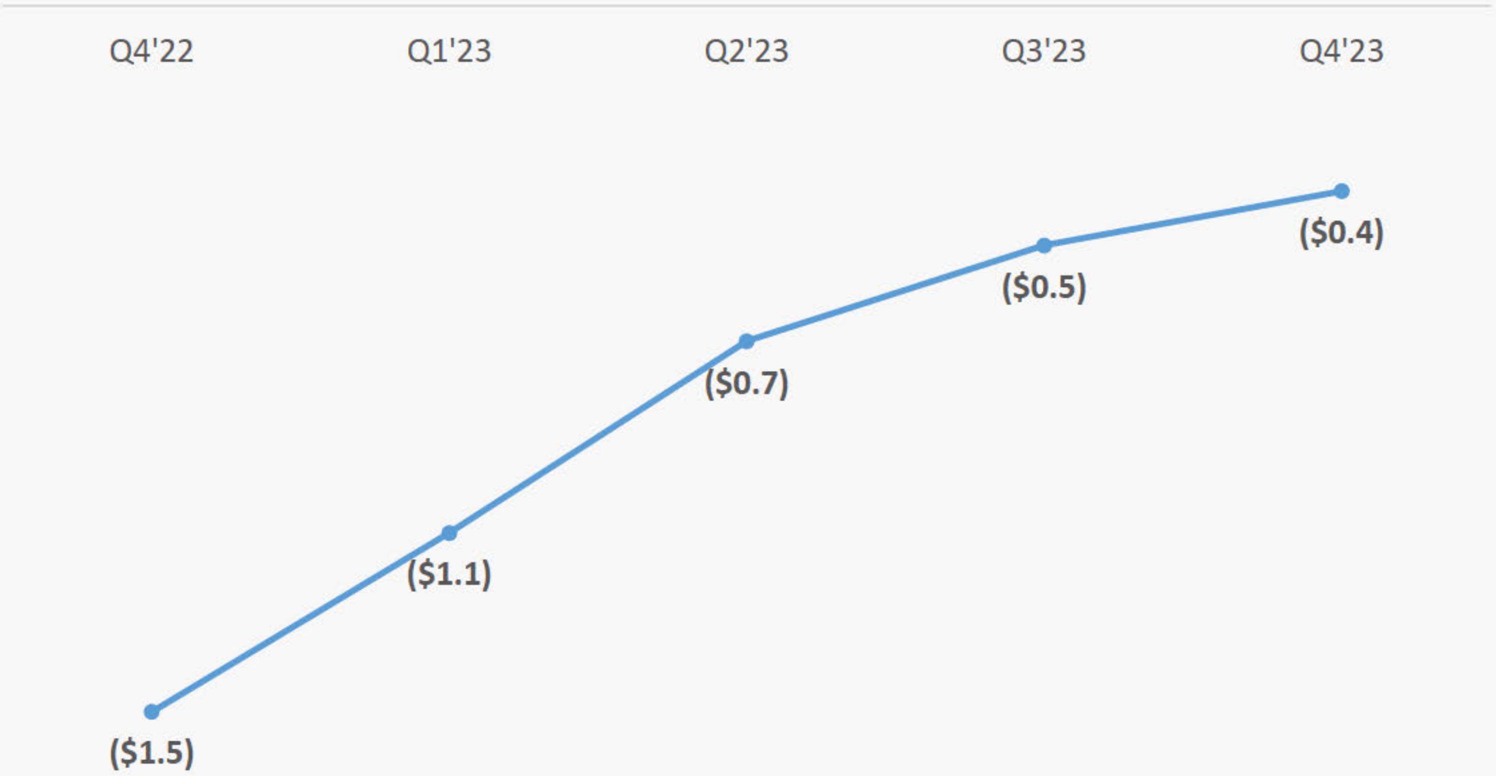
ESPN Domestic

- Results increased primarily due to lower programming and production costs, growth in subscription revenue at ESPN+ due to both pricing and subscriber growth, and lower marketing costs, partially offset by lower affiliate revenue.
  - The decrease in programming and production costs reflect the absence of the Big 10.
  - Lower affiliate revenue was due to fewer subscribers and the Charter blackout, partially offset by higher contractual rates.
- Advertising revenue increased by 1% vs. the prior year, despite the absence of the Big 10, the Charter blackout and a highly competitive marketplace.

