UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

☒ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended December 27, 2025

or

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from __________ to __________.

Commission File Number 001-38842

The Walt Disney Company

Delaware	**83-0940635**
State or Other Jurisdiction of Incorporation or Organization	I.R.S. Employer Identification

500 South Buena Vista Street
Burbank, California 91521
Address of Principal Executive Offices and Zip Code

(818) 560-1000
Registrant's Telephone Number, Including Area Code

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, $0.01 par value	DIS	New York Stock Exchange

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☒	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐
		Emerging growth company	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes ☐ No ☒

There were 1,771,519,851 shares of common stock outstanding as of January 28, 2026.

THE WALT DISNEY COMPANY

Form 10-Q

For the Fiscal Quarter Ended December 27, 2025

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Cautionary Note on Forward-Looking Statements

This Quarterly Report on Form 10-Q contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Forward-looking statements generally relate to future events or our future financial or operating performance and may include statements concerning, among other things, financial results; business plans (including statements regarding new products and services, future expenditures, cost, investments and transactions for which conditions to close have not been satisfied; future liabilities and other obligations; impairments and amortization; estimates of the financial impact of certain items, accounting treatment, events or circumstances; competition and seasonality on our businesses and results of operations; and capital allocation, including share repurchases and dividends. In some cases, you can identify forward-looking statements because they contain words such as “may,” “will,” “would,” “expects,” “plans,” “could,” “intends,” “target,” “projects,” “forecasts,” “believes,” “estimates,” “anticipates,” “potential,” “continue,” “assumption” or “judgment” or the negative of these words or other similar terms or expressions that concern our expectations, strategy, plans or intentions. These statements reflect our current views with respect to future events and are based on assumptions as of the date of this report. These statements are subject to known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to be materially different from expectations or results projected or implied by forward-looking statements.

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 intellectual properties (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;
- deterioration in domestic and global economic conditions or 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 for and acceptance of our content offerings and the distribution channel (including pricing and bundling of our streaming services and impact on churn and subscriber additions) and our leisure travel destinations;
- the market for advertising sales on our streaming services and linear networks;
- health concerns and their impact on our businesses and productions;
- international, including tariffs and other trade policies, 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;
- taxation; and
- performance of some or all Company businesses either directly or through their impact on those who distribute our products.

Additional factors include those described in our 2025 Annual Report on Form 10-K, including under the captions “Risk Factors,” “Management’s Discussion and Analysis of Financial Condition and Results of Operations,” and “Business,” in our subsequent 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 in our subsequent filings with the Securities and Exchange Commission.

A forward-looking statement is neither a prediction nor a guarantee of future events or circumstances. You should not place undue reliance on the forward-looking statements. Unless required by federal securities laws, we assume no obligation to update any of these forward-looking statements, or to update the reasons actual results could differ materially from those anticipated, to reflect circumstances or events that occur after the statements are made.

PART I. FINANCIAL INFORMATION

Item 1: Financial Statements

THE WALT DISNEY COMPANY
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(unaudited; in millions, except per share data)

	Quarter Ended	
	December 27, 2025	December 28, 2024
Revenues:		
Services	**$ 23,206**	$ 22,048
Products	**2,775**	2,642
Total revenues	**25,981**	24,690
Costs and expenses:		
Cost of services (exclusive of depreciation and amortization)	**(15,003)**	(13,789)
Cost of products (exclusive of depreciation and amortization)	**(1,666)**	(1,617)
Selling, general, administrative and other	**(4,121)**	(3,930)
Depreciation and amortization	**(1,316)**	(1,276)
Total costs and expenses	**(22,106)**	(20,612)
Restructuring and impairment charges	**—**	(143)
Interest expense, net	**(275)**	(367)
Equity in the income of investees	**93**	92
Income before income taxes	**3,693**	3,660
Income taxes	**(1,209)**	(1,016)
Net income	**2,484**	2,644
Net income attributable to noncontrolling interests	**(82)**	(90)
Net income attributable to The Walt Disney Company (Disney)	**$ 2,402**	$ 2,554
Earnings per share attributable to Disney:		
Diluted	**$ 1.34**	$ 1.40
Basic	**$ 1.34**	$ 1.41
Weighted average number of common and common equivalent shares outstanding:		
Diluted	**1,793**	1,818
Basic	**1,786**	1,812

See Notes to Condensed Consolidated Financial Statements

THE WALT DISNEY COMPANY
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(unaudited; in millions)

	Quarter Ended	
	December 27, 2025	December 28, 2024
Net income	**$ 2,484**	$ 2,644
Other comprehensive income (loss), net of tax:		
Market value adjustments for hedges	**31**	362
Pension and postretirement medical plan adjustments	**(3)**	25
Foreign currency translation and other	**13**	552
Other comprehensive income	**41**	939
Comprehensive income	**2,525**	3,583
Net income attributable to noncontrolling interests	**(82)**	(90)
Other comprehensive income (loss) attributable to noncontrolling interests	**(27)**	72
Comprehensive income attributable to Disney	**$ 2,416**	$ 3,565

See Notes to Condensed Consolidated Financial Statements

THE WALT DISNEY COMPANY
CONDENSED CONSOLIDATED BALANCE SHEETS
(unaudited; in millions, except per share data)

	December 27, 2025	September 27, 2025
ASSETS		
Current assets		
Cash and cash equivalents	**$ 5,678**	$ 5,695
Receivables, net	**15,054**	13,217
Inventories	**2,157**	2,134
Content advances	**1,336**	2,063
Other current assets	**1,241**	1,158
Total current assets	**25,466**	24,267
Produced and licensed content costs	**31,114**	31,327
Investments	**8,052**	8,097
Parks, resorts and other property		
Attractions, buildings and equipment	**81,830**	82,041
Accumulated depreciation	**(47,228)**	(48,889)
	34,602	33,152
Projects in progress	**7,403**	6,911
Land	**1,193**	1,192
	43,198	41,255
Intangible assets, net	**9,429**	9,272
Goodwill	**74,743**	73,294
Other assets	**10,087**	10,002
Total assets	**$ 202,089**	$ 197,514
LIABILITIES AND EQUITY		
Current liabilities		
Accounts payable and other accrued liabilities	**$ 20,541**	$ 21,203
Current portion of borrowings	**10,819**	6,711
Deferred revenue and other	**6,686**	6,248
Total current liabilities	**38,046**	34,162
Borrowings	**35,821**	35,315
Deferred income taxes	**4,126**	3,524
Other long-term liabilities	**10,088**	9,901
Commitments and contingencies (Note 12)		
Equity		
Preferred stock	**—**	—
Common stock, $0.01 par value, Authorized – 4.6 billion shares, Issued – 1.9 billion shares	**60,704**	59,814
Retained earnings	**60,164**	60,410
Accumulated other comprehensive loss	**(2,900)**	(2,914)
Treasury stock, at cost, 97 million shares at December 27, 2025 and 79 million shares at September 27, 2025	**(9,492)**	(7,441)
Total Disney Shareholders' equity	**108,476**	109,869
Noncontrolling interests	**5,532**	4,743
Total equity	**114,008**	114,612
Total liabilities and equity	**$ 202,089**	$ 197,514

See Notes to Condensed Consolidated Financial Statements

THE WALT DISNEY COMPANY
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(unaudited; in millions)

	Quarter Ended	
	December 27, 2025	December 28, 2024
OPERATING ACTIVITIES		
Net income	**$ 2,484**	$ 2,644
Depreciation and amortization	**1,316**	1,276
Deferred income taxes	**525**	25
Equity in the income of investees	**(93)**	(92)
Cash distributions received from equity investees	**93**	33
Net change in produced and licensed content costs and advances	**1,153**	1,141
Equity-based compensation	**332**	317
Other, net	**9**	206
Changes in operating assets and liabilities:		
Receivables	**(1,806)**	(1,277)
Inventories	**(22)**	4
Other assets	**(220)**	(116)
Accounts payable and other liabilities	**(1,650)**	(1,533)
Income taxes	**(1,386)**	577
Cash provided by operations	**735**	3,205
INVESTING ACTIVITIES		
Investments in parks, resorts and other property	**(3,013)**	(2,466)
Other, net	**276**	(109)
Cash used in investing activities	**(2,737)**	(2,575)
FINANCING ACTIVITIES		
Commercial paper borrowings (payments), net	**4,007**	(169)
Borrowings	**1,062**	1,057
Reduction of borrowings	**(887)**	(951)
Repurchases of common stock	**(2,034)**	(794)
Other, net	**(164)**	(140)
Cash provided by (used in) financing activities	**1,984**	(997)
Impact of exchange rates on cash, cash equivalents and restricted cash	**5**	(153)
Change in cash, cash equivalents and restricted cash	**(13)**	(520)
Cash, cash equivalents and restricted cash, beginning of period	**5,799**	6,102
Cash, cash equivalents and restricted cash, end of period	**$ 5,786**	$ 5,582

See Notes to Condensed Consolidated Financial Statements

THE WALT DISNEY COMPANY
CONDENSED CONSOLIDATED STATEMENTS OF EQUITY
(unaudited; in millions)

	Quarter Ended							
	Equity Attributable to Disney							
	Shares[1]	Common Stock	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Treasury Stock	Total Disney Equity	Non-controlling Interests[2]	Total Equity
Balance at September 27, 2025	1,791	$ 59,814	$ 60,410	$ (2,914)	$ (7,441)	$ 109,869	$ 4,743	$ 114,612
Comprehensive income	—	—	2,402	14	—	2,416	109	2,525
Equity compensation activity	3	245	—	—	—	245	—	245
Dividends	—	—	(2,651)	—	—	(2,651)	—	(2,651)
Common stock repurchases	(18)	—	—	—	(2,034)	(2,034)	—	(2,034)
Acquisition of Fubo	—	646	—	—	—	646	702	1,348
Distributions and other	—	(1)	3	—	(17)	(15)	(22)	(37)
Balance at December 27, 2025	**1,776**	**$ 60,704**	**$ 60,164**	**$ (2,900)**	**$ (9,492)**	**$ 108,476**	**$ 5,532**	**$ 114,008**
Balance at September 28, 2024	1,812	$ 58,592	$ 49,722	$ (3,699)	$ (3,919)	$ 100,696	$ 4,826	$ 105,522
Comprehensive income	—	—	2,554	1,011	—	3,565	18	3,583
Equity compensation activity	5	276	—	—	—	276	—	276
Dividends	—	—	(1,807)	—	—	(1,807)	—	(1,807)
Common stock repurchases	(7)	—	—	—	(794)	(794)	—	(794)
Distributions and other	—	—	(1)	—	(2)	(3)	(38)	(41)
Balance at December 28, 2024	1,810	$ 58,868	$ 50,468	$ (2,688)	$ (4,715)	$ 101,933	$ 4,806	$ 106,739

(1) Shares are net of treasury shares.

(2) Excludes redeemable noncontrolling interests.

See Notes to Condensed Consolidated Financial Statements

1. *Basis of Presentation*

These Condensed Consolidated Financial Statements have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) for interim financial information and the instructions to Rule 10-01 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by GAAP for complete financial statements. We believe that we have included all normal recurring adjustments necessary for a fair statement of the results for the interim period. Operating results for the quarter ended December 27, 2025 are not necessarily indicative of the results that may be expected for the year ending October 3, 2026.

The terms “Company,” “Disney,” “we,” “us,” and “our” are used in this report to refer collectively to the parent company, The Walt Disney Company, as well as the subsidiaries through which its various businesses are actually conducted.

These financial statements should be read in conjunction with the Company’s 2025 Annual Report on Form 10-K.

Effective October 29, 2025, the Company included FuboTV Inc. (Fubo), a publicly traded virtual multi-channel video programming distributor (vMVPD), in the Company’s Condensed Consolidated Financial Statements. See Note 4 for additional information.

On November 14, 2024, the Company and Reliance Industries Limited (RIL) formed a joint venture (India joint venture) that combined the Company’s Star-branded and other general entertainment and sports television channels and Disney+ Hotstar streaming service in India (Star India) with certain media and entertainment businesses controlled by RIL (the Star India Transaction). The Company has a 37% interest in the India joint venture and recognizes its share of the joint venture’s results in “Equity in the income of investees.” Star India’s results through November 14, 2024 were consolidated in the Company’s financial results.

Variable Interest Entities

The Company enters into relationships with or makes investments in other entities that may be variable interest entities (VIE). A VIE is consolidated in our financial statements if the Company has the power to direct activities that most significantly impact the economic performance of the VIE and has the obligation to absorb losses or the right to receive benefits from the VIE that could potentially be significant (as defined by ASC 810-10-25-38) to the VIE. Hong Kong Disneyland Resort and Shanghai Disney Resort (together the Asia Theme Parks, see Note 6) are VIEs in which the Company has less than 50% equity ownership. Company subsidiaries (the Management Companies) have management agreements with the Asia Theme Parks, which provide the Management Companies, subject to certain protective rights of joint venture partners, with the ability to direct the day-to-day operating activities and the development of business strategies that we believe most significantly impact the economic performance of the Asia Theme Parks. In addition, the Management Companies receive management fees under these arrangements that we believe could be significant to the Asia Theme Parks. Therefore, the Company has consolidated the Asia Theme Parks in its financial statements.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and footnotes thereto. Actual results may differ from those estimates.

Reclassifications

Certain reclassifications have been made in the fiscal 2025 financial statements and notes to conform to the fiscal 2026 presentation.

2. *Segment Information*

The Company’s operations are reported in three segments: Entertainment, Sports and Experiences, for which separate financial information, including segment revenue and operating income, is evaluated regularly by the Chief Executive Officer, the Chief Operating Decision Maker, to allocate resources and assess performance.

Segment operating results reflect earnings before corporate and unallocated shared expenses, restructuring and impairment charges, net other income/expense, net interest expense, income taxes and noncontrolling interests. Segment operating income generally includes equity in the income of investees, except for our India joint venture, and excludes amortization of intangible assets and impacts from fair value adjustments recognized in connection with the fiscal 2019 acquisition of TFCF Corporation (TFCF) and Hulu LLC (Hulu) and business acquisitions occurring after fiscal 2025 (Acquisition Amortization). Corporate and unallocated shared expenses principally consist of corporate functions, executive management and certain unallocated administrative support functions.

(unaudited; tabular dollars in millions, except for per share data)

Segment operating results include allocations of certain costs, including information technology, pension, legal and other shared services costs, which are allocated based on metrics designed to correlate with consumption.

Segment revenues, segment operating income and significant segment expenses are as follows:

	Quarter Ended	
	December 27, 2025	December 28, 2024
Revenues:		
Entertainment		
Third parties	**$ 11,454**	$ 10,761
Amounts eliminated in consolidation	**155**	111
	11,609	10,872
Sports		
Third parties	**4,521**	4,514
Amounts eliminated in consolidation	**388**	336
	4,909	4,850
Experiences	**10,006**	9,415
Eliminations	**(543)**	(447)
Total segment revenues	**$ 25,981**	$ 24,690
Segment operating income:		
Entertainment	**$ 1,100**	$ 1,703
Sports	**191**	247
Experiences	**3,309**	3,110
Total segment operating income[(1)]	**$ 4,600**	$ 5,060

[(1)] Equity in the income of investees is included in segment operating income as follows:

	Quarter Ended	
	December 27, 2025	December 28, 2024
Entertainment	**$ 118**	$ 118
Sports	**3**	10
Equity in the income of investees included in segment operating income	**121**	128
Equity in the loss of India joint venture	**(28)**	(33)
Acquisition Amortization related to an equity investee	**—**	(3)
Equity in the income of investees	**$ 93**	$ 92

(unaudited; tabular dollars in millions, except for per share data)

	Quarter Ended	
Information about significant segment expenses	**December 27, 2025**	December 28, 2024
Entertainment		
Programming and production costs	**$ 6,314**	$ 5,475
Other segment operating expenses[1]	**1,469**	1,340
Selling, general, administrative and other	**2,626**	2,294
Depreciation and amortization	**218**	178
Total Entertainment costs and expenses	**10,627**	9,287
Sports		
Programming and production costs	**4,132**	4,043
Other segment operating expenses[2]	**257**	250
Selling, general, administrative and other	**308**	310
Depreciation and amortization	**24**	10
Total Sports costs and expenses	**4,721**	4,613
Experiences		
Operating labor	**2,285**	2,164
Infrastructure costs	**846**	801
Costs of goods sold and distribution costs	**943**	929
Other segment operating expenses[3]	**902**	784
Selling, general, administrative and other	**962**	948
Depreciation and amortization	**759**	679
Total Experiences costs and expenses	**6,697**	6,305
Eliminations[4]	**(543)**	(447)
Corporate and unallocated shared expenses	**304**	460
Acquisition Amortization[5]	**300**	394
Total costs and expenses	**$ 22,106**	$ 20,612

(1) Other operating expenses of Entertainment include technology support costs, distribution costs and costs of goods sold.

(2) Other operating expenses of Sports include technology support costs and distribution costs.

(3) Other operating expenses of Experiences include costs for supplies, processing fees and entertainment offerings.

(4) Reflects fees paid by (a) the Entertainment vMVPD services to ESPN and the Entertainment linear networks for the right to air the networks on Hulu Live TV and Fubo and (b) the Entertainment segment to the Sports segment to program certain sports content on ABC Network and Disney+. The offset is included in Entertainment programming and production costs.

(5) Excludes Acquisition Amortization of intangible assets related to equity investees.