(1) Sports operating income also includes Equity in the Income of Investees of $15 million in Q4’22 and $16 million in Q4’23

Combined DTC Streaming Businesses Quarterly Operating Losses[1]

(In Billions)

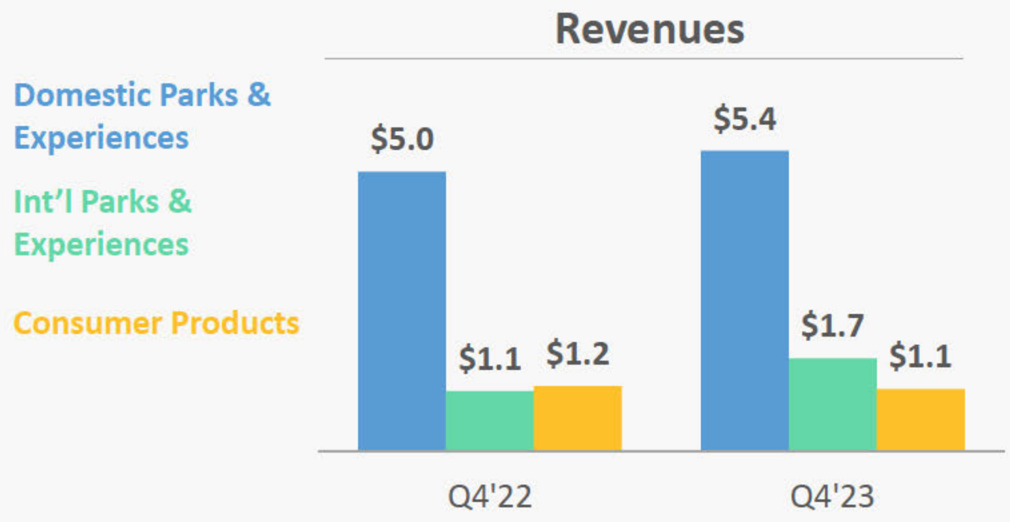


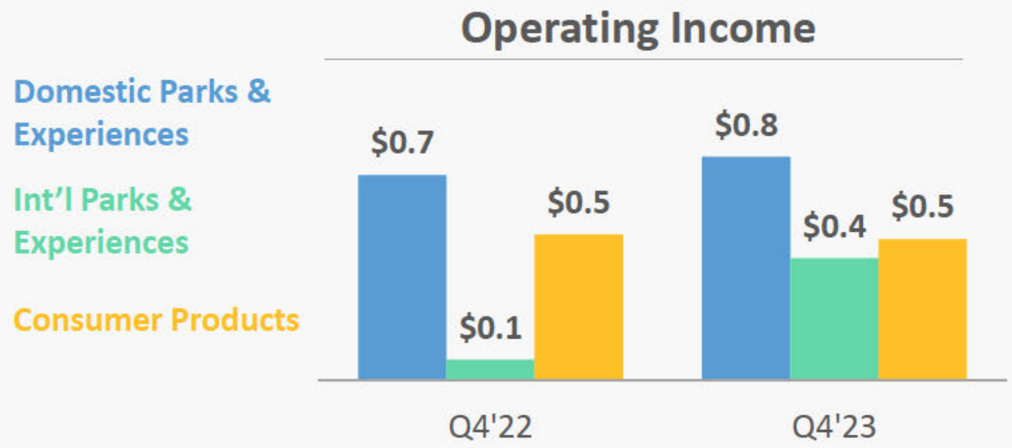
- Q4 combined DTC streaming businesses operating losses have improved by $1.1 billion vs. the prior year driven by revenue growth and cost reductions.
- Sequentially, operating losses for the combined DTC streaming businesses improved by $125 million

(1) DTC streaming businesses operating loss is not a financial measure defined by GAAP. The most comparable GAAP measures are segment operating income for the Entertainment segment and Sports segment. See the discussion on pages 20 and 24 for how we define and calculate this measure and a reconciliation thereof to the most directly comparable GAAP measures.

Q4 Experiences Results

(In Billions)





Domestic Parks & Experiences

- Operating income increased vs. the prior year as Disney Cruise Line, Disney Vacation Club and Disneyland Resort delivered strong year over year growth.
- Walt Disney World operating results decreased driven by accelerated depreciation from the closure of Star Wars: Galactic Starcruiser, along with inflationary impacts and the continued comparison to the 50th anniversary celebration in the prior year.

International Parks & Experiences

- Our international operations continued their strong performance trend in the quarter, with significant growth across all sites vs. the prior year.
- An increase in operating results at Shanghai Disney Resort was due to higher guest spending and volumes.
- Higher operating income at Hong Kong Disneyland Resort was due to increased guest spending and higher volumes, partially offset by higher costs from new guest offerings and inflation.

APPENDIX

Recent DTC Services Pricing Changes

(U.S. price changes as announced on August 9, 2023)

	Monthly			Annual		
	New Price	Old Price	*% Increase*	**New Price**	Old Price	*% Increase*
Disney+[(1)]						
Basic (With Ads)	**$7.99**	$7.99		**N/A**	N/A	
Premium (No Ads)	**$13.99**	$10.99	*27%*	**$139.99**	$109.99	*27%*
Hulu (SVOD Only)[(1)]						
Basic (With Ads)	**$7.99**	$7.99		**$79.99**	$79.99	
Premium (No Ads)	**$17.99**	$14.99	*20%*	**N/A**	N/A	
ESPN+[(1)]						
With Ads	**$10.99**	$9.99	*10%*	**$109.99**	$99.99	*10%*
UFC PPV (per event)	**$79.99**	$79.99		**N/A**	N/A	
UFC PPV + Annual	**N/A**	N/A		**$134.98**	$124.98	*8%*
Bundle Offerings						
New Duo Premium (No Ads): Disney+ , Hulu[(2)]	**$19.99**	N/A				
Duo Basic (With Ads): Disney+, Hulu	**$9.99**	$9.99				
Trio Basic (With Ads): Disney+, Hulu, ESPN+[(1)]	**$14.99**	$12.99	*15%*			
Premium: Disney+ (No Ads), Hulu (No Ads), ESPN+ (With Ads)[(1)]	**$24.99**	$19.99	*25%*			
Legacy [(3)]: Disney+ (No Ads), Hulu (With Ads), ESPN+ (With Ads)	**$18.99**	$14.99	*27%*			
Hulu + Live TV[(1)]						
Basic (With Ads): Disney+, Hulu, ESPN+	**$76.99**	$69.99	*10%*			
Premium: Disney+ (No Ads), Hulu (No Ads), ESPN+ (With Ads)	**$89.99**	$82.99	*8%*			
Legacy[(3)]: Disney+ (No Ads), Hulu (With Ads), ESPN+ (With Ads)	**$81.99**	$74.99	*9%*			

(1) Effective as of October 12, 2023
(2) Available beginning September 6, 2023
(3) Available only to existing subscribers

Fiscal 2024 – Selected Sports Timing Comparisons

(As of November 8, 2023; items are not exhaustive; subject to change)

<table>
<tr><th>Q1</th><th>Q2</th><th>Q3</th><th>Q4</th></tr>
<tr><td>No Big 10 renewal in FY24 (held rights in Q1 of FY23)</td><td></td><td>ICC T20 in FY24 (DTC only) vs. in Q1 of FY23</td><td>New SEC deal begins</td></tr>
<tr><td colspan="2">Net shift of 1 College Football Playoff game, including 2 semi-final games, from Q1 of FY23 to Q2 of FY24</td><td></td><td>No Pac-12 rights (held rights in Q4 of FY23)</td></tr>
<tr><td>ICC Cricket World Cup in FY24 vs. ICC T20 in FY23</td><td></td><td></td><td></td></tr>
<tr><td colspan="2">No BCCI renewal in FY24 (vs. matches in Q1 and Q2 of FY23)</td><td></td><td></td></tr>
</table>

Upcoming Parks and Experiences Openings & Events

(Reflects publicly announced planned openings and events as of November 8, 2023; list is not exhaustive; subject to change)

Date	Attraction / Event	Location
November 10, 2023	Adventureland Treehouse	Disneyland Resort
November 20, 2023	World of Frozen	Hong Kong Disneyland Resort
December 5, 2023	Luminous: The Symphony of Us	Walt Disney World Resort
December 20, 2023	Zootopia	Shanghai Disney Resort
December 2023	World Celebration at EPCOT	Walt Disney World Resort
January 25, 2024	The Disneyland Hotel Royal Transformation	Disneyland Paris
January 30, 2024	Pixar Place Hotel	Disneyland Resort
June 6, 2024	Fantasy Springs	Tokyo Disney Resort
June 2024	Disney Lookout Cay at Lighthouse Point	Disney Cruise Line
2024	Tiana's Bayou Adventure	Disneyland Resort & Walt Disney World
2024	Disney Vacation Club Cabins at Fort Wilderness Resort	Walt Disney World Resort
Late 2024	Disney Vacation Club at Polynesian Resort	Walt Disney World Resort
December 21, 2024	Disney Treasure *(Maiden Voyage)*	Disney Cruise Line
Fiscal Year 2025	Disney Adventure	Disney Cruise Line
Fiscal Year 2026	Third Wish-class ship	Disney Cruise Line

Note: Dates provided are based on calendar year unless otherwise specified

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 the service is distributed 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)

Hulu and ESPN+ 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 or wholesale 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.