(unaudited; tabular dollars in millions, except for per share data)

A reconciliation of segment operating income to income before income taxes is as follows:

	Quarter Ended	
	December 27, 2025	December 28, 2024
Segment operating income	**$ 4,600**	$ 5,060
Corporate and unallocated shared expenses	**(304)**	(460)
Equity in the loss of India joint venture	**(28)**	(33)
Restructuring and impairment charges[(1)]	**—**	(143)
Interest expense, net	**(275)**	(367)
Acquisition Amortization[(2)]	**(300)**	(397)
Income before income taxes	**$ 3,693**	$ 3,660

(1) In the prior-year quarter, the Company recorded a $143 million loss in connection with the Star India Transaction.

(2) Acquisition Amortization is as follows:

	Quarter Ended	
	December 27, 2025	December 28, 2024
Amortization of intangible assets	**$ 236**	$ 327
Step-up of film and television costs	**64**	67
Intangibles related to an equity investee	**—**	3
	$ 300	$ 397

3. *Revenues*

The following table presents revenues by segment and major source:

	Quarter Ended December 27, 2025				
	Entertainment	Sports	Experiences	Eliminations	**Total**
Subscription and affiliate fees	$ 7,250	$ 2,983	$ —	$ (416)	**$ 9,817**
Advertising	1,775	1,477	—	—	**3,252**
Theme park admissions	—	—	3,301	—	**3,301**
Resorts and vacations	—	—	2,410	—	**2,410**
Retail and wholesale sales of merchandise, food and beverage	—	—	2,741	—	**2,741**
Merchandise licensing	193	—	944	—	**1,137**
Content sales	1,936	60	—	—	**1,996**
Other	455	389	610	(127)	**1,327**
	$ 11,609	$ 4,909	$ 10,006	$ (543)	**$ 25,981**

	Quarter Ended December 28, 2024				
	Entertainment	Sports	Experiences	Eliminations	Total
Subscription and affiliate fees	$ 6,720	$ 3,057	$ —	$ (321)	$ 9,456
Advertising	1,898	1,342	—	—	3,240
Theme park admissions	—	—	3,087	—	3,087
Resorts and vacations	—	—	2,221	—	2,221
Retail and wholesale sales of merchandise, food and beverage	—	—	2,572	—	2,572
Merchandise licensing	165	—	927	—	1,092
Content sales	1,585	78	—	—	1,663
Other	504	373	608	(126)	1,359
	$ 10,872	$ 4,850	$ 9,415	$ (447)	$ 24,690

(unaudited; tabular dollars in millions, except for per share data)

The following table presents revenues by segment and primary geographical markets:

	Quarter Ended December 27, 2025				
	Entertainment	Sports	Experiences	Eliminations	**Total**
Americas	$ 9,022	$ 4,813	$ 7,570	$ (543)	**$ 20,862**
Europe	1,776	75	1,228	—	**3,079**
Asia Pacific	811	21	1,208	—	**2,040**
Total revenues	$ 11,609	$ 4,909	$ 10,006	$ (543)	**$ 25,981**

	Quarter Ended December 28, 2024				
	Entertainment	Sports	Experiences	Eliminations	Total
Americas	$ 8,492	$ 4,716	$ 7,121	$ (447)	$ 19,882
Europe	1,651	77	1,127	—	2,855
Asia Pacific	729	57	1,167	—	1,953
Total revenues	$ 10,872	$ 4,850	$ 9,415	$ (447)	$ 24,690

Revenues recognized in the current and prior-year periods from performance obligations satisfied (or partially satisfied) in previous reporting periods primarily relate to revenues earned on content made available to distributors and licensees in previous reporting periods. For the quarter ended December 27, 2025, $0.3 billion was recognized related to performance obligations satisfied as of September 27, 2025. For the quarter ended December 28, 2024, $0.3 billion was recognized related to performance obligations satisfied as of September 28, 2024.

As of December 27, 2025, revenue for unsatisfied performance obligations expected to be recognized in the future is $16 billion, primarily for IP to be made available in the future under existing agreements with merchandise and co-branding licensees and sponsors, wholesalers of SVOD streaming services, television station affiliates and sports sublicensees. Of this amount, we expect to recognize approximately $5 billion in the remainder of fiscal 2026, $4 billion in fiscal 2027, $3 billion in fiscal 2028 and $4 billion thereafter. These amounts include only fixed consideration or minimum guarantees and do not include amounts related to (i) contracts with an original expected term of one year or less or (ii) licenses of IP that are solely based on the sales of the licensee.

Accounts receivable and deferred revenues from contracts with customers are as follows:

	December 27, 2025	September 27, 2025
Accounts receivable		
Current	**$ 12,450**	$ 10,544
Non-current	**997**	985
Allowance for credit losses	**(135)**	(126)
Deferred revenues		
Current	**6,123**	5,689
Non-current	**731**	785

For the quarter ended December 27, 2025, the Company recognized revenue of $3.6 billion that was included in the September 27, 2025 deferred revenue balance. For the quarter ended December 28, 2024, the Company recognized revenue of $3.6 billion that was included in the September 28, 2024 deferred revenue balance. Amounts deferred generally relate to theme park admissions and vacation packages, subscriptions to streaming services and advances related to merchandise and TV/VOD licenses.

4. *Acquisitions and Dispositions*

NFL media assets

In January 2026, ESPN acquired NFL Network and certain other media assets owned and controlled by NFL Enterprises LLC, including the NFL RedZone channel's pay TV distribution and NFL Fantasy (collectively the Specified Assets), from NFL Enterprises LLC in exchange for a 10% noncontrolling interest of ESPN (the NFL Transaction). This transaction will allow the Company to expand audience reach, increase accessibility and flexibility for consumers, drive innovation, and offer more high-quality content at competitive prices. As a result of the NFL Transaction, the Company has an effective 72% interest in ESPN, with Hearst Corporation (Hearst) and NFL Enterprises LLC holding 18% and 10%, respectively. After July 2034, based on the performance of the Specified Assets, the Company may have the right to reacquire (the Exchange Right) the NFL's interest in ESPN in exchange for a ten-year note at 70% of the then fair market value of the NFL's interest in ESPN. Alternatively, on a similar time frame, the NFL may have the right to acquire up to a 4% additional equity interest in ESPN at a purchase price equal to 70% of the then fair market value of ESPN.

(unaudited; tabular dollars in millions, except for per share data)

The estimated fair value of the NFL Transaction is approximately $3 billion. A significant portion of the transaction value will be deferred until late fiscal 2033 and amortized as an expense thereafter, or, in the case that the Company exercises its Exchange Right, would be charged to equity. The Company is in the process of finalizing the valuation of the assets acquired, liabilities assumed and noncontrolling interests.

FuboTV Inc.

On October 29, 2025, the Company and Fubo combined certain Hulu Live TV assets, including its carriage agreements, subscription agreements and related data, advertising and sponsorship agreements and intellectual property exclusively related to the "Live TV" brand, with Fubo (the Fubo Transaction). The Company has a 70% economic interest in the combined operations, a 70% voting interest in Fubo on a fully diluted basis and the right to appoint a majority of Fubo's Board of Directors. The remaining 30% equity interest in Fubo is retained by Fubo public shareholders.

Based on the closing price of Fubo common stock of $3.69 on October 29, 2025, the estimated fair value of Fubo was $1.3 billion, which was primarily allocated to goodwill of $1.5 billion and identifiable intangible assets of $0.4 billion, partially offset by debt of $0.4 billion. Goodwill reflects the synergies expected from enhancing and expanding the Company's vMVPD offerings with more high-quality offerings, choice and increased flexibility.

The Company has included Fubo's financial results in the Company's Condensed Consolidated Financial Statements effective from October 29, 2025. The revenue of the acquired Fubo operations included in the Company's Condensed Consolidated Statement of Income for the quarter ended December 27, 2025 was approximately $0.3 billion. Net income of the acquired Fubo operations included in the Company's Condensed Consolidated Statement of Income for the quarter ended December 27, 2025, was not significant.

Pursuant to an agreement entered into as part of the Fubo Transaction, the Company is the exclusive distributor of the Hulu Live TV service for five years (renewable for an additional five-year term by mutual agreement) and pays a wholesale fee to Fubo based on Fubo's cost to program Hulu Live TV. Under the same agreement, the Company manages the marketing for Hulu Live TV and sells advertising for Hulu Live TV and Fubo for a fee.

Goodwill

The changes in the carrying amount of goodwill are as follows:

	Entertainment	Sports	Experiences	Total
Balance at September 27, 2025	$ 51,258	$ 16,486	$ 5,550	$ 73,294
Fubo Transaction	1,459	—	—	1,459
Currency translation adjustments and other, net	(10)	—	—	(10)
Balance at December 27, 2025	**$ 52,707**	**$ 16,486**	**$ 5,550**	**$ 74,743**

5. *Cash, Cash Equivalents, Restricted Cash and Borrowings*

Cash, Cash Equivalents and Restricted Cash

The following table provides a reconciliation of cash, cash equivalents and restricted cash reported in the Condensed Consolidated Balance Sheets to the total of the amounts reported in the Condensed Consolidated Statements of Cash Flows.

	December 27, 2025	September 27, 2025
Cash and cash equivalents	**$ 5,678**	$ 5,695
Restricted cash included in other assets	**108**	104
Total cash, cash equivalents and restricted cash in the statement of cash flows	**$ 5,786**	$ 5,799

(unaudited; tabular dollars in millions, except for per share data)

Borrowings

During the quarter ended December 27, 2025, the Company's borrowing activity was as follows:

	September 27, 2025	Borrowings	Payments	Other Activity	**December 27, 2025**
Commercial paper with original maturities less than three months[(1)]	$ 1,963	$ —	$ (577)	$ (5)	**$ 1,381**
Commercial paper with original maturities greater than three months	99	4,584	—	38	**4,721**
U.S. dollar denominated borrowings[(2)]	38,658	1,062	(887)	311	**39,144**
Asia Theme Parks borrowings	1,075	—	—	(2)	**1,073**
Foreign currency denominated borrowings and other[(3)]	231	—	—	90	**321**
	$ 42,026	$ 5,646	$ (1,464)	$ 432	**$ 46,640**

(1) Borrowings and reductions of borrowings are reported net.

(2) The other activity includes borrowings assumed in the acquisition of Fubo.

(3) The other activity is attributable to market value adjustments for debt with qualifying hedges.

At December 27, 2025, the Company's bank facilities, which are with a syndicate of lenders and support our commercial paper borrowings, were as follows:

	Committed Capacity	Capacity Used	Unused Capacity
Facility expiring February 2026	$ 5,250	$ —	$ 5,250
Facility expiring March 2027	4,000	—	4,000
Facility expiring March 2029	3,000	—	3,000
Total	$ 12,250	$ —	$ 12,250

The Company's bank facilities allow for borrowings at rates based on the Secured Overnight Financing Rate (SOFR) and at other variable rates for non-U.S. dollar denominated borrowings, plus a fixed spread that varies with the Company's debt ratings assigned by Moody's Ratings and S&P Global Ratings ranging from 0.63% to 1.10%. The bank facilities contain only one financial covenant relating to interest coverage of three times earnings before interest, taxes, depreciation and amortization, including both intangible amortization and amortization of our film and television production and programming costs. On December 27, 2025, the Company met this covenant by a significant margin. The bank facilities specifically exclude certain entities, including the Asia Theme Parks, from any representations, covenants or events of default. The Company also has the ability to issue up to $500 million of letters of credit under the facility expiring in March 2027, which if utilized, reduces available borrowings under this facility. As of December 27, 2025, the Company has $0.4 billion of outstanding letters of credit, of which none were issued under this facility.

Cruise Ship Credit Facilities

In October 2025, in connection with the delivery of the *Disney Destiny*, the Company borrowed $1.1 billion with a fixed interest rate of 3.74%. Payments are due semi-annually over a 12-year term.

Interest expense, net

Interest expense (net of amounts capitalized), interest and investment income, and net periodic pension and postretirement benefit costs (other than service costs) (see Note 8) are reported net in the Condensed Consolidated Statements of Income and consist of the following:

	Quarter Ended	
	December 27, 2025	December 28, 2024
Interest expense	**$ (443)**	$ (487)
Interest and investment income	**52**	54
Net periodic pension and postretirement benefit costs (other than service costs)	**116**	66
Interest expense, net	**$ (275)**	$ (367)

(unaudited; tabular dollars in millions, except for per share data)

Interest and investment income includes gains and losses on certain publicly traded and non-public investments, investment impairments and interest earned on cash and cash equivalents and certain receivables.

6. *International Theme Parks*

The Company has a 48% ownership interest in the operations of Hong Kong Disneyland Resort and a 43% ownership interest in the operations of Shanghai Disney Resort. The Asia Theme Parks together with Disneyland Paris are collectively referred to as the International Theme Parks.

The following table summarizes the carrying amounts of the Asia Theme Parks' assets and liabilities included in the Company's Condensed Consolidated Balance Sheets:

	December 27, 2025	September 27, 2025
Cash and cash equivalents	**$ 486**	$ 428
Other current assets	**219**	184
Total current assets	**705**	612
Parks, resorts and other property	**6,183**	6,060
Other assets	**286**	287
Total assets	**$ 7,174**	$ 6,959
Current liabilities	**$ 799**	$ 734
Long-term borrowings	**1,073**	1,075
Other long-term liabilities	**497**	489
Total liabilities	**$ 2,369**	$ 2,298

The following table summarizes the International Theme Parks' revenues and costs and expenses included in the Company's Condensed Consolidated Statements of Income for the quarter ended December 27, 2025:

Revenues	**$ 1,635**
Costs and expenses	**(1,291)**

Asia Theme Parks' royalty and management fees of $86 million for the quarter ended December 27, 2025 are eliminated in consolidation, but are considered in calculating earnings attributable to noncontrolling interests.

International Theme Parks' cash flows included in the Company's Condensed Consolidated Statements of Cash Flows for the quarter ended December 27, 2025 were $404 million provided by operating activities, $355 million used in investing activities and $7 million provided by financing activities.

(unaudited; tabular dollars in millions, except for per share data)

7. *Produced and Acquired/Licensed Content Costs and Advances*

Total capitalized produced and licensed content by predominant monetization strategy is as follows:

	As of December 27, 2025			As of September 27, 2025		
	Predominantly Monetized Individually	Predominantly Monetized as a Group	**Total**	Predominantly Monetized Individually	Predominantly Monetized as a Group	Total
Produced content						
Released, less amortization	$ 5,395	$ 14,158	**$ 19,553**	$ 4,624	$ 14,288	$ 18,912
Completed, not released	345	1,150	**1,495**	313	1,061	1,374
In-process	2,608	3,821	**6,429**	4,082	3,633	7,715
In development or pre-production	425	117	**542**	386	182	568
	$ 8,773	$ 19,246	**28,019**	$ 9,405	$ 19,164	28,569
Licensed content - Television programming rights and advances			**4,431**			4,821
Total produced and licensed content			**$ 32,450**			$ 33,390
Current portion			**$ 1,336**			$ 2,063
Non-current portion			**$ 31,114**			$ 31,327

Amortization of produced and licensed content is as follows:

	Quarter Ended	
	December 27, 2025	December 28, 2024
Produced content		
Predominantly monetized individually	**$ 1,354**	$ 696
Predominantly monetized as a group	**1,614**	1,813
	2,968	2,509
Licensed programming rights and advances	**4,246**	4,097
Total produced and licensed content costs[(1)]	**$ 7,214**	$ 6,606

(1) Primarily included in "Costs of services" in the Condensed Consolidated Statements of Income

8. *Pension and Other Benefit Programs*

The components of net periodic benefit cost (income) are as follows:

	Pension Plans		Postretirement Medical Plans	
	Quarter Ended		Quarter Ended	
	December 27, 2025	December 28, 2024	**December 27, 2025**	December 28, 2024
Service costs	**$ 61**	$ 65	**$ —**	$ —
Other costs (benefits):				
Interest costs	**199**	195	**11**	11
Expected return on plan assets	**(306)**	(290)	**(16)**	(15)
Amortization of previously deferred service costs (credits)	**1**	—	**(22)**	(22)
Recognized net actuarial loss (gain)	**24**	62	**(7)**	(7)
Total other costs (benefits)	**(82)**	(33)	**(34)**	(33)
Net periodic benefit cost (income)	**$ (21)**	$ 32	**$ (34)**	$ (33)

9. *Earnings Per Share*

Diluted earnings per share amounts are based upon the weighted average number of common and common equivalent shares outstanding during the period and are calculated using the treasury stock method for equity-based compensation awards (Awards). A reconciliation of the weighted average number of common and common equivalent shares outstanding and the number of Awards excluded from the diluted earnings per share calculation, as they were anti-dilutive, are as follows:

	Quarter Ended	
	December 27, 2025	December 28, 2024
Shares (in millions):		
Weighted average number of common and common equivalent shares outstanding (basic)	**1,786**	1,812
Weighted average dilutive impact of Awards	**7**	6
Weighted average number of common and common equivalent shares outstanding (diluted)	**1,793**	1,818
Awards excluded from diluted earnings per share	**13**	16

10. *Equity*

The Company declared the following dividends in fiscal 2026 and 2025:

Per Share	Amount	Payment Date
$0.75	$1.3 billion[1]	July 22, 2026
$0.75	$1.3 billion	January 15, 2026
$0.50	$0.9 billion	July 23, 2025
$0.50	$0.9 billion	January 16, 2025

(1) Amount represents our estimate of the dividends that will be paid on July 22, 2026. The actual amount will be determined based on shareholders of record at the record date.