Non-GAAP Financial Measures

This presentation includes total segment operating income, diluted EPS excluding certain items, DTC streaming businesses operating losses, and free cash flow, all 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 income from continuing operations before income taxes, diluted EPS, Entertainment and Sports segment operating income (loss), or cash provided by continuing operations as determined in accordance with GAAP. Total segment operating income, diluted EPS excluding certain items, DTC streaming businesses operating income (loss), and free cash flow as we have calculated them may not be comparable to similarly titled measures reported by other companies.

Total segment operating income

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.

Diluted EPS excluding certain items

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.

DTC Streaming Businesses

The Company uses combined DTC streaming businesses operating income (loss) to evaluate the performance of its portfolio of combined streaming businesses and track progress against the Company's goal of reaching profitability in Q4 of fiscal 2024 at its combined streaming businesses.

Free Cash Flow

The Company uses free cash flow (cash provided by continuing operations less investments in parks, resorts and other property), among other measures, to evaluate the ability of its operations to generate cash that is available for purposes other than capital expenditures. Management believes that information about free cash flow provides investors with an important perspective on the cash available to service debt obligations, make strategic acquisitions and investments and pay dividends or repurchase shares.

Reconciliation of Total Segment Operating Income for Q4 & FY23

(In Millions)

The following table reconciles income from continuing operations before income taxes to total segment operating income (in millions):

	Quarter Ended			Year Ended		
	Sept. 30, 2023	Oct. 1, 2022	Change	Sept. 30, 2023	Oct. 1, 2022	Change
Income from continuing operations before income taxes	$1,007	$376	>100%	$4,769	$5,285	(10 %)
Add (subtract):						
Content license early termination	—	—	nm	—	1,023	100 %
Corporate and unallocated shared expenses	293	334	12 %	1,147	1,159	1 %
Restructuring and impairment charges and A+E gain	965	—	nm	3,836	237	>(100 %)
Other (income) expense, net	—	(63)	(100 %)	(96)	667	nm
Interest expense, net	282	371	24 %	1,209	1,397	13 %
Amortization of TFCF and Hulu intangible assets and fair value step-up on film and television costs	429	579	26 %	1,998	2,353	15 %
Total segment operating income	**$2,976**	**$1,597**	**86 %**	**$12,863**	**$12,121**	**6 %**

Reconciliation of Diluted EPS Excluding Certain Items for Q4

(In Millions except EPS)

The following table reconciles reported diluted EPS from continuing operations to diluted EPS excluding certain items for the fourth quarter:

	Pre-Tax Income/ Loss	Tax Benefit/ Expense[1]	After-Tax Income/ Loss[2]	Diluted EPS[3]	Change vs. prior year period
Quarter Ended September 30, 2023					
As reported	$1,007	($313)	$694	$0.14	56 %
Exclude:					
Restructuring and impairment charges[4]	965	(57)	908	0.50	
Amortization of TFCF and Hulu intangible assets and fair value step-up on film and television costs[5]	429	(100)	329	0.18	
Excluding certain items	**$2,401**	**($470)**	**$1,931**	**$0.82**	**>100%**
Quarter Ended October 1, 2022					
As reported	$376	($122)	$254	$0.09	
Exclude:					
Amortization of TFCF and Hulu intangible assets and fair value step-up on film and television costs[5]	579	(136)	443	0.24	
Other income, net[6]	(63)	15	(48)	(0.03)	
Excluding certain items	**$892**	**($243)**	**$649**	**$0.30**	

(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) Charges for the current quarter were related to impairments on goodwill ($721 million) and an equity investment ($141 million), content impairments ($137 million) due to the termination of an agreement with A+E and severance costs ($22 million), net of the A+E gain ($56 million)
(5) For the current quarter, intangible asset amortization was $361 million, step-up amortization was $65 million and amortization of intangible assets related to TFCF equity investees was $3 million. For the prior-year quarter, intangible asset amortization was $415 million, step-up amortization was $161 million and amortization of intangible assets related to TFCF equity investees was $3 million.
(6) In the prior-year quarter, other income, net was due to a DraftKings gain ($63 million).