Share Repurchase Program

Effective February 7, 2024, the Board of Directors authorized the Company to repurchase a total of 400 million shares of its common stock. During the quarter ended December 27, 2025, the Company repurchased 18 million shares of its common stock for $2.0 billion. During the quarter ended December 28, 2024, the Company repurchased 7 million shares of its common stock for $0.8 billion. As of December 27, 2025, the Company had remaining authorization in place to repurchase approximately 321 million additional shares. The repurchase program does not have an expiration date.

(unaudited; tabular dollars in millions, except for per share data)

The following tables summarize the changes in each component of accumulated other comprehensive income (loss) (AOCI) including our proportional share of equity method investee amounts:

AOCI, before tax	Market Value Adjustments for Hedges	Unrecognized Pension and Postretirement Medical Expense	Foreign Currency Translation and Other	AOCI
First quarter of fiscal 2026				
Balance at September 27, 2025	$ (549)	$ (1,901)	$ (1,085)	$ (3,535)
Quarter Ended December 27, 2025:				
Unrealized gains (losses) arising during the period	(21)	—	(13)	(34)
Reclassifications of realized net (gains) losses to net income	63	(4)	—	59
Balance at December 27, 2025	**$ (507)**	**$ (1,905)**	**$ (1,098)**	**$ (3,510)**
First quarter of fiscal 2025				
Balance at September 28, 2024	$ (319)	$ (2,243)	$ (1,855)	$ (4,417)
Quarter Ended December 28, 2024:				
Unrealized gains (losses) arising during the period	559	—	(246)	313
Reclassifications of realized net (gains) losses to net income	(88)	33	—	(55)
Star India Transaction	—	—	904	904
Balance at December 28, 2024	$ 152	$ (2,210)	$ (1,197)	$ (3,255)

Tax on AOCI	Market Value Adjustments for Hedges	Unrecognized Pension and Postretirement Medical Expense	Foreign Currency Translation and Other	AOCI
First quarter of fiscal 2026				
Balance at September 27, 2025	$ 120	$ 446	$ 55	$ 621
Quarter Ended December 27, 2025:				
Unrealized gains (losses) arising during the period	3	—	(1)	2
Reclassifications of realized net (gains) losses to net income	(14)	1	—	(13)
Balance at December 27, 2025	**$ 109**	**$ 447**	**$ 54**	**$ 610**
First quarter of fiscal 2025				
Balance at September 28, 2024	$ 71	$ 531	$ 116	$ 718
Quarter Ended December 28, 2024:				
Unrealized gains (losses) arising during the period	(130)	—	24	(106)
Reclassifications of realized net (gains) losses to net income	21	(8)	—	13
Star India Transaction	—	—	(58)	(58)
Balance at December 28, 2024	$ (38)	$ 523	$ 82	$ 567

(unaudited; tabular dollars in millions, except for per share data)

AOCI, after tax	Market Value Adjustments for Hedges	Unrecognized Pension and Postretirement Medical Expense	Foreign Currency Translation and Other	AOCI
First quarter of fiscal 2026				
Balance at September 27, 2025	$ (429)	$ (1,455)	$ (1,030)	$ (2,914)
Quarter Ended December 27, 2025:				
Unrealized gains (losses) arising during the period	(18)	—	(14)	(32)
Reclassifications of realized net (gains) losses to net income	49	(3)	—	46
Balance at December 27, 2025	**$ (398)**	**$ (1,458)**	**$ (1,044)**	**$ (2,900)**
First quarter of fiscal 2025				
Balance at September 28, 2024	$ (248)	$ (1,712)	$ (1,739)	$ (3,699)
Quarter Ended December 28, 2024:				
Unrealized gains (losses) arising during the period	429	—	(222)	207
Reclassifications of realized net (gains) losses to net income	(67)	25	—	(42)
Star India Transaction	—	—	846	846
Balance at December 28, 2024	$ 114	$ (1,687)	$ (1,115)	$ (2,688)

Details about AOCI components reclassified to net income are as follows:

Gain (loss) in net income:	Affected line item in the Condensed Consolidated Statements of Income:	Quarter Ended **December 27, 2025**	Quarter Ended December 28, 2024
Market value adjustments, primarily cash flow hedges	Primarily revenue	**$ (63)**	$ 88
Estimated tax	Income taxes	**14**	(21)
		(49)	67
Pension and postretirement medical expense	Interest expense, net	**4**	(33)
Estimated tax	Income taxes	**(1)**	8
		3	(25)
Total reclassifications for the period		**$ (46)**	$ 42

11. *Equity-Based Compensation*

Equity-based compensation expense related to stock options and restricted stock units (RSU's) for the quarters ended December 27, 2025 and December 28, 2024 was $332 million and $317 million, respectively. Equity-based compensation capitalized during the quarters ended December 27, 2025 and December 28, 2024 was $49 million and $44 million, respectively. Unrecognized compensation cost related to unvested stock options and RSUs was $0.1 billion and $1.6 billion, respectively, as of December 27, 2025.

Each fiscal year, generally in December and January, the Company awards stock options and restricted stock units to a broad-based group of management, technology and creative personnel (Annual Grant). Substantially all of the fiscal 2026 Annual Grant was issued in January 2026 and consisted of 2.6 million stock options and 15.2 million RSUs with weighted average grant date fair values of $37.11 and $113.25, respectively. The fiscal 2025 Annual Grant weighted average grant date fair values for stock options and RSUs were $37.98 and $109.20, respectively.

12. *Commitments and Contingencies*

Legal Matters

Securities Actions

On May 12, 2023, a private securities class action lawsuit was filed in the U.S. District Court for the Central District of California against the Company, its former Chief Executive Officer, Robert Chapek, its former Chief Financial Officer, Christine M. McCarthy, and the former Chairman of the Disney Media and Entertainment Distribution segment, Kareem Daniel on behalf of certain purchasers of securities of the Company (the Securities Class Action). On November 6, 2023, a consolidated complaint was filed in the same action, adding Robert Iger, the Company's Chief Executive Officer, as a defendant. Claims in the Securities Class Action include (i) violations of Section 10(b) of the Exchange Act and Rule 10b-5 promulgated thereunder against all defendants, (ii) violations of Section 20A of the Exchange Act against Iger and McCarthy, and (iii) violations of Section 20(a) of the Exchange Act against all defendants. Plaintiffs in the Securities Class Action allege purported misstatements and omissions concerning, and a scheme to conceal, accurate costs and subscriber growth of the Disney+ platform. Plaintiffs seek unspecified damages, plus interest and costs and fees. The Company intends to defend against the lawsuit vigorously. The Company filed a motion to dismiss the complaint for failure to state a claim on December 21, 2023, which was granted in part (dismissing the Section 20A claim against Iger) and otherwise denied on February 19, 2025. On March 28, 2025, the Company filed a motion for judgment on the pleadings, which was denied on May 21, 2025. The Company filed a petition for a writ of mandamus to the Ninth Circuit Court of Appeals, which was denied on July 18, 2025. The district court has set trial for August 17, 2027, and discovery is currently in progress. At this time we cannot reasonably estimate the amount of any possible loss.

On December 8, 2025, a private securities lawsuit was filed in the U.S. District Court for the Central District of California against the Company and certain former officers by Union Asset Management Holding AG and GIC Private Limited (the Union Asset Action). The Union Asset Action asserts the same claims and is based on substantially the same factual allegations and time period as the Securities Class Action, and seeks unspecified monetary damages. On January 2, 2026, the parties filed a joint stipulation to stay the Union Asset Action until the Securities Class Action concludes. The Company intends to defend against this lawsuit vigorously. The lawsuit is in the early stages, and at this time we cannot reasonably estimate the amount of any possible loss.

Derivative Actions

Six shareholder derivative complaints have been filed against the Company and certain current and former officers and directors. Each of these actions asserts various claims including breach of fiduciary duty, unjust enrichment, abuse of control, gross mismanagement, waste, insider selling, and violations of federal securities laws based on substantially similar factual allegations as those asserted in the pending Securities Class Action.

- On August 4, 2023, and December 15, 2023, two shareholder derivative complaints were filed in the U.S. District Court for the Central District of California by Hugues Gervat and Audrey McAdams, respectively. On April 29, 2024, these actions were consolidated (the Consolidated Derivative Action). The Consolidated Derivative Action is currently stayed until August 21, 2026.
- On August 23, 2023, Stourbridge Investments LLC filed a shareholder derivative complaint in the U.S. District Court for the District of Delaware. On October 24, 2023, the action was voluntarily dismissed and, on November 16, 2023, refiled in the Delaware Court of Chancery. The Stourbridge action is currently stayed until the court in the Securities Class Action rules upon any motion for summary judgment.
- On June 27, 2025, Thomas Payne filed a shareholder derivative complaint in the Delaware Court of Chancery. The Payne action is currently stayed until the court in the Securities Class Action rules upon any motion for summary judgment.
- On November 5, 2025, Martin Siegel filed a shareholder derivative complaint in the Delaware Court of Chancery. The Siegel action is currently stayed until the court in the Securities Class Action rules upon any motion for summary judgment.
- On November 14, 2025, Balraj Paul, the Montini Family Trust, and Dorothy Keto filed a shareholder derivative complaint in the U.S. District Court for the Central District of California. On January 14, 2026, the Paul action was consolidated into the Consolidated Derivative Action, which is stayed until August 21, 2026.

The actions seek declarative and injunctive relief, an award of unspecified damages to The Walt Disney Company and other costs and fees. The Company intends to defend against these lawsuits vigorously. The lawsuits are in the early stages, and at this time we cannot reasonably estimate the amount of any possible loss.

Antitrust and Other Actions

On November 18, 2022, a private antitrust putative class action lawsuit was filed in the U.S. District Court for the Northern District of California against the Company on behalf of a putative class of certain subscribers to YouTube TV (the Biddle Action). The plaintiffs in the Biddle Action asserted a claim under Section 1 of the Sherman Act based on allegations that Disney uses certain pricing and packaging provisions in its carriage agreements with vMVPDs to increase prices for and reduce output of certain services offered by vMVPDs. On November 30, 2022, a second private antitrust putative class action lawsuit was filed in the U.S. District Court for the Northern District of California against the Company on behalf of a putative class of certain subscribers to DirecTV Stream (the Fendelander Action), making similar allegations. The Company filed motions to dismiss for failure to state a claim in both the Biddle Action and Fendelander Action on January 31, 2023. On September 30, 2023, the court issued an order granting in part and denying in part the Company's motions to dismiss both cases and, on October 13, 2023, the court issued an order consolidating both cases. On October 16, 2023, plaintiffs filed a consolidated amended class action complaint (the Consolidated Complaint). The Consolidated Complaint asserts claims under Section 1 of the Sherman Act and certain Arizona, California, Florida, Illinois, Iowa, Massachusetts, Michigan, Nevada, New York, North Carolina, and Tennessee antitrust and consumer protection laws based on substantially similar allegations as the Biddle Action and the Fendelander Action. The Consolidated Complaint seeks injunctive relief, unspecified money damages and costs and fees. The Company filed a motion to dismiss the Consolidated Complaint for failure to state a claim on December 1, 2023.

On January 14, 2025, a private antitrust putative class action lawsuit was filed in the U.S. District Court for the Southern District of New York against the Company on behalf of a putative class of certain subscribers to fuboTV (the Unger Action), making similar allegations to those in the now-consolidated Biddle and Fendelander Actions (Biddle/Fendelander Action). The plaintiffs in the Unger Action also alleged that Disney impermissibly bundles ESPN with other Disney networks and unjustly enriched itself. The Unger Action has since been transferred to the Northern District of California with the court finding it related to the Biddle/Fendelander Action. The Unger plaintiffs filed an amended complaint on April 28, 2025, adding a named plaintiff and alleging essentially the same antitrust theories under the Sherman Act and the antitrust and consumer protection laws of thirty-seven states, the District of Columbia and Puerto Rico. The Unger plaintiffs seek damages and injunctive relief, including an injunction requiring the Company to segregate or divest any interest in Fubo and Hulu, or in the alternative, business assets relating to Fubo and Hulu + Live TV.

On May 30, 2025, the plaintiffs in the Biddle/Fendelander Action filed a proposed Second Consolidated Amended Complaint, adding a class of fuboTV subscribers, a Clayton Act § 7 claim challenging the Company's acquisition of fuboTV on behalf of fuboTV subscribers, and a claim under Sherman Act § 2. On June 5, 2025, the Company and plaintiffs in the Biddle/Fendelander Action reached a settlement in principle to settle all claims on behalf of all YouTube TV, DirecTV Stream and fuboTV subscribers for an amount that is not material for the Company. The settlement was contingent on Plaintiffs' Counsel in the Biddle/Fendelander Action (Biddle/Fendelander Counsel) obtaining or having authority to settle claims on behalf of all three subscriber classes, Court approval, and other contingencies. On June 10, 2025, the Court issued an order consolidating the Unger Action with the Biddle/Fendelander Action.

On July 21, 2025, the Court issued an order appointing Biddle/Fendelander Counsel to serve as interim lead counsel for the putative classes of YouTube TV and DirecTV Stream subscribers, and Unger Counsel to serve as interim lead counsel for the putative class of fuboTV subscribers, thereby resulting in Biddle/Fendelander Counsel not having authority to settle on behalf of the three putative classes of subscribers as required by the settlement in principle.

At a joint mediation held on October 3, 2025, the Company and plaintiffs in the Biddle/Fendelander Action reached a settlement in principle to settle all claims on behalf of all YouTube TV and DirecTV Stream subscribers for an amount that is not material for the Company. The settlement is contingent on Biddle/Fendelander Counsel obtaining Court approval and other contingencies. A preliminary approval hearing is scheduled for February 19, 2026.

The Company and Unger Counsel did not reach a settlement at the October 3, 2025 mediation. The Company filed a motion to compel arbitration of individual claims and dismiss class claims in the Unger Action on December 19, 2025. A hearing on the motion is set for March 19, 2026. The Company intends to continue to defend against the lawsuit vigorously. At this time, we cannot reasonably estimate the amount of any possible loss in the Unger Action.

On January 2, 2026, in litigation filed by the Company on August 28, 2025 asserting breach of contract claims against DISH Network L.L.C. (DISH) in the U.S. District Court for the Southern District of New York, DISH filed antitrust counterclaims against the Company. DISH asserts a tying claim under Sherman Act § 1 and New York's Donnelly Act challenging certain provisions in the Company's carriage agreement with DISH; claims under Sherman Act § 1 challenging an ESPN / Fox One bundle, the creation of Fubo Sports, and the Company's acquisition of a controlling share of Fubo; a claim under Clayton Act § 7 challenging the Company's acquisition of a controlling share of Fubo; and a claim under Sherman Act § 2 alleging the Company engaged in a pattern of conduct in an attempt to monopolize an alleged market for skinny sports bundles. DISH also asserts breach-of-contract counterclaims, contending that Company-affiliated entities violated their obligations under certain most-favored-nation provisions in the operative carriage agreement. The Company's response to these counterclaims is due on February 20, 2026. The Company intends to prosecute its claims and defend against these counterclaims vigorously. The lawsuit is in its early stages, and at this time we cannot reasonably estimate the amount of any potential loss.

(unaudited; tabular dollars in millions, except for per share data)

The Company, together with, in some instances, certain of its directors and officers, is a defendant in various other legal actions incident to the conduct of its businesses, including streaming services which are subject to patent infringement claims and litigation for which adverse results may include payment of substantial licensing fees and monetary awards, as well as orders preventing us from offering or requiring us to change certain features, functionalities or services, which could harm our businesses and in aggregate negatively impact our results of operations. Management does not believe that the Company has incurred a probable material loss by reason of any of those actions.

Other

The Company entered into license agreements for the sports rights necessary to operate NFL Network and NFL RedZone through 2033.

13. *Fair Value Measurements*

The Company's assets and liabilities measured at fair value are summarized in the following tables by fair value measurement level:

	Fair Value Measurement at December 27, 2025			
	Level 1	Level 2	Level 3	Total
Assets				
Investments	$ —	$ 44	$ —	$ 44
Derivatives				
Foreign exchange	—	828	—	828
Other	—	8	—	8
Liabilities				
Derivatives				
Interest rate	—	(757)	—	(757)
Foreign exchange	—	(923)	—	(923)
Other	—	(2)	—	(2)
Other	—	(727)	—	(727)
Total recorded at fair value	$ —	$ (1,529)	$ —	$ (1,529)
Fair value of borrowings	$ —	$ 40,179	$ 3,481	$ 43,660

(unaudited; tabular dollars in millions, except for per share data)

	Fair Value Measurement at September 27, 2025			
	Level 1	Level 2	Level 3	Total
Assets				
Investments	$ —	$ 89	$ —	$ 89
Derivatives				
Foreign exchange	—	816	—	816
Other	—	5	—	5
Liabilities				
Derivatives				
Interest rate	—	(762)	—	(762)
Foreign exchange	—	(926)	—	(926)
Other	—	(1)	—	(1)
Other	—	(668)	—	(668)
Total recorded at fair value	$ —	$ (1,447)	$ —	$ (1,447)
Fair value of borrowings	$ —	$ 36,976	$ 2,111	$ 39,087

The fair values of Level 2 investments are primarily determined based on an internal valuation model that uses observable inputs such as stock trading price, volatility and risk free rate.

The fair values of Level 2 derivatives are primarily determined by internal discounted cash flow models that use observable inputs such as interest rates, yield curves and foreign currency exchange rates. Counterparty credit risk, which is mitigated by master netting agreements and collateral posting arrangements with certain counterparties, had an impact on derivative fair value estimates that was not material. The Company’s derivative financial instruments are discussed in Note 14.

Level 2 other liabilities are primarily arrangements that are valued based on the fair value of underlying investments, which are generally measured using Level 1 and Level 2 fair value techniques.

Level 2 borrowings, which include commercial paper, U.S. dollar denominated notes and certain foreign currency denominated borrowings, are valued based on quoted prices for similar instruments in active markets or identical instruments in markets that are not active.

Level 3 borrowings include the Asia Theme Parks and cruise ship borrowings, which are valued based on the current estimated borrowing costs, prevailing market interest rates and applicable credit risk.

The Company’s financial instruments also include cash, cash equivalents, receivables and accounts payable. The carrying values of these financial instruments approximate the fair values.

(unaudited; tabular dollars in millions, except for per share data)

14. *Derivative Instruments*

The Company's derivative positions measured at fair value (see Note 13) are summarized in the following tables:

	As of December 27, 2025			
	Current Assets	Investments/ Other Assets	Other Current Liabilities	Other Long-Term Liabilities
Derivatives designated as hedges				
Foreign exchange	$ 225	$ 389	$ (399)	$ (206)
Interest rate	—	—	(757)	—
Other	1	—	(2)	—
Derivatives not designated as hedges				
Foreign exchange	56	158	(66)	(252)
Other	7	44	—	—
Gross fair value of derivatives	289	591	(1,224)	(458)
Counterparty netting	(276)	(513)	391	398
Cash collateral (received) paid	—	—	570	—
Net derivative positions	$ 13	$ 78	$ (263)	$ (60)

	As of September 27, 2025			
	Current Assets	Investments/ Other Assets	Other Current Liabilities	Other Long-Term Liabilities
Derivatives designated as hedges				
Foreign exchange	$ 233	$ 376	$ (407)	$ (208)
Interest rate	—	—	(762)	—
Other	3	2	—	—
Derivatives not designated as hedges				
Foreign exchange	39	168	(49)	(262)
Other	—	89	(1)	—
Gross fair value of derivatives	275	635	(1,219)	(470)
Counterparty netting	(260)	(517)	378	399
Cash collateral (received) paid	—	—	550	10
Net derivative positions	$ 15	$ 118	$ (291)	$ (61)

Interest Rate Risk Management

The Company designates pay-floating interest rate swaps as fair value hedges of fixed-rate borrowings effectively converting fixed-rate borrowings to variable-rate borrowings. The total notional amount of the Company's pay-floating interest rate swaps was $10.6 billion at both December 27, 2025 and September 27, 2025.

The following table summarizes fair value hedge adjustments to hedged borrowings:

	Carrying Amount of Hedged Borrowings		Fair Value Adjustments Included in Hedged Borrowings	
	December 27, 2025	September 27, 2025	**December 27, 2025**	September 27, 2025
Borrowings:				
Current	**$ 2,980**	$ 2,954	**$ (19)**	$ (44)
Long-term	**7,413**	7,347	**(634)**	(680)
	$ 10,393	$ 10,301	**$ (653)**	$ (724)

(unaudited; tabular dollars in millions, except for per share data)

The following amounts are included in "Interest expense, net" in the Condensed Consolidated Statements of Income:

	Quarter Ended	
	December 27, 2025	December 28, 2024
Gain (loss) on:		
Pay-floating swaps	**$ 67**	$ (195)
Borrowings hedged with pay-floating swaps	**(67)**	195
Expense associated with interest accruals on pay-floating swaps	**(85)**	(111)

Foreign Exchange Risk Management

The Company designates foreign exchange forward and option contracts as cash flow hedges of firmly committed and forecasted foreign currency transactions. As of December 27, 2025 and September 27, 2025, the notional amount of the Company's net foreign exchange cash flow hedges was $10.1 billion and $9.3 billion, respectively. Mark-to-market gains and losses on these contracts are deferred in AOCI and are recognized in earnings when the hedged transactions occur, offsetting changes in the value of the foreign currency transactions. Net deferred losses recorded in AOCI for contracts that will mature in the next twelve months total $228 million. The following table summarizes the effect of foreign exchange cash flow hedges on AOCI:

	Quarter Ended	
	December 27, 2025	December 28, 2024
Gain (loss) recognized in Other Comprehensive Income	**$ (25)**	$ 562
Gain (loss) reclassified from AOCI into the Statements of Operations(1)	**(62)**	89

(1) Primarily recorded in revenue.

The Company may designate cross currency swaps as fair value hedges of foreign currency denominated borrowings. The impact from the change in foreign currency on both the cross currency swap and borrowing is recorded to "Interest expense, net." The impact from interest rate changes is recorded in AOCI and is amortized over the life of the cross currency swap. As of December 27, 2025 and September 27, 2025, the total notional amount of the Company's designated cross currency swaps was Canadian $1.3 billion ($1.0 billion) and Canadian $1.3 billion ($0.9 billion), respectively. The related gains or losses recognized in earnings for the quarters ended December 27, 2025 and December 28, 2024 were not material.

Foreign exchange risk management contracts with respect to foreign currency denominated assets and liabilities are not designated as hedges and do not qualify for hedge accounting. The net notional amount of these foreign exchange contracts at December 27, 2025 and September 27, 2025 was $3.2 billion and $3.0 billion, respectively. The related gains or losses recognized in costs and expenses on foreign exchange contracts that mitigated our exposure with respect to foreign currency denominated assets and liabilities for the quarters ended December 27, 2025 and December 28, 2024 were not material.

Risk Management – Other Derivatives Not Designated as Hedges

The Company enters into certain other risk management contracts that are not designated as hedges and do not qualify for hedge accounting. These contracts, which include certain total return swap contracts, are intended to offset economic exposures of the Company and are carried at market value with any changes in value recorded in earnings. The net notional amount of these contracts at December 27, 2025 and September 27, 2025 was $0.7 billion and $0.6 billion, respectively. The related gains or losses recognized in earnings for the quarters ended December 27, 2025 and December 28, 2024 were not material.

Contingent Features and Cash Collateral

The Company has master netting arrangements by counterparty with respect to certain derivative financial instrument contracts. The Company may be required to post collateral in the event that a net liability position with a counterparty exceeds limits defined by contract and that vary with the Company's credit rating. In addition, these contracts may require a counterparty to post collateral to the Company in the event that a net receivable position with a counterparty exceeds limits defined by contract and that vary with the counterparty's credit rating. If the Company's or the counterparty's credit ratings were to fall below investment grade, such counterparties or the Company would also have the right to terminate our derivative contracts, which could lead to a net payment to or from the Company for the aggregate net value by counterparty of our derivative contracts. The aggregate fair value of derivative instruments with credit-risk-related contingent features in a net liability position by counterparty was $0.9 billion at December 27, 2025 and September 27, 2025.

15. *New Accounting Pronouncements*

Improvements to Income Tax Disclosures

In December 2023, the FASB issued guidance to enhance income tax disclosures. The new guidance requires an expanded effective tax rate reconciliation and the disclosure of cash taxes paid segregated between U.S. federal, U.S. state and foreign, with further disaggregation by jurisdiction if certain thresholds are met, and eliminates certain disclosures related to uncertain tax benefits. The new guidance is applicable to annual periods beginning with the Company's 2026 fiscal year.

Disaggregation of Income Statement Expense

In November 2024, the FASB issued guidance that requires the disclosure of additional information related to certain costs and expenses, including amounts of inventory purchases, employee compensation, and depreciation and amortization included in each income statement line item. The guidance also requires disclosure of the total amount of selling expenses and the Company's definition of selling expenses. The guidance is effective for the Company for annual periods beginning in fiscal year 2028 and for interim periods beginning in fiscal year 2029. The Company is currently assessing the impacts of the new guidance on its financial statement disclosures.

Accounting for Government Grants

In December 2025, the FASB issued guidance that establishes the recognition, measurement and presentation requirements for government grants. The guidance is effective at the beginning of the Company's 2030 fiscal year (with early adoption permitted). The Company is currently assessing the impact this guidance will have on its financial statements and financial statement disclosures.

Item 2: Management's Discussion and Analysis of Financial Condition and Results of Operations

ORGANIZATION OF INFORMATION

Management's Discussion and Analysis provides a narrative of the Company's financial performance and condition that should be read in conjunction with the accompanying financial statements. It includes the following sections:

- Consolidated Results
- Current Quarter Results Compared to Prior-Year Quarter
- Seasonality
- Business Segment Results
- Corporate and Unallocated Shared Expenses
- Financial Condition
- Market Risk
- Commitments and Contingencies
- Other Matters
- Supplemental Guarantor Financial Information

CONSOLIDATED RESULTS

	Quarter Ended		% Change Better (Worse)
(in millions, except per share data)	**December 27, 2025**	December 28, 2024	
Revenues:			
Services	**$ 23,206**	$ 22,048	5 %
Products	**2,775**	2,642	5 %
Total revenues	**25,981**	24,690	5 %
Costs and expenses:			
Cost of services (exclusive of depreciation and amortization)	**(15,003)**	(13,789)	(9) %
Cost of products (exclusive of depreciation and amortization)	**(1,666)**	(1,617)	(3) %
Selling, general, administrative and other	**(4,121)**	(3,930)	(5) %
Depreciation and amortization	**(1,316)**	(1,276)	(3) %
Total costs and expenses	**(22,106)**	(20,612)	(7) %
Restructuring and impairment charges	**—**	(143)	100 %
Interest expense, net	**(275)**	(367)	25 %
Equity in the income of investees	**93**	92	1 %
Income before income taxes	**3,693**	3,660	1 %
Income taxes	**(1,209)**	(1,016)	(19) %
Net income	**2,484**	2,644	(6) %
Net income attributable to noncontrolling interests	**(82)**	(90)	9 %
Net income attributable to Disney	**$ 2,402**	$ 2,554	(6) %
Diluted earnings per share attributable to Disney	**$ 1.34**	$ 1.40	(4) %

CURRENT QUARTER RESULTS COMPARED TO PRIOR-YEAR QUARTER

Revenues for the quarter increased 5%, or $1.3 billion, to $26.0 billion; net income attributable to Disney decreased to $2.4 billion compared to $2.6 billion in the prior-year quarter; and diluted earnings per share (EPS) attributable to Disney decreased to $1.34 compared to $1.40 in the prior-year quarter. The net income and EPS decreases were due to lower operating income at Entertainment and a higher effective income tax rate. These decreases were partially offset by higher operating income at Experiences, the comparison to charges taken in connection with the Star India Transaction and a legal settlement in the prior-year quarter and lower intangible amortization and interest expense.

Revenues

Service revenues for the quarter increased 5%, or $1.2 billion, to $23.2 billion, which included an approximate 1 percentage point increase from the Fubo Transaction and an approximate 1 percentage point decrease from the Star India

Transaction. Aside from these impacts, service revenues increased due to an increase in content sales, growth at our parks and experiences businesses and, to a lesser extent, higher subscription and affiliate fees.

Product revenues for the quarter increased 5%, or $0.1 billion, to $2.8 billion due to growth at our parks and experiences businesses.

Costs and expenses

Cost of services for the quarter increased 9%, or $1.2 billion, to $15.0 billion, which included an approximate 2 percentage point increase from the Fubo Transaction and an approximate 1 percentage point decrease due to the Star India Transaction. Aside from these impacts, cost of services increased due to higher programming and production costs and, to a lesser extent, the impact of inflation and increased volumes at our parks and experiences businesses.

Selling, general, administrative and other costs increased 5%, or $0.2 billion, to $4.1 billion, due to higher marketing costs.

Depreciation and amortization increased 3% to $1.3 billion driven by higher depreciation at our parks and experiences and Entertainment businesses, partially offset by lower amortization of intangible assets.

Restructuring and impairment charges

In the prior-year quarter, the Company recorded a $143 million loss in connection with the Star India Transaction.

Interest expense, net

Interest expense, net is as follows:

(in millions)	Quarter Ended **December 27, 2025**	Quarter Ended December 28, 2024	% Change Better (Worse)
Interest expense	**$ (443)**	$ (487)	9 %
Interest income, investment income and other	**168**	120	40 %
Interest expense, net	**$ (275)**	$ (367)	25 %

The decrease in interest expense was due to lower average debt balances and an increase in capitalized interest.

The increase in interest income, investment income and other was due to a favorable comparison related to pension and postretirement benefit costs, other than service cost.

Income Taxes

	Quarter Ended **December 27, 2025**	Quarter Ended December 28, 2024
Income before income taxes	**$ 3,693**	$ 3,660
Income tax (benefit) expense	**1,209**	1,016
Effective income tax rate	**32.7 %**	27.8 %

The increase in the effective income tax rate in the current quarter compared to the prior-year quarter was due to a non-cash tax charge in the current quarter resulting from the Fubo Transaction and an unfavorable impact in the current quarter for adjustments related to prior years, partially offset by a non-cash tax-charge in the prior-year quarter in connection with the Star India Transaction.

Noncontrolling Interests

(in millions)	Quarter Ended **December 27, 2025**	Quarter Ended December 28, 2024	% Change Better (Worse)
Net income attributable to noncontrolling interests	**$ (82)**	$ (90)	9 %

Net income attributable to noncontrolling interests is determined on income after royalties and management fees, financing costs and income taxes, as applicable.

Certain Items Impacting Results in the Quarter

Results for the quarter ended December 27, 2025 were impacted by the following:

- Non-cash tax charge of $307 million resulting from the Fubo Transaction
- Acquisition Amortization of $300 million

Results for the quarter ended December 28, 2024 were impacted by the following:

- An impairment charge of $143 million recorded in connection with the Star India Transaction. Tax expense includes a $31 million tax benefit on the impairment charge and a non-cash tax charge of $244 million related to the Star India Transaction
- Acquisition Amortization of $397 million

A summary of the impact of these items on EPS is as follows:

(in millions, except per share data)	Pre-Tax Income (Loss)	Tax Benefit (Expense)[(1)]	After-Tax Income (Loss)	EPS Favorable (Adverse)[(2)]
Quarter Ended December 27, 2025:				
Non-cash tax charge resulting from the Fubo Transaction	$ —	$ (307)	$ (307)	$ (0.17)
Acquisition Amortization	(300)	70	(230)	(0.12)
Total	$ (300)	$ (237)	$ (537)	$ (0.29)
Quarter Ended December 28, 2024:				
Star India Transaction	$ (143)	$ (213)	$ (356)	$ (0.20)
Acquisition Amortization	(397)	93	(304)	(0.16)
Total	$ (540)	$ (120)	$ (660)	$ (0.36)

(1) Tax benefit (expense) amounts are determined using the tax rate applicable to the individual item.

(2) EPS is net of noncontrolling interest share, where applicable. Total may not equal the sum of the column due to rounding.

SEASONALITY

The Company's businesses are subject to the effects of seasonality. Consequently, the operating results for the quarter ended December 27, 2025 for each business segment, and for the Company as a whole, are not necessarily indicative of results to be expected for the full year.

Entertainment revenues are subject to seasonal and other cyclical advertising patterns, changes in viewership and subscriber levels, timing and performance of theatrical releases, and the timing of and demand for film and television programs. In general, domestic advertising revenues are typically somewhat higher during the fall and somewhat lower during the summer months and domestic advertising revenue is typically higher during election cycles. Affiliate and subscriptions fees vary with the subscriber trends of multi-channel video programming distributors (i.e. cable, satellite telecommunications and digital over-the-top service providers) and our streaming services. Theatrical release dates are determined by several factors, including competition and the timing of vacation and holiday periods.

Sports revenues are subject to seasonal advertising patterns, changes in viewership and subscriber levels, and the availability of and demand for sports programming. Advertising revenues generated from sports programming are also impacted by the timing of sports seasons and events, which timing may vary throughout the year or may take place periodically (e.g. biannually, quadrennially).

Experiences revenues fluctuate with changes in theme park attendance and resort occupancy resulting from the seasonal nature of vacation travel and leisure activities, the opening of new guest offerings and pricing and promotional offers. Peak attendance and resort occupancy generally occur during the summer months when school vacations occur and during early winter and spring holiday periods. In addition, theme park and resort revenues may be higher during significant celebrations such as theme park or character anniversaries and lower in the periods preceding or following such celebrations. Consumer products revenue fluctuates with consumer purchasing behavior, which generally results in higher revenues during the Company's first and fourth fiscal quarters. In addition, licensing revenues fluctuate with the timing and performance of theatrical and game releases and direct-to-consumer content.

BUSINESS SEGMENT RESULTS

The Company evaluates the performance of its operating businesses based on segment revenue and segment operating income.

The following table presents revenues from our operating segments:

(in millions)	Quarter Ended December 27, 2025	Quarter Ended December 28, 2024	% Change Better (Worse)
Entertainment	**$ 11,609**	$ 10,872	7 %
Sports	**4,909**	4,850	1 %
Experiences	**10,006**	9,415	6 %
Eliminations [1]	**(543)**	(447)	(21) %
Revenues	**$ 25,981**	$ 24,690	5 %

[1] Reflects fees paid by (a) the Entertainment vMVPD services to ESPN and the Entertainment linear networks for the right to air the networks on Hulu Live and Fubo and (b) the Entertainment segment to the Sports segment to program certain sports content on ABC Network and Disney+.

The following table presents income from our operating segments and other components of income before income taxes:

(in millions)	Quarter Ended December 27, 2025	Quarter Ended December 28, 2024	% Change Better (Worse)
Entertainment operating income	**$ 1,100**	$ 1,703	(35) %
Sports operating income	**191**	247	(23) %
Experiences operating income	**3,309**	3,110	6 %
Corporate and unallocated shared expenses	**(304)**	(460)	34 %
Equity in the loss of India joint venture	**(28)**	(33)	15 %
Restructuring and impairment charges	**—**	(143)	100 %
Interest expense, net	**(275)**	(367)	25 %
Acquisition Amortization	**(300)**	(397)	24 %
Income before income taxes	**$ 3,693**	$ 3,660	1 %

Depreciation expense is as follows:

(in millions)	Quarter Ended December 27, 2025	Quarter Ended December 28, 2024	% Change Better (Worse)
Entertainment	**$ 205**	$ 165	(24) %
Sports	**24**	10	>(100) %
Experiences			
Domestic	**524**	461	(14) %
International	**208**	191	(9) %
Total Experiences	**732**	652	(12) %
Corporate	**79**	82	4 %
Total depreciation expense	**$ 1,040**	$ 909	(14) %

Amortization of intangible assets is as follows:

	Quarter Ended		% Change
(in millions)	**December 27, 2025**	December 28, 2024	Better (Worse)
Entertainment	**$ 13**	$ 13	— %
Experiences	**27**	27	— %
Acquisition amortization - intangible assets	**236**	327	28 %
Total amortization of intangible assets	**$ 276**	$ 367	25 %

BUSINESS SEGMENT RESULTS - Current Quarter Results Compared to Prior-Year Quarter

Entertainment

Operating results for Entertainment are as follows:

	Quarter Ended		% Change
(in millions)	**December 27, 2025**	December 28, 2024	Better (Worse)
Revenues			
Subscription and affiliate fees	**$ 7,250**	$ 6,720	8 %
Advertising	**1,775**	1,898	(6) %
Content sales	**1,936**	1,585	22 %
Other	**648**	669	(3) %
Total revenues	**11,609**	10,872	7 %
Operating expenses	**(7,783)**	(6,815)	(14) %
Selling, general, administrative and other	**(2,626)**	(2,294)	(14) %
Depreciation and amortization	**(218)**	(178)	(22) %
Equity in the income of investees	**118**	118	— %
Operating Income	**$ 1,100**	$ 1,703	(35) %

Revenues - Subscription and affiliate fees

Growth in subscription and affiliate fees was due to increases of 4% from higher effective rates, 4% from the Fubo Transaction and 1% from more subscribers, partially offset by decreases of 1% from the Star India Transaction and 1% from the temporary suspension of carriage with an affiliate in the current quarter.

Revenues - Advertising

The decline in advertising revenue was due to decreases of 5% from the Star India Transaction and 5% from lower rates, partially offset by increases of 3% from higher impressions and 1% from the Fubo Transaction. Rates and impressions included an impact from less political advertising.

Revenues - Content sales

Content sales revenue increased due to an increase of 25% from theatrical distribution, partially offset by a decrease of 6% from home entertainment distribution. Higher theatrical distribution revenue was attributable to more significant titles released in the current quarter compared to the prior-year quarter. The current quarter included *Zootopia 2*, *Avatar: Fire and Ash, Predator: Badlands* and *Tron: Ares.* The prior-year quarter included *Moana 2* and *Mufasa: The Lion King.*

Operating expenses

(in millions)	Quarter Ended **December 27, 2025**	 December 28, 2024	% Change Better (Worse)
Programming and production costs	**$ (6,314)**	$ (5,475)	(15) %
Other operating expenses	**(1,469)**	(1,340)	(10) %
	$ (7,783)	$ (6,815)	(14) %

The increase in programming and production costs was due to increases of 11% from theatrical distribution, 4% from the Fubo Transaction and 3% from our streaming services. Higher programming and production costs at our streaming services were primarily due to an increase in subscriber-based license fees.

The increase in other operating expenses was primarily due to higher technology and distribution costs.

Selling, general, administrative and other

Selling, general, administrative and other costs increased $332 million to $2,626 million from $2,294 million due to higher marketing costs at theatrical distribution and our streaming services. Higher theatrical marketing costs were due to more significant releases in the current quarter.

Depreciation and amortization

Depreciation and amortization increased $40 million to $218 million from $178 million due to new technology and facilities assets placed in service.

Operating Income from Entertainment

Segment operating income decreased $603 million to $1,100 million from $1,703 million due to lower theatrical distribution results.

Items Excluded from Segment Operating Income Related to Entertainment

The following table presents supplemental information for items related to the Entertainment segment that are excluded from segment operating income:

(in millions)	Quarter Ended **December 27, 2025**	 December 28, 2024	% Change Better (Worse)
Acquisition Amortization[1]	**$ (298)**	$ (321)	7 %

[1] In the current quarter, amortization of intangible assets was $234 million and amortization of step-up on film and television costs was $64 million. In the prior-year quarter, amortization of intangible assets was $251 million and amortization of step-up on film and television costs was $67 million.

Sports

Operating results for Sports are as follows:

(in millions)	Quarter Ended December 27, 2025	Quarter Ended December 28, 2024	% Change Better (Worse)
Revenues			
Subscription and affiliate fees	**$ 2,983**	$ 3,057	(2) %
Advertising	**1,477**	1,342	10 %
Other	**449**	451	— %
Total revenues	**4,909**	4,850	1 %
Operating expenses	**(4,389)**	(4,293)	(2) %
Selling, general, administrative and other	**(308)**	(310)	1 %
Depreciation and amortization	**(24)**	(10)	>(100) %
Equity in the income of investees	**3**	10	(70) %
Operating Income	**$ 191**	$ 247	(23) %

Revenues - Subscription and affiliate fees

Lower subscription and affiliate fees reflected decreases of 4% from fewer subscribers, 3% from the temporary suspension of carriage with an affiliate in the current quarter and 1% from the Star India Transaction, partially offset by an increase of 6% from higher effective rates.

Revenues - Advertising

Advertising revenue growth was primarily due to an increase of 8% from higher rates.

Operating expenses

(in millions)	Quarter Ended December 27, 2025	Quarter Ended December 28, 2024	% Change Better (Worse)
Programming and production costs	**$ (4,132)**	$ (4,043)	(2) %
Other operating expenses	**(257)**	(250)	(3) %
	$ (4,389)	$ (4,293)	(2) %

Programming and production costs increased in the current quarter compared to the prior-year quarter driven by contractual rate increases and costs for new sports rights, partially offset by the timing of NBA and college sports rights costs under new agreements, including the impact of fewer regular season NBA games.

Depreciation and amortization

Depreciation and amortization increased $14 million, to $24 million from $10 million, due to new technology assets placed in service.

Operating Income from Sports

Segment operating income decreased $56 million, to $191 million from $247 million, driven by an increase in programming and production costs and a decrease in subscription and affiliate fees, partially offset by higher advertising revenue.

Items Excluded from Segment Operating Income Related to Sports

The following table presents supplemental information for items related to the Sports segment that are excluded from segment operating income:

(in millions)	Quarter Ended December 27, 2025	Quarter Ended December 28, 2024	% Change Better (Worse)
Acquisition Amortization[1]	**$ —**	$ (74)	100 %

[1] Represents amortization of intangible assets.

Experiences

Operating results for the Experiences segment are as follows:

(in millions)	Quarter Ended December 27, 2025	Quarter Ended December 28, 2024	% Change Better (Worse)
Revenues			
Theme park admissions	**$ 3,301**	$ 3,087	7 %
Resorts and vacations	**2,410**	2,221	9 %
Parks & Experiences merchandise, food and beverage	**2,348**	2,181	8 %
Merchandise licensing and retail	**1,337**	1,318	1 %
Parks licensing and other	**610**	608	— %
Total revenues	**10,006**	9,415	6 %
Operating expenses	**(4,976)**	(4,678)	(6) %
Selling, general, administrative and other	**(962)**	(948)	(1) %
Depreciation and amortization	**(759)**	(679)	(12) %
Operating Income	**$ 3,309**	$ 3,110	6 %

Revenues - Theme park admissions

Theme park admissions revenue growth was due to increases of 4% from higher average per capita ticket revenue and 2% from increased attendance at our international and domestic parks. Attendance growth at our domestic parks benefited from the comparison to the adverse impact of Hurricane Milton in the prior-year quarter.

Revenues - Resorts and vacations

Higher resorts and vacations revenue was primarily attributable to an increase of 6% from additional passenger cruise days, reflecting the launches of the *Disney Treasure* in December 2024 and the *Disney Destiny* in November 2025.

Revenues - Park & Experiences merchandise, food and beverage

Parks & Experiences merchandise, food and beverage revenue growth was primarily due to increases of 3% from higher average guest spending and 2% from volume growth.

Key Metrics

In addition to revenue, costs and operating income, management uses the following key metrics to analyze trends and evaluate the overall performance of our theme parks and resorts, and we believe these metrics are useful to investors in analyzing the business:

	Domestic		International[(1)]	
	Quarter Ended		Quarter Ended	
	December 27, 2025	December 28, 2024	**December 27, 2025**	December 28, 2024
Parks				
Increase (decrease)				
Attendance[(2)]	**1 %**	(2) %	**6 %**	4 %
Per Capita Guest Spending[(3)]	**4 %**	4 %	**2 %**	3 %
Hotels				
Occupancy[(4)]	**87 %**	85 %	**87 %**	86 %
Available Hotel Room Nights (in thousands)[(5)]	**2,550**	2,540	**797**	798
Change in Per Room Guest Spending[(6)]	**4 %**	5 %	**1 %**	17 %

(1) Per capita guest spending growth rate and per room guest spending growth rate exclude the impact of changes in foreign exchange rates.

(2) Attendance is used to analyze volume trends at our theme parks and is based on the number of unique daily entries, i.e. a person visiting multiple theme parks in a single day is counted only once. Our attendance count includes complimentary entries but excludes entries by children under the age of three.

(3) Per capita guest spending is used to analyze guest spending trends and is defined as total revenue from ticket sales and sales of food, beverage and merchandise in our theme parks, divided by total theme park attendance.

(4) Occupancy is used to analyze the usage of available capacity at hotels and is defined as the number of room nights occupied by guests as a percentage of available hotel room nights.

(5) Available hotel room nights is defined as the total number of room nights that are available at our hotels and at Disney Vacation Club (DVC) properties located at our theme parks and resorts that are not utilized by DVC members. Available hotel room nights include rooms temporarily taken out of service.

(6) Per room guest spending is used to analyze guest spending at our hotels and is defined as total revenue from room rentals and sales of food, beverage and merchandise at our hotels, divided by total occupied hotel room nights.

Operating expenses

(in millions)	Quarter Ended: **December 27, 2025**	Quarter Ended: December 28, 2024	% Change Better (Worse)
Operating labor	**$ (2,285)**	$ (2,164)	(6) %
Infrastructure costs	**(846)**	(801)	(6) %
Cost of goods sold and distribution costs	**(943)**	(929)	(2) %
Other operating expense	**(902)**	(784)	(15) %
	$ (4,976)	$ (4,678)	(6) %

Higher operating labor was due to inflation, an unfavorable foreign exchange impact, new guest offerings and increased operations support. The increase in infrastructure costs was primarily due to new guest offerings. Higher cost of goods sold and distribution costs were primarily attributable to volume growth, partially offset by lower third-party royalty expense. The increase in other operating expense was primarily due to new guest offerings, volume growth and increased operations support costs.

Depreciation and amortization

Depreciation and amortization increased $80 million, to $759 million from $679 million, due to higher depreciation at our domestic parks and experiences driven by an increase at Disney Cruise Line.

Operating Income from Experiences

Segment operating income increased $199 million, to $3,309 million from $3,110 million, due to growth at domestic parks and experiences.

Supplemental revenue and operating income

The following table presents supplemental revenue and operating income detail for the Experiences segment:

(in millions)	Quarter Ended: **December 27, 2025**	Quarter Ended: December 28, 2024	% Change Better (Worse)
Supplemental revenue detail			
Parks & Experiences			
Domestic	**$ 6,910**	$ 6,432	7 %
International	**1,753**	1,646	7 %
Consumer Products	**1,343**	1,337	— %
	$ 10,006	$ 9,415	6 %
Supplemental operating income detail			
Parks & Experiences			
Domestic	**$ 2,149**	$ 1,982	8 %
International	**428**	420	2 %
Consumer Products	**732**	708	3 %
	$ 3,309	$ 3,110	6 %

CORPORATE AND UNALLOCATED SHARED EXPENSES

(in millions)	Quarter Ended December 27, 2025	Quarter Ended December 28, 2024	% Change Better (Worse)
Corporate and unallocated shared expenses	**$ (304)**	$ (460)	34 %

Corporate and unallocated shared expenses decreased $156 million for the quarter, from $460 million to $304 million, primarily due to the comparison to a legal settlement in the prior-year quarter.

FINANCIAL CONDITION

The change in cash and cash equivalents is as follows:

(in millions)	Quarter Ended December 27, 2025	Quarter Ended December 28, 2024	% Change Better (Worse)
Cash provided by operations	**$ 735**	$ 3,205	(77) %
Cash used in investing activities	**(2,737)**	(2,575)	(6) %
Cash provided by (used in) financing activities	**1,984**	(997)	nm
Impact of exchange rates on cash, cash equivalents and restricted cash	**5**	(153)	nm
Change in cash, cash equivalents and restricted cash	**$ (13)**	$ (520)	98 %

Operating Activities

Cash provided by operations decreased from $3.2 billion in the prior-year quarter to $0.7 billion for the current quarter due to higher tax payments and, to a lesser extent, an increase in spending on content at Entertainment and Sports. The current quarter included payment of U.S. federal and California state income tax liabilities for fiscal 2025 and a portion of fiscal 2024, pursuant to relief related to 2025 wildfires in California.

Produced and licensed programming costs

The Entertainment and Sports segments incur costs to produce and license film, episodic, sports and other content. Production costs include spend on content internally produced at our studios such as live-action and animated films and episodic series. Production costs also include original content commissioned from third-party studios. Programming costs include content rights licensed from third parties for use on the Company's sports and general entertainment networks and DTC streaming services. Programming assets are generally recorded when the programming becomes available to us with a corresponding increase in programming liabilities.

The Company's film and television production and programming activity for the quarter ended December 27, 2025 and December 28, 2024 are as follows:

	Quarter Ended	
(in millions)	**December 27, 2025**	December 28, 2024
Beginning balances:		
Produced and licensed programming assets	**$ 33,390**	$ 34,409
Programming liabilities	**(3,353)**	(3,692)
	30,037	30,717
Spending:		
Programming licenses and rights	**3,239**	2,931
Produced film and television content	**2,822**	2,534
	6,061	5,465
Amortization:		
Programming licenses and rights	**(4,246)**	(4,097)
Produced film and television content	**(2,968)**	(2,509)
	(7,214)	(6,606)
Change in produced and licensed content costs	**(1,153)**	(1,141)
Other non-cash activity	**(93)**	266
Ending balances:		
Produced and licensed programming assets	**32,450**	33,662
Programming liabilities	**(3,659)**	(3,820)
	$ 28,791	$ 29,842

The Company currently expects its fiscal 2026 spend on produced and licensed content, including sports rights, to be approximately $24 billion.

Investing Activities

Investing activities consist principally of investments in parks, resorts and other property and acquisition and divestiture activity. The Company's investing activities for the quarter ended December 27, 2025 and December 28, 2024 are as follows:

	Quarter Ended	
(in millions)	**December 27, 2025**	December 28, 2024
Investments in parks, resorts and other property:		
Entertainment	**$ (293)**	$ (268)
Sports	**—**	(1)
Experiences		
Domestic	**(2,303)**	(1,786)
International	**(357)**	(293)
Total Experiences	**(2,660)**	(2,079)
Corporate	**(60)**	(118)
Total investments in parks, resorts and other property	**(3,013)**	(2,466)
Other investing activities, net	**276**	(109)
Cash used in investing activities	**$ (2,737)**	$ (2,575)

Capital expenditures at the Entertainment segment primarily reflect investments in technology and in facilities and equipment for expanding and upgrading broadcast centers, production facilities and television station facilities.

Capital expenditures at the Experiences segment are principally for theme park and resort expansion, new attractions, cruise ships, capital improvements and technology. The increase in the current period compared to the prior-year period was due to higher spend on cruise ship fleet expansion and, to a lesser extent, new theme park attractions.

Capital expenditures at Corporate primarily reflect investments in corporate facilities, technology and equipment. The decrease in the current period compared to the prior-year period was due to lower spend on facilities.

The Company currently expects its fiscal 2026 capital expenditures to be approximately $9 billion compared to fiscal 2025 capital expenditures of $8 billion. The projected increase in capital expenditures is primarily due to higher spending at Experiences, attributable to theme park and resort expansion and new attractions, partially offset by lower spending on cruise ship fleet expansion.

Financing Activities

Financing activities for the quarter ended December 27, 2025 and December 28, 2024 are as follows:

	Quarter Ended	
(in millions)	**December 27, 2025**	December 28, 2024
Change in borrowings	**$ 4,182**	$ (63)
Repurchases of common stock	**(2,034)**	(794)
Other financing activities, net[(1)]	**(164)**	(140)
Cash provided by (used in) financing activities	**$ 1,984**	$ (997)

(1) Primarily consists of dividends to noncontrolling interest holders and equity award activity.

See Note 5 to the Condensed Consolidated Financial Statements for a summary of the Company's borrowing activities during the quarter ended December 27, 2025 and information regarding the Company's bank facilities. The Company may use cash balances, operating cash flows, commercial paper borrowings up to the amount of its unused $12.25 billion bank facilities and incremental term debt issuances to retire or refinance other borrowings before or as they come due.

See Note 10 to the Condensed Consolidated Financial Statements for a summary of dividends and share repurchases. The Company is targeting $7 billion in share repurchases in fiscal 2026.

The Company's operating cash flow and access to the capital markets can be impacted by factors outside of its control. We believe that the Company's financial condition is strong and that its cash balances, other liquid assets, operating cash flows, access to debt and equity capital markets and borrowing capacity under current bank facilities, taken together, provide adequate resources to fund ongoing operating requirements, contractual obligations, upcoming debt maturities, as well as future capital expenditures related to the expansion of existing businesses and development of new projects. In addition, the Company could undertake other measures to ensure sufficient liquidity, such as raising additional financing, reducing or not declaring future dividends; reducing or stopping share repurchases; reducing capital spending; reducing film and episodic content investments; or implementing further cost-saving initiatives.

The Company's borrowing costs can also be impacted by short- and long-term debt ratings assigned by nationally recognized rating agencies, which are based, in significant part, on the Company's performance as measured by certain credit metrics such as leverage and interest coverage ratios. As of December 27, 2025, Moody's Ratings' long- and short-term debt ratings for the Company were A2 and P-1 (Stable), respectively, and S&P Global Ratings' long- and short-term debt ratings for the Company were A and A-1 (Stable), respectively. The Company's bank facilities contain only one financial covenant, relating to interest coverage of three times earnings before interest, taxes, depreciation and amortization, including both intangible amortization and amortization of our film and television production and programming costs. On December 27, 2025, the Company met this covenant by a significant margin. The Company's bank facilities also specifically exclude certain entities, including the Asia Theme Parks, from any representations, covenants or events of default.

MARKET RISK

The Company is exposed to the impact of interest rate changes, foreign currency fluctuations, commodity fluctuations and changes in the market values of its investments.

Policies and Procedures

In the normal course of business, we employ established policies and procedures to manage the Company's exposure to changes in interest rates, foreign currencies and commodities using a variety of financial instruments.

Our objectives in managing exposure to interest rate changes are to limit the impact of interest rate volatility on earnings and cash flows and to lower overall borrowing costs. To achieve these objectives, we primarily use interest rate swaps to manage net exposure to interest rate changes related to the Company's portfolio of borrowings. By policy, the Company targets fixed-rate debt as a percentage of its net debt between minimum and maximum percentages.

Our objective in managing exposure to foreign currency fluctuations is to reduce volatility of earnings and cash flows in order to allow management to focus on core business issues and challenges. Accordingly, the Company enters into various contracts that change in value as foreign exchange rates change to protect the U.S. dollar equivalent value of its existing foreign currency assets, liabilities, commitments and forecasted foreign currency revenues and expenses. The Company utilizes option strategies and forward contracts that provide for the purchase or sale of foreign currencies to hedge probable, but not firmly committed, transactions. The Company also uses forward and option contracts to hedge foreign currency assets and liabilities. The principal foreign currencies hedged are the euro, British pound, Japanese yen, Chinese yuan and Canadian dollar. Cross-currency swaps are used to effectively convert foreign currency denominated borrowings to U.S. dollar denominated borrowings. By policy, the Company maintains hedge coverage between minimum and maximum percentages of its forecasted foreign exchange exposures generally for periods not to exceed four years. The gains and losses on these contracts are intended to offset changes in the U.S. dollar equivalent value of the related exposures. The economic or political conditions in a country have reduced and in the future could reduce our ability to hedge exposure to currency fluctuations in the country or our ability to repatriate revenue from the country.

Our objectives in managing exposure to commodity fluctuations are to use commodity derivatives to reduce volatility of earnings and cash flows arising from commodity price changes. The amounts hedged using commodity swap contracts are based on forecasted levels of consumption of certain commodities, such as fuel oil and gasoline.

Our objectives in managing exposures to market-based fluctuations in certain retirement liabilities are to use total return swap contracts to reduce the volatility of earnings arising from changes in these retirement liabilities. The amounts hedged using total return swap contracts are based on estimated liability balances.

It is the Company's policy to enter into foreign currency and interest rate derivative transactions and other financial instruments only to the extent considered necessary to meet its objectives as stated above. The Company does not enter into these transactions or any other hedging transactions for speculative purposes.

COMMITMENTS AND CONTINGENCIES

Legal Matters

As disclosed in Note 12 to the Condensed Consolidated Financial Statements, the Company has exposure for certain legal matters.

Tax Matters

As disclosed in Note 9 to the Consolidated Financial Statements in the 2025 Annual Report on Form 10-K, the Company has exposure for certain tax matters.

Contractual Commitments

See Note 14 to the Consolidated Financial Statements in the 2025 Annual Report on Form 10-K.

OTHER MATTERS

Accounting Policies and Estimates

For a discussion of each of our critical accounting estimates, including information and analysis of estimates and assumptions involved in their application, see "Critical Accounting Policies and Estimates" included in Item 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations" in our 2025 Annual Report on Form 10-K.

New Accounting Pronouncements

See Note 15 to the Condensed Consolidated Financial Statements for information regarding new accounting pronouncements.

SUPPLEMENTAL GUARANTOR FINANCIAL INFORMATION

On March 20, 2019 as part of the acquisition of TFCF, The Walt Disney Company ("TWDC") became the ultimate parent of TWDC Enterprises 18 Corp. (formerly known as The Walt Disney Company) ("Legacy Disney"). Legacy Disney and TWDC are collectively referred to as "Obligor Group", and individually, as a "Guarantor". Concurrent with the close of the TFCF acquisition, $16.8 billion of TFCF's assumed public debt (which then constituted 96% of such debt) was exchanged for senior notes of TWDC (the "exchange notes") issued pursuant to an exemption from registration under the Securities Act of

1933, as amended (the "Securities Act"), pursuant to an Indenture, dated as of March 20, 2019, between TWDC, Legacy Disney, as guarantor, and Citibank, N.A., as trustee (the "TWDC Indenture") and guaranteed by Legacy Disney. On November 26, 2019, $14.0 billion of the outstanding exchange notes were exchanged for new senior notes of TWDC registered under the Securities Act, issued pursuant to the TWDC Indenture and guaranteed by Legacy Disney. In addition, contemporaneously with the closing of the March 20, 2019 exchange offer, TWDC entered into a guarantee of the registered debt securities issued by Legacy Disney under the Indenture dated as of September 24, 2001 between Legacy Disney and Wells Fargo Bank, National Association, as trustee (the "2001 Trustee") (as amended by the first supplemental indenture among Legacy Disney, as issuer, TWDC, as guarantor, and the 2001 Trustee, as trustee).

Other subsidiaries of the Company do not guarantee the registered debt securities of either TWDC or Legacy Disney (such subsidiaries are referred to as the "non-Guarantors"). The par value and carrying value of total outstanding and guaranteed registered debt securities of the Obligor Group at December 27, 2025 was as follows:

	TWDC		**Legacy Disney**	
(in millions)	Par Value	Carrying Value	Par Value	Carrying Value
Registered debt with unconditional guarantee	$ 29,583	$ 30,448	$ 6,450	$ 6,402

The guarantees by TWDC and Legacy Disney are full and unconditional and cover all payment obligations arising under the guaranteed registered debt securities. The guarantees may be released and discharged upon (i) as a general matter, the indebtedness for borrowed money of the consolidated subsidiaries of TWDC in aggregate constituting no more than 10% of all consolidated indebtedness for borrowed money of TWDC and its subsidiaries (subject to certain exclusions), (ii) upon the sale, transfer or disposition of all or substantially all of the equity interests or all or substantially all, or substantially as an entirety, the assets of Legacy Disney to a third party, and (iii) other customary events constituting a discharge of a guarantor's obligations. In addition, in the case of Legacy Disney's guarantee of registered debt securities issued by TWDC, Legacy Disney may be released and discharged from its guarantee at any time Legacy Disney is not a borrower, issuer or guarantor under certain material bank facilities or any debt securities.

Operations are conducted almost entirely through the Company's subsidiaries. Accordingly, the Obligor Group's cash flow and ability to service its debt, including the public debt, are dependent upon the earnings of the Company's subsidiaries and the distribution of those earnings to the Obligor Group, whether by dividends, loans or otherwise. Holders of the guaranteed registered debt securities have a direct claim only against the Obligor Group.

Set forth below is summarized financial information for the Obligor Group on a combined basis after elimination of (i) intercompany transactions and balances between TWDC and Legacy Disney and (ii) equity in the earnings from and investments in any subsidiary that is a non-Guarantor. This summarized financial information has been prepared and presented pursuant to the Securities and Exchange Commission Regulation S-X Rule 13-01, "Financial Disclosures about Guarantors and Issuers of Guaranteed Securities" and is not intended to present the financial position or results of operations of the Obligor Group in accordance with GAAP.

Results of operations (in millions)	**Quarter Ended December 27, 2025**
Revenues	$ —
Costs and expenses	—
Net income (loss)	(799)
Net income (loss) attributable to TWDC shareholders	(799)

Balance Sheet (in millions)	**December 27, 2025**	September 27, 2025
Current assets	$ 1,776	$ 2,295
Noncurrent assets	3,553	3,613
Current liabilities	14,360	9,592
Noncurrent liabilities (excluding intercompany to non-Guarantors)	36,139	36,314
Intercompany payables to non-Guarantors	167,047	167,091

Item 3. Quantitative and Qualitative Disclosures about Market Risk.

See Item 2, Management’s Discussion and Analysis of Financial Condition and Results of Operations, Note 14 to the Condensed Consolidated Financial Statements and in Note 17 to Consolidated Financial Statements in Part II, Item 8 of the 2025 Annual Report on Form 10-K.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures – We have established disclosure controls and procedures to ensure that the information required to be disclosed by the Company in the reports that it files or submits under the Securities Exchange Act of 1934 is recorded, processed, summarized and reported within the time periods specified in SEC rules and forms and that such information is accumulated and made known to the officers who certify the Company’s financial reports and to other members of senior management and the Board of Directors as appropriate to allow timely decisions regarding required disclosure.

Based on their evaluation as of December 27, 2025, the principal executive officer and principal financial officer of the Company have concluded that the Company’s disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934) are effective.

Changes in Internal Controls – There have been no changes in our internal control over financial reporting during the first quarter of fiscal 2026 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II. OTHER INFORMATION

ITEM 1. Legal Proceedings

As disclosed in Note 12 to the Condensed Consolidated Financial Statements, the Company is engaged in certain legal matters, and the disclosure set forth in Note 12 to the Condensed Consolidated Financial Statements relating to certain legal matters is incorporated herein by reference.

ITEM 1A. Risk Factors

For an enterprise as large and complex as the Company, a wide range of factors could materially affect future developments and performance. In addition to the factors affecting specific business operations identified in connection with the description of these operations and the financial results of these operations elsewhere in our filings with the SEC, the most significant factors affecting our business include the factors discussed in our 2025 Annual Report on Form 10-K under Item 1A, "Risk Factors" as updated below:

RISKS RELATED TO OUR BUSINESSES AND INDUSTRY

We face risks related to the renewal of long-term programming or distribution contracts on sufficiently favorable terms.

We enter into long-term contracts for both the acquisition and the distribution of media programming and products, including contracts for the acquisition of programming rights for sporting events and other programs, and contracts for the distribution of our programming to content distributors. As these contracts expire, we renew or renegotiate the contracts, which from time to time has led to service blackouts when distribution contracts expired before renewal terms were agreed. We may lose programming rights or distribution rights if we are unable to renew these contracts on acceptable terms. Renewal negotiations with certain MVPDs for distribution contracts scheduled to expire in fiscal 2026 could lead to temporary or longer-term service blackouts, negatively impacting our results of operations. For example, in the first quarter of fiscal 2026, the Company's channels were temporarily removed from YouTube TV following the expiration of the parties' distribution contract without agreement on renewal terms. Further, our portfolio of acquired programming rights, such as sporting events, and the distributors of our programming and the portfolio of programming rights our distributors acquire have changed and will continue to change over time. Even if these contracts are renewed, the cost of obtaining certain programming rights has increased and may continue to increase (or increase at faster rates than our historical experience) and programming distributors demand terms (including with respect to the pricing for, and the nature and amount of, programming distributed) that reduce our revenue from distribution of programs or increase revenue at slower rates than our historical experience. For example, the terms of certain renewals of carriage agreements have included fewer of our linear networks or the opportunity to offer multiple genre-specific bundle options of fewer than all our linear networks while providing for certain of our DTC streaming services to be made available to the distributor's subscribers. Moreover, our ability to renew these contracts on favorable terms is affected by a number of factors, such as consolidation in the market for program distribution and the entrance of new participants in the market for distribution of content on digital platforms. With respect to the acquisition of programming rights, particularly sports programming rights, the impact of these long-term contracts on our results over the term of the contracts depends on a number of factors, including the strength of advertising markets, subscription levels and programming rights costs increases, effectiveness of marketing efforts and the size of viewer audiences. There can be no assurance that revenues from programming based on these rights will exceed the cost of the rights plus the other costs of producing and distributing the programming.

The seasonality of certain of our businesses and timing of certain of our product offerings could exacerbate negative impacts on our operations.

Each of our businesses is normally subject to seasonal variations and variations in connection with the timing of our product offerings. See our 2025 Annual Report on Form 10-K under Item 1 – ENTERTAINMENT – Competition and Seasonality; – SPORTS – Competition and Seasonality; and – EXPERIENCES – Competition and Seasonality and Part 1, Item 2 – SEASONALITY in this Form 10-Q for a discussion of seasonal and other timing variations, as well as certain other fluctuations, on our results of operations. Further, negative impacts on our business occurring during a time of typical high seasonal demand, such as our park closures due to hurricane damage during the summer travel season or other high seasons or sports league work stoppages during that sports season, could have a disproportionate effect on the results of that business for the year.

RISKS RELATED TO INTELLECTUAL PROPERTY, LITIGATION, CYBERSECURITY AND REGULATORY REQUIREMENTS

We face risks related to the intellectual property rights that we hold as well as rights asserted by third parties.

The value to us of our IP is dependent on the scope and duration of our rights as defined by applicable laws in the U.S. and abroad and the manner in which those laws are construed. Where those laws are drafted or interpreted in ways that limit the extent or duration of our rights, or if existing laws are changed, our ability to generate revenue from our IP may decrease, or the cost of obtaining and maintaining rights may increase.

In the United States and countries that look to the United States copyright term when shorter than their own, the copyright term for early works and the specific early versions of characters depicted in those works expires at the end of the 95th calendar year after the date the copyright was originally secured in the United States. The terms of some copyrights for IP related to some of our products and services have expired, and other copyrights will expire in the future. For example, the copyright term for the short film Steamboat Willie (1928) and early versions of characters depicted in this film have expired. As copyrights expire, we expect that revenues generated from such IP will be negatively impacted to some extent.

The unauthorized use of our IP typically increases our costs, including in connection with our efforts to protect rights in our IP, and may reduce our revenues. The convergence of computing, communications and entertainment devices, increased broadband internet speed and penetration, increased availability and speed of mobile data transmission and increasingly sophisticated attempts to obtain unauthorized access to data systems have made the unauthorized digital copying and distribution of our films, television productions and other creative works easier and faster and protection and the enforcement of IP rights more challenging. The unauthorized distribution and access to entertainment content generally continues to be a significant challenge for IP rights holders. Further, the availability of certain AI tools has facilitated the creation of infringing works based on the unauthorized use of our IP. Inadequate laws or weak enforcement mechanisms to protect entertainment industry IP in one country can adversely affect the results of the Company's operations worldwide, despite the Company's efforts to protect its IP rights. Distribution innovations have increased opportunities to access content in unauthorized ways. Additionally, negative economic conditions or a shift in government priorities or policies could lead to less enforcement. These developments require us to devote substantial resources to protecting our IP against unlicensed use and present the risk of increased losses of revenue as a result of unlicensed distribution of our content and other commercial misuses of our IP. The legal landscape for some new technologies, including some AI tools, remains uncertain, and development of the law or other regulatory frameworks in this area could impact our ability to protect against unauthorized uses.

With respect to IP developed by the Company and rights acquired by the Company from others, the Company is subject to the risk of challenges to our copyright, trademark and patent rights by third parties. In addition, the availability of copyright protection and other legal protections for IP generated by certain new technologies, such as generative AI, is uncertain. Successful challenges to our rights in IP typically result in increased costs for obtaining rights or the loss of the opportunity to earn revenue from or utilize the IP that is the subject of challenged rights.

The Company is also subject to the risk of claims and litigation asserting that the Company is infringing certain third-party IP rights. Technological changes in industries in which the Company operates and extensive patent coverage in those areas increase the risk of such claims being brought and prevailing. For example, the Company's streaming services and technology are subject to patent infringement claims and litigation both in the United States and outside the United States. In defending such matters, we have developed, and may in the future develop, alternatives to features, functionalities and services in the relevant jurisdictions or more broadly, which increase our costs through investment of engineering and other resources and may result in some customers discontinuing use of our services. Adverse results in these matters and other matters asserting infringement of other types of third-party IP rights may include substantial payments by us, including royalties, licensing fees or monetary awards, and orders preventing us from offering or requiring us to change certain features, functionalities or services, which could harm our businesses and in aggregate negatively impact our results of operations.

ITEM 2. Unregistered Sales of Equity Securities and Use of Proceeds

(c) The following table provides information about Company purchases of equity securities that are registered by the Company pursuant to Section 12 of the Exchange Act during the quarter ended December 27, 2025:

Period	Total Number of Shares Purchased	Average Price Paid per Share[1]	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Maximum Number of Shares that May Yet Be Purchased Under the Plans or Programs[2]
September 28, 2025 - October 31, 2025	5,630,500	$ 112.10	5,630,500	334 million
November 1, 2025 - November 30, 2025	1,893,592	111.37	1,893,592	332 million
December 1, 2025 - December 27, 2025	10,939,100	112.16	10,939,100	321 million
Total	18,463,192	112.06	18,463,192	321 million

(1) Amounts exclude the one percent excise tax on stock repurchases imposed by the Inflation Reduction Act of 2022.

(2) Under a share repurchase program implemented effective February 7, 2024, the Company is authorized to repurchase a total of 400 million shares of its common stock. The repurchase program does not have an expiration date.

ITEM 5. Other Items

Rule 10b5-1 Trading Arrangements

On December 11, 2025, Horacio E. Gutierrez, the Company's Chief Legal and Public Affairs Officer adopted a trading plan intended to satisfy the affirmative defense of Rule 10b5-1(c) under the Securities Exchange Act of 1934, as amended. Mr. Gutierrez's trading plan provides for the sale of up to 200,147 gross shares of the Company's common stock (which includes the potential exercise of vested stock options granted to Mr. Gutierrez and the associated sale of shares of the Company's common stock, excluding any shares used to effect a cashless exercise or withheld to satisfy tax withholding obligations in connection with the exercise or net settlement of the option awards). Mr. Gutierrez's trading plan is scheduled to terminate on December 15, 2026.

ITEM 6. Exhibits

INDEX OF EXHIBITS

Number and Description of Exhibit (Numbers Coincide with Item 601 of Regulation S-K)		Document Incorporated by Reference from a Previous Filing or Filed Herewith, as Indicated below
3.1	Restated Certificate of Incorporation of The Walt Disney Company, effective as of March 19, 2019	Exhibit 3.1 to the Current Report on Form 8-K of the Company filed March 20, 2019
3.2	Certificate of Amendment to the Restated Certificate of Incorporation of The Walt Disney Company, effective as of March 20, 2019	Exhibit 3.2 to the Current Report on Form 8-K of the Company filed March 20, 2019
3.3	Amended and Restated Bylaws of The Walt Disney Company, effective as of November 30, 2023	Exhibit 3.1 to the Current Report on Form 8-K of the Company filed November 30, 2023
3.4	Amended and Restated Certificate of Incorporation of TWDC Enterprises 18 Corp., effective as of March 20, 2019	Exhibit 3.1 to the Current Report on Form 8-K of Legacy Disney filed March 20, 2019
3.5	Amended and Restated Bylaws of TWDC Enterprises 18 Corp., effective as of March 20, 2019	Exhibit 3.2 to the Current Report on Form 8-K of Legacy Disney filed March 20, 2019
3.6	Certificate of Elimination of Series B Convertible Preferred Stock of The Walt Disney Company, as filed with the Secretary of State of the State of Delaware on November 28, 2018	Exhibit 3.1 to the Current Report on Form 8-K of Legacy Disney filed November 30, 2018
10.1	Second Amendment dated November 10, 2025 to that certain Employment Agreement, dated as of December 4, 2023, by and between The Walt Disney Company and Hugh F. Johnston, as amended †	Exhibit 10.1 to the Current Report on Form 8-K of the Company filed November 12, 2025
10.2	Fifth Amendment dated November 4, 2025 to that certain Employment Agreement, dated as of December 21, 2021, by and between Disney Corporate Services Co., LLC and Horacio E. Gutierrez, as amended; and to that certain Indemnification Agreement, dated as of December 21, 2021, by and between The Walt Disney Company and Horacio E. Gutierrez, as amended †	Exhibit 10.1 to the Current Report on Form 8-K of the Company filed November 7, 2025
10.3	Third Amendment dated October 15, 2025, to that certain Employment Agreement, dated as of June 29, 2022, by and between the Walt Disney Company and Kristina K. Schake, as amended †	Exhibit 10.1 to the Current Report on Form 8-K of the Company filed October 16, 2025
10.4	Form of Non-Qualified Stock Option Award Agreement †	Filed herewith
10.5	Form of Restricted Stock Unit Award Agreement (Time-Based Vesting) †	Filed herewith
10.6	Form of Performance-Based Restricted Stock Unit Award Agreement †	Filed herewith
22	List of Guarantor Subsidiaries	Filed herewith
31(a)	Rule 13a-14(a) Certification of Chief Executive Officer of the Company in accordance with Section 302 of the Sarbanes-Oxley Act of 2002	Filed herewith
31(b)	Rule 13a-14(a) Certification of Chief Financial Officer of the Company in accordance with Section 302 of the Sarbanes-Oxley Act of 2002	Filed herewith
32(a)	Section 1350 Certification of Chief Executive Officer of the Company in accordance with Section 906 of the Sarbanes-Oxley Act of 2002*	Furnished
32(b)	Section 1350 Certification of Chief Financial Officer of the Company in accordance with Section 906 of the Sarbanes-Oxley Act of 2002*	Furnished
101	The following materials from the Company's Quarterly Report on Form 10-Q for the quarter ended December 27, 2025 formatted in Inline Extensible Business Reporting Language (iXBRL): (i) the Condensed Consolidated Statements of Income, (ii) the Condensed Consolidated Statements of Comprehensive Income, (iii) the Condensed Consolidated Balance Sheets, (iv) the Condensed Consolidated Statements of Cash Flows, (v) the Condensed Consolidated Statements of Equity and (vi) related notes	Filed herewith
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)	Filed herewith

* This certification is deemed not filed for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liability of that section, nor shall it be deemed incorporated by reference into any filing under the Securities Act of 1933, as amended or the Exchange Act.

† Management Contract or compensatory plan or arrangement.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

THE WALT DISNEY COMPANY
(Registrant)

By: /s/ HUGH F. JOHNSTON
Hugh F. Johnston,
Senior Executive Vice President and
Chief Financial Officer

February 2, 2026
Burbank, California

Exhibit 10.4

THE WALT DISNEY COMPANY

Non-Qualified Stock Option Award Agreement

This AWARD AGREEMENT (the "Agreement") is between you, **Participant Name**, and The Walt Disney Company ("Disney"), in connection with the Non-Qualified Stock Option Award (the "Option") granted to you on **Grant Date**, by the Compensation Committee of the Board of Directors of Disney pursuant to the terms of the 2011 Stock Incentive Plan, as amended (the "Plan"), the applicable terms and conditions of which are incorporated herein by reference and made a part of this Agreement.

This Option gives you the opportunity to purchase #### shares of Common Stock of The Walt Disney Company at an exercise price of $**Option Price** per share. The exercise price is the average of the highest and the lowest market prices for the Common Stock on the above grant date as determined pursuant to the Plan.

This Option may not be exercised before **First Vest Date**. On or after that date, subject to your continued employment by Disney or an affiliated company (as described further below) and to the other provisions of the Plan, you may exercise the Option with respect to the number of shares set forth opposite the first date below. As the subsequent dates set forth below occur, you may exercise as to the number of shares set forth opposite those dates:

Vest Date 1; **Exercise Qty 1** Shares
Vest Date 2; **Exercise Qty 2** Shares
Vest Date ; **Exercise Qty 3** Shares[1]

[1] With respect to Robert Iger, notwithstanding the foregoing scheduled vesting dates, in the event that Mr. Iger is actively employed with Disney or an Affiliate thereof on December 31, 2026, the total number of shares set forth opposite the second and third vesting dates shall become fully vested and exercisable on and after December 31, 2026.

Provided your employment continues, the term of this Option is ten years from the grant date and, therefore, expires on **[insert tenth anniversary of grant date]**. If your employment should cease prior to the date on which your grant expires, your right to vest and exercise under the Option will be subject to early termination as provided in Sections 6.5, 12 and 13.2 of the Plan. Except under certain circumstances specified in such Sections, you will generally have the right of continued vesting and exercisability for three months following the date of termination of your employment (such period as it may hereinafter be extended in certain circumstances as provided below being the "Extended Vesting and Exercisability Period"), and any shares that vest during the Extended Vesting and Exercisability Period will be exercisable during such period (or, under certain circumstances, for such longer period as may be provided by the Plan).

You may exercise this Option as to all or part of the number of shares covered by the Option which are then vested by paying the aggregate exercise price and applicable withholding taxes on the gross gain. You will be provided with additional information at the time of exercise about the methods available for exercising your Option and paying your withholding taxes, in accordance with the methods of exercising options permitted under Section 6.6 of the Plan. You are urged to seek advice from your tax accountant or attorney when making decisions regarding the exercise of this Option. This Option may not be transferred or assigned.

Notwithstanding any other term or provision hereof, you agree by acceptance of this Option that, except for certain shares (the "Tax-Available Shares") that may be sold to pay taxes up to the Maximum Tax Liability (as defined below) upon an exercise of a portion of, or all of, this Option, you will hold, for not less than twelve months from the date of exercise of this Option, shares representing no less than **[seventy-five percent (75%)]/[one hundred percent (100%)]** of the shares acquired by you (other than Tax-Available Shares) upon such exercise; provided, however, that the foregoing obligation to hold such shares (and any similar obligation in any non-qualified stock option award previously granted to you) shall not be applicable at any time when you are already holding shares of Common Stock of Disney (including any outstanding restricted stock units (with or without performance-based vesting conditions) awarded to you by with a value equal to at least **[three]/[five]** times your base salary as in effect at such time (the "Disney Stock Ownership Requirement"). For purposes hereof the term "Maximum Tax Liability" shall mean the amount calculated by multiplying total income recognized, as reported by Disney for Federal income tax purposes, upon an exercise of this Option, by a percentage determined as follows:

FR + SR (100-FR) + MR

where:

FR = the highest Federal income tax rate in effect at time of exercise of the Option;

SR = the highest state income tax rate, if any, in effect at the time of exercise of the Option in the state where your principle Disney office is located; and

MR = the Medicare tax rate in effect at time of exercise of the Option.

The number of whole shares acquired upon any exercise of the Options that may be sold to discharge the Maximum Tax Liability shall be determined by dividing the Maximum Tax Liability by the fair market value (as defined in Section 2 of the Plan) of one share of Disney common stock on the date of exercise of the Option and disregarding any fractional amount resulting from such calculation.

For the purposes hereof, your commitment to hold the percentage of shares referred to above for not less than twelve months unless you are already in compliance with the Disney Stock Ownership Requirement shall constitute an undertaking by you not to sell, transfer, pledge, encumber, assign or otherwise dispose of, except for certain transfers to "family members" and certain others permitted with the prior approval of the Committee pursuant to Section 6.7 of the Plan, any of such shares during such period.

If you are employed pursuant to an employment agreement with Disney, any provisions thereof relating to the effect of a termination of your employment upon your rights with respect to this Option, including, without limitation, any provision regarding acceleration of this Option, shall be fully applicable and shall supersede the provisions hereof relating to the same subject matter, but in no event shall the restriction on sale of shares acquired upon the exercise of this Option referred herein apply after any termination of your employment with Disney.

In the event_that your employment with Disney or an Affiliate thereof terminates for any reason other than death, disability, or "cause" (as further provided in the Plan) at a time when (i) you have attained the age of sixty and have completed at least ten consecutive Service Years (as hereinafter defined) and (ii) at least one year has passed since the Grant Date of this Option, then notwithstanding any other term or provision hereof, the Extended Vesting and Exercisability Period shall continue until the earlier of five years from the date of termination of your employment or the expiration date of this Option as provided above; provided, however, that in the event of your death during such period, all remaining unvested Tranches of this Option shall vest immediately upon such event and thereafter all remaining unexercised Tranches (or portions thereof) of this Option shall be exercisable until the earlier of the expiration of 18 months from date of death or the expiration date of this Option.

In the event that your employment with Disney or an Affiliate thereof terminates for any reason other than death, Disability, "cause" (as provided in Section 12 of the Plan) or a sixty and ten Termination, at a time when (i) you have attained the age of fifty-five and have completed at least three consecutive Service Years, and notwithstanding any other term or provision hereof, you may continue to exercise any portion of your stock options that shall have become vested (including during the three month period after your date of termination included in Extended Vesting and Exercisability Period) until the earlier of 18 months from the date of termination of your active employment or the expiration date of this Stock Option Award (the "Additional Exercisability Period").

For purposes of the foregoing, "**Service Year**" shall mean any calendar year during which you have been continuously employed by Disney or an Affiliate thereof for the entire calendar year. In determining the total number of consecutive Service Years that you have been so employed, the Company shall apply such rules regarding the bridging of service as the Committee may adopt from time to time.

Notwithstanding any other term or provision hereof, if you are employed pursuant to an employment agreement with Disney or an Affiliate which provides under certain circumstances for the continued vesting and/or exercisability of this Option in the event of the termination of such employment agreement prior to its scheduled expiration date (a "**Contractual Extension Provision**"), then, except as otherwise expressly provided in such employment agreement, (i) this Option shall be interpreted and applied in all respects to have the same effect as if you had remained continuously employed by Disney or an Affiliate thereof from the Grant Date of this Option through the scheduled expiration date of such employment agreement and (ii) the date of termination of your employment for all purposes hereunder shall be deemed to be the scheduled expiration date of such employment agreement.

Solely for purposes of (i) determining whether, and to what extent, the Participant shall have become eligible to exercise all or any portion of this Option and (ii) determining the period during which any vested portion of this Option remains exercisable following termination of the Participant's employment, the Participant shall be deemed to have continued in employment (without duplication of any service credit afforded with respect to a Contractual Extension Provision, as defined below) with Disney or an Affiliate during any period for which the Company provides Participant pay in lieu of notice in connection with The Worker Adjustment and Retraining Notification Act, as currently in effect and as the same may be amended from time to time, or any successor statute thereto or any comparable provision of state, local or foreign law applicable to the Participant.

[In the event that your employment with Disney or an Affiliate thereof terminates on or after December 31, 2026, or upon an earlier Termination for Good Reason or termination of your employment by Disney or an Affiliate without Cause (provided that you execute and do not revoke the Release and execute the Consulting Agreement, in each case as required by your employment agreement with Disney or an Affiliate thereof), then notwithstanding any other term or provision hereof, the Extended Vesting and Exercisability Period shall continue until the earlier of five years from the date of termination of your employment or the expiration date of this Option as provided above; provided, however, that in the event of your death during such period, all remaining unvested

Tranches of this Option shall vest immediately upon such event and thereafter all remaining unexercised Tranches (or portions thereof) of this Option shall be exercisable until the earlier of the expiration of 18 months from date of death or the expiration date of this Option. For purposes of the foregoing, each of "Termination for Good Reason", "Cause", "Release" and "Consulting Agreement" shall have the meaning of such term as set forth in your employment agreement with Disney or an Affiliate thereof, as may be amended from time to time.][2]

You expressly authorize and consent to the collection, possession, use, retention and transfer of your personal data, whether in electronic or other form, by and among Disney, its Affiliates, third-party administrator(s) and other possible recipients, in each case for the exclusive purpose of implementing, administering, facilitating and/or managing your Awards under, and participation in, the Plan. Such personal data may include, without limitation, your name, home address and telephone number, date of birth, Social Security Number, social insurance number or other identification number, salary, nationality, job title and other job-related information, tax information, the number of Disney shares held or sold by you, and the details of all Awards (including any information contained in this Award and all Award-related materials) granted to you, whether exercised, unexercised, vested, unvested, cancelled or outstanding ("**Data**"). You acknowledge, understand and agree that Data will be transferred to Merrill, which is assisting Disney with the implementation, administration and management of the Plan, and/or to such other third-party plan administrator(s) and/or recipients as may be selected by Disney in the future. You understand that one or more of the administrators or recipients of Data may be located in countries other than the country of your current residence, and that such other countries may have data privacy laws and protections different from, and less protective than, the laws and protections of the country of your current residence, the Member States of the European Union or any other country to which you may be at any time relocated.

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Note: Non-Qualified Stock Options are granted and vested in the United States. You are responsible for any applicable taxes whether you are in the United States or any other country. At the time of exercise, Disney will withhold any minimum statutory local or U.S. taxes, as applicable.

[2] Included in award agreements for Horacio Gutierrez and Hugh Johnston

3THE WALT DISNEY COMPANY
Schedule of Provisions for Certain
Time-Vested Restricted Stock Unit Awards
Pursuant to the 2011 Stock Incentive Plan

AWARD AGREEMENT, dated as of **Date** between The Walt Disney Company, a Delaware corporation ("**Disney**"), and **Participant Name** (the "**Participant**"). This Award is granted on **Grant Date** (the "**Date of Grant**") by the Compensation Committee of the Disney Board of Directors (the "**Committee**").

Section 1. Restricted Stock Unit Award. Disney hereby grants to the Participant, on the terms and conditions set forth herein, an Award of #### Restricted Stock Units. This schedule relates to an Award of "Restricted Stock Units" (the "Award Agreement") pursuant to the 2011 Stock Incentive Plan, as amended (the "Plan") by The Walt Disney Company ("Disney"). All capitalized terms not defined herein shall have the meanings set forth in the Plan. The Award referred to herein constitutes a "Stock Unit Award" under the Plan. The Restricted Stock Units are notional units of measurement denominated in shares of Common Stock of Disney ("Shares") (*i.e.*, one Restricted Stock Unit is equivalent in value to one Share, subject to the terms hereof). The Restricted Stock Units represent an unfunded, unsecured obligation of Disney. This Award is subdivided into three "tranches," each of which constitute one third of the Award.

Section 2. Vesting Requirements. Subject to accelerated vesting in certain circumstances as provided in Section 3 below and to the terms of Section 6 below regarding extended vesting, your right to receive payment of this Award shall become vested only if you remain continuously employed by Disney or an Affiliate from the date hereof (i) in the case of the first tranche, until the first anniversary of the Date of Grant, (ii) in the case of the second tranche, until the second anniversary of the Date of Grant and (iii) in the case of the third tranche, until the third anniversary of the Date of Grant. Except as otherwise provided in Sections 3 or 6 below, if the service vesting requirements of this Section 2 are not satisfied for a tranche, the applicable number of Restricted Stock Units shall be immediately forfeited and your rights with respect thereto shall cease. For the avoidance of doubt, subject to the terms of Section 6 below, employment for only a period during a vesting period does not entitle you to pro-rated vesting of the respective tranche. All Restricted Stock Units for which the requirements of this Section 2 have been satisfied shall become vested and shall thereafter be payable in accordance with Section 5 hereof.

Section 3. Accelerated Vesting. Notwithstanding the terms and conditions of Section 2 hereof, upon your death or Disability (to the extent permitted under applicable local law), or upon the occurrence of a Triggering Event within the 12-month period following a Change in Control (in accordance with Section 11 of the Plan as in effect on the date hereof), this Award shall become fully vested and shall be payable in accordance with Section 5 hereof to the extent that it has not previously been forfeited.

Section 4. Dividend Equivalents. Any dividends paid in cash or Shares will be credited to you as additional Restricted Stock Units as if the Restricted Stock Units you previously held were outstanding Shares, as follows: such credit shall be made in whole Restricted Stock Units only (rounded downward to the nearest whole unit) and shall be based on the Fair Market Value of the Shares on the date of payment of such dividend. All such additional Restricted Stock Units shall be subject to the same vesting requirements applicable to the Restricted Stock Units in respect of which they were credited and shall be payable in accordance with Section 5 hereof.

Section 5. Payment of Award. Payment of vested Restricted Stock Units shall be made within 30 days of the applicable vesting date under Section 2 hereof as of which the vesting requirements under Section 2 hereof shall have been satisfied with respect to any tranche (or within 30 days of the acceleration of vesting under Section 3 hereof). The Restricted Stock Units shall be paid in cash or in Shares (or some combination thereof), as determined by the Committee in its discretion at the time of payment, and in either case shall be paid to you after satisfaction of any withholding obligation for all income tax, social insurance contributions, National Insurance contributions, payroll tax, fringe benefits tax, payment on account or other tax-related items related to your participation in the Plan and legally applicable to you ("Tax-Related Items") in the amount determined by the Committee.

Section 6. Extended Vesting.

(a) In the event that your employment with Disney or an Affiliate thereof terminates for any reason other than death, Disability or "cause" (as provided in Section 12 of the Plan) at a time when (i) you have attained the age of 60 and have completed at least 10 consecutive Service Years (as hereinafter defined) and (ii) at least one year has passed since the Date of Grant, then unless otherwise stated in the Appendix (as defined in Section 18), the remaining then unvested tranche(s) of this Award shall vest in accordance with the terms and provisions hereof in the same manner as if your employment had continued through the scheduled vesting date(s) of such tranche(s); provided, however, that in the event of your death prior to any such scheduled vesting date(s), all remaining then unvested tranche(s) of this Award shall vest and be payable immediately upon such event. For purposes of the foregoing, "Service Year" shall mean any 12-month period during which you were continuously employed by Disney or an Affiliate thereof. In determining the total number of consecutive Service Years that you have been so employed, Disney shall apply such rules regarding the bridging of service as the Committee may adopt from time to time.

(b) Notwithstanding any other term or provision hereof, if at the time of termination of employment (other than upon the scheduled expiration date of an employment agreement), you are employed pursuant to an employment agreement with Disney or an Affiliate which provides under certain circumstances for the continued vesting of any Restricted Stock Units subject to this Award in the event of the termination of such employment agreement prior to its scheduled expiration date (a "Contractual Extension Provision"), then, except as otherwise provided in such employment agreement, (i) this Section 6 shall be interpreted and applied in all respects as if you had remained continuously employed by Disney or an Affiliate thereof from the Date of Grant through the scheduled expiration date of such employment agreement and (ii) the date of termination of your employment for all purposes under this Section 6 shall be deemed to be the scheduled expiration date of such employment agreement.

[(c) In the event that your employment with Disney or an Affiliate thereof terminates on or after December 31, 2026, or upon an earlier Termination for Good Reason or termination of your employment by Disney or an Affiliate without Cause (provided that you execute and do not revoke the Release and execute the Consulting Agreement, in each case as required by your employment agreement with Disney or an Affiliate thereof), then notwithstanding any other term or provision hereof, the remaining unvested tranche(s) of this Award shall vest in accordance with the terms and provisions hereof in the same manner as if your employment had continued through the scheduled vesting date(s) of such tranche(s); provided, however, that in the event of your death prior to any such scheduled vesting date(s), all remaining then unvested tranche(s) of this Award shall vest and be payable immediately upon such event. For purposes of the foregoing, each of "Termination for Good Reason", "Cause", "Release" and "Consulting Agreement" shall have the meaning of such term as set forth in your employment agreement with Disney or an Affiliate thereof, as may be amended from time to time.][1]

[(c)] [(d)] Solely for purposes of determining whether, and to what extent, you have satisfied the service vesting requirement in Section 2, you will be deemed to have continued in employment (without duplication of any service credit afforded with respect to a Contractual Extension Provision) with Disney or an Affiliate during any period for which Disney or an Affiliate provides you with pay in lieu of notice in connection with The Worker Adjustment and Retraining Notification Act, as currently in effect and as the same may be amended from time to time, or any successor statute thereto or any comparable provision of state, local or foreign law applicable in your jurisdiction.

[(d)] [(e)] If at the time of your termination of employment, (a) you are not employed pursuant to an employment agreement or other personal services contract with Disney or an Affiliate and (b) Disney determines that your termination of employment meets the conditions of a "Layoff" as defined in the Disney Severance Pay

[1] Included in award agreements for Horacio Gutierrez and Hugh Johnston.

Plan (as amended and as in effect on the date of your termination of employment), then this Award shall continue to vest for three (3) months following your termination of employment (without duplication of any service credit afforded under any other provisions of this Section 6, or any arrangement with Disney or an Affiliate or any provision of applicable law).

Section 7. Responsibility for Taxes. Restricted Stock Units are granted and vested in the United States. At the time of vesting, if you are a U.S. taxpayer, Disney will withhold all U.S. federal, state and local taxes as required by applicable law at the then-current rate for supplemental wage income. If you are resident outside the U.S., you shall be responsible for the payment of all Tax-Related Items, and Disney or, if different, the Affiliate by whom you are employed (the "Employer") will either withhold the Tax-Related Items as required by applicable law, or, alternatively, you will be required to pay the Tax-Related Items directly or, where permitted by applicable law with respect to fringe benefits or employer social taxes, to reimburse Disney or the Employer, as applicable for the Tax-Related Items paid by Disney or the Employer.

Regardless of any action Disney or the Employer takes with respect to any Tax-Related Items, you acknowledge that the ultimate reportable amount and the liability for all Tax-Related Items is and remains your responsibility and may exceed the amount actually withheld and reported by Disney or the Employer, if any, whether you are in the United States or any other country. You further acknowledge that Disney and/or the Employer (i) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the Restricted Stock Units, including, but not limited to, the grant, vesting or settlement of the Restricted Stock Units, the issuance of Shares upon settlement of the Restricted Stock Units, the subsequent sale of Shares acquired pursuant to such issuance and the receipt of any dividends and/or dividend equivalents; and (ii) do not commit to and are under no obligation to structure the terms of the grant or any aspect of the Restricted Stock Units to reduce or eliminate your liability for Tax-Related Items or achieve any particular tax result. Further, if you are subject to tax in more than one jurisdiction, you acknowledge that Disney and/or the Employer (or former employer, as applicable) may be required to withhold or account for Tax-Related Items in more than one jurisdiction. Additionally, you acknowledge that if you have relocated from one jurisdiction to another during the life of the award, it is your responsibility to consult with your tax advisor to ensure the appropriate amount is reported to each jurisdiction and taxed accordingly. You also acknowledge that it is your responsibility to ensure that all information related to your prior and current work and residency locations are correct in Disney and/or the Employer's internal system of record.

Prior to any relevant taxable or tax withholding event, as applicable, you agree to pay or make adequate arrangements satisfactory to Disney and/or the Employer to satisfy all Tax-Related Items. In this regard, you authorize Disney and/or the Employer, or their respective agents, at their discretion, to satisfy any applicable withholding obligations with regard to all Tax-Related Items by one or a combination of the following: (i) withholding from your wages or other cash compensation payable to you by Disney, the Employer or any other Affiliate; (ii) withholding from proceeds of the sale of Shares acquired upon vesting/settlement of the Restricted Stock Units either through a voluntary sale or through a mandatory sale arranged by Disney (on your behalf pursuant to this authorization without further consent); or (iii) withholding in Shares to be issued upon settlement of the Restricted Stock Units.

Disney may withhold or account for Tax-Related Items by considering statutory withholding rates or other withholding rates, including maximum rates applicable in your jurisdiction(s). In the event of over-withholding, you may receive a refund of any over-withheld amount in cash (with no entitlement to the equivalent in Shares), or if not refunded, you may seek a refund from the applicable tax authorities. In the event of under-withholding, you may be required to pay additional Tax-Related Items directly to the applicable tax authorities or to Disney and/or the Employer. If the obligation for Tax-Related Items is satisfied by withholding in Shares, for tax purposes, you are deemed to have been issued the full number of Shares subject to the vested Restricted Stock Units, notwithstanding that a number of the Shares are held back solely for the purpose of paying the Tax-Related Items.

Finally, you shall pay to Disney or the Employer any amount of Tax-Related Items that Disney or the Employer may be required to withhold or account for as a result of your participation in the Plan that cannot be satisfied by the means previously described. Disney may refuse to issue or deliver the Shares or the proceeds of the sale of Shares, if you fail to comply with your Tax-Related Items obligations.

Section 8. Restrictions on Transfer. Neither this Award nor any Restricted Stock Units covered hereby may be sold, assigned, transferred, encumbered, hypothecated or pledged by you, other than to Disney as a result of forfeiture of the Restricted Stock Units as provided herein.

Section 9. No Voting Rights. The Restricted Stock Units granted pursuant to this Award, whether or not vested, will not confer any voting rights upon you, unless and until the Award is paid in Shares.

Section 10. Award Subject to Plan. This Restricted Stock Unit Award is subject to the terms of the Plan, the terms and provisions of which are hereby incorporated by reference. In the event of a conflict or ambiguity between any term or provision contained herein and a term or provision of the Plan, the Plan will govern and prevail.

Section 11. Changes in Capitalization. The Restricted Stock Units under this Award shall be subject to the provisions of the Plan relating to adjustments for changes in corporate capitalization.

Section 12. Nature of Grant. In accepting the Restricted Stock Unit Award, you acknowledge, understand and agree that:

(a) the Plan is established voluntarily by Disney, it is discretionary in nature, and may be amended, suspended or terminated by Disney at any time, to the extent permitted by the Plan;

(b) the Plan is operated and the Restricted Stock Units are granted solely by Disney, and only Disney is a party to this Award Agreement; accordingly, any rights you may have under this Award Agreement, including related to the Restricted Stock Units, may be raised only against Disney but not any Affiliate (including, but not limited to, the Employer);

(c) the grant of the Restricted Stock Units is exceptional, voluntary and occasional and does not create any contractual or other right to receive future grants of restricted stock units, or benefits in lieu of restricted stock units, even if restricted stock units have been granted in the past;

(d) all decisions with respect to future Restricted Stock Unit or other grants, if any, will be at the sole discretion of Disney;

(e) your participation in the Plan shall not confer upon you any right to employment or service with the Employer, Disney or any other Affiliate, and shall not interfere with the ability of the Employer to terminate your employment or service relationship (if any) at any time or to change the terms and conditions of such employment or service relationship (if any);

(f) you are voluntarily participating in the Plan;

(g) the Restricted Stock Units and the Shares subject to the Restricted Stock Units, and the income from and value of same, are not intended to replace any pension rights or compensation;

(h) the Restricted Stock Unit Award and your participation in the Plan will not be interpreted to form an employment or service agreement or relationship with Disney or any Affiliate;

(i) the future value of the Shares subject to the Restricted Stock Units is unknown, indeterminable and cannot be predicted with certainty;

(j) unless otherwise agreed with Disney, the Restricted Stock Units and the Shares subject to the Restricted Stock Units, and the income from and value of same, are not granted as consideration for, or in connection with, any service you may provide as a director of any Affiliate;

(k) no claim or entitlement to compensation or damages shall arise from any forfeiture of the Restricted Stock Units resulting from termination of your employment or service relationship (for any reason whatsoever, whether or not later found to be invalid or in breach of employment laws in the jurisdiction where you are employed or providing services or the terms of your employment or service agreement, if any);

(l) for purposes of the Restricted Stock Units, your employment or service relationship will be considered terminated as of the date you are no longer actively providing services to Disney, the Employer or any other Affiliate (regardless of the reason for such termination and whether or not later found to be invalid or in breach of employment laws in the jurisdiction where you are employed or providing services or the terms of your employment or service agreement, if any) and except in the case of death or Disability in accordance with Section 3 hereof and unless otherwise expressly provided in this Award Agreement or determined by Disney, your right to vest in the Restricted Stock Units under the Plan, if any, will terminate effective as of such date and will not be extended by any notice period (*e.g.*, the period of your employment service would not include any contractual notice period or any period of "garden leave" or similar period mandated under employment laws in the jurisdiction where you are employed or providing services or the terms of your employment or service agreement, if any); the Committee shall have the exclusive discretion to determine when you are no longer actively providing services for purposes of your Restricted Stock Unit Award (including whether you may still be considered to be providing services while on a leave of absence);

(m) the Restricted Stock Units and the Shares subject to the Restricted Stock Units, and the income from and value of same, are not part of normal or expected compensation or salary for purposes of calculating any severance, resignation, termination, redundancy, dismissal, end of service payments, bonuses, long-service awards, pension or retirement or welfare benefits or similar payments;

(n) unless otherwise provided in the Plan or by Disney in its discretion, the Restricted Stock Units and the benefits evidenced by this Award Agreement do not create any entitlement to have the Restricted Stock Units or any such benefits transferred to, or assumed by, another company nor to be exchanged, cashed out or substituted for, in connection with any corporate transaction affecting the Shares; and

(o) if you are providing services outside the United States:

(i) the Restricted Stock Units and the Shares subject to the Restricted Stock Units, and the income from and value of same, are not part of normal or expected compensation or salary for any purpose; and

(ii) neither Disney, the Employer nor any other Affiliate shall be liable for any foreign exchange rate fluctuation between your local currency and the United States Dollar that may affect the value of the Restricted Stock Units or of any amounts due to you pursuant to the settlement of the Restricted Stock Units or the subsequent sale of any Shares acquired upon settlement.

Section 13. <u>No Advice Regarding Grant.</u> Disney is not providing any tax, legal or financial advice, nor is Disney making any recommendations regarding your participation in the Plan, or your acquisition or sale of the Shares subject to the Restricted Stock Units. You understand and agree that you should consult with your own personal tax, legal and financial advisors regarding participation in the Plan before taking any action related to the Plan.

Section 14. <u>Governing Law and Venue.</u> This Award Agreement shall be construed and enforced in accordance with the internal substantive laws of the State of Delaware, U.S.A., without giving effect to the choice of law principles thereof. For purposes of litigating any dispute that arises directly or indirectly from the relationship of the parties evidenced by the Restricted Stock Units and this Award Agreement, the parties hereby submit to and consent to the sole and exclusive jurisdiction of the State of California, U.S.A. and agree that such litigation shall be conducted only in the courts of Los Angeles County, California, U.S.A., or the federal courts for the United States for the Central District of California, and no other courts, where this grant is made and/or to be performed.

Section 15. Electronic Delivery and Participation. Disney may, in its sole discretion, decide to deliver any documents related to current or future participation in the Plan by electronic means. You hereby consent to receive such documents by electronic delivery and agree to participate in the Plan through an on-line or electronic system established and maintained by Disney or a third party designated by Disney.

Section 16. Language. You acknowledge that you are sufficiently proficient in English to understand the terms and conditions of this Award Agreement and the Plan or have had the ability to consult with an advisor who is sufficiently proficient in the English language. Furthermore, if you have received this Award Agreement, or any other document related to the Restricted Stock Units and/or the Plan translated into a language other than English and if the meaning of the translated version is different than the English version, the English version will control, unless otherwise required by applicable law.

Section 17. Severability. The provisions of this Award Agreement