Reconciliation of Diluted EPS Excluding Certain Items for FY23

(In Millions except EPS)

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

(in millions except EPS)	Pre-Tax Income/ Loss	Tax Benefit/ Expense[1]	After-Tax Income/ Loss[2]	Diluted EPS[3]	Change vs. prior year
Year Ended September 30, 2023					
As reported	$4,769	($1,379)	$3,390	$1.29	(26%)
Exclude:					
Restructuring and impairment charges[4]	3,836	(717)	3,119	1.69	
Amortization of TFCF and Hulu intangible assets and fair value step-up on film and television costs[5]	1,998	(465)	1,533	0.82	
Other income, net[6]	(96)	13	(83)	(0.05)	
Excluding certain items	**$10,507**	**($2,548)**	**$7,959**	**$3.76**	**7%**
Year Ended October 1, 2022					
As reported	$5,285	($1,732)	$3,553	$1.75	
Exclude:					
Amortization of TFCF and Hulu intangible assets and fair value step-up on film and television costs[5]	2,353	(549)	1,804	0.97	
Contract license early termination	1,023	(238)	785	0.43	
Other income, net[6]	667	(156)	511	0.28	
Restructuring and impairment charges[4]	237	(55)	182	0.10	
Excluding certain items	**$9,565**	**($2,730)**	**$6,835**	**$3.53**	

(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) Charges for the current year included content impairments ($2,577 million), severance ($357 million), impairments of goodwill ($721 million) and an investment ($141 million), and costs related to exiting our businesses in Russia ($69 million), net of the A+E gain ($56 million). Charges for the prior year were due to impairments of an intangible and other assets related to exiting our businesses in Russia.
(5) For the current year, intangible asset amortization was $1,547 million, step-up amortization was $439 million and amortization of intangible assets related to TFCF equity investees was $12 million. For the prior year, intangible asset amortization was $1,707 million, step-up amortization was $634 million and amortization of intangible assets related to TFCF equity investees was $12 million.
(6) For the current year, other income, net was due to a DraftKings loss ($169 million) and a gain on the sale of a business ($28 million), partially offset by a charge related to a legal ruling ($101 million). For the prior year, other expense, net was due to a DraftKings loss ($663 million).

Reconciliation of DTC Streaming Businesses Operating Losses for Q4 & FY23

(In Millions)

The following tables reconcile the Entertainment and Sports segment operating income (loss) to the DTC streaming businesses operating loss:

	Quarter Ended					
	Sept. 30, 2023			October 1, 2022		
	Entertainment	Sports	DTC Streaming Services	Entertainment	Sports	DTC Streaming Services
Linear Networks	$805	$948		$806	$929	
DTC streaming businesses (Direct-to-Consumer and ESPN+ businesses)	(420)	33	$(387)	(1,406)	(66)	$(1,472)
Content Sales/Licensing and Other	(149)	—		(8)	—	
Total	$236	$981		($608)	$863	

	Year Ended					
	September 30, 2023			October 1, 2022		
	Entertainment	Sports	DTC Streaming Services	Entertainment	Sports	DTC Streaming Services
Linear Networks	$4,119	$2,581		$5,198	$3,299	
DTC streaming businesses (Direct-to-Consumer and ESPN+ businesses)	(2,496)	(116)	$(2,612)	(3,424)	(589)	$(4,013)
Content Sales/Licensing and Other	(179)	—		352	—	
Total	$1,444	$2,465		$2,126	$2,710	

Reconciliation of Free Cash Flow

(In Millions)

The following table reconciles the Company's consolidated cash provided by continuing operations to free cash flow:

	Year Ended								
	Oct. 3, 2015	Oct. 1, 2016	Sept. 30, 2017	Sept. 29, 2018	Sept. 28, 2019	Oct. 3, 2020	Oct. 2, 2021	Oct. 1, 2022	Sept. 30, 2023
Cash provided by operations – continuing operations	10,909	13,136	12,343	14,295	5,984	7,616	5,566	6,002	9,866
Investments in parks, resorts and other property	(4,265)	(4,773)	(3,623)	(4,465)	(4,876)	(4,022)	(3,578)	(4,943)	(4,969)
Free cash flow	6,644	8,363	8,720	9,830	1,108	3,594	1,988	1,059	4,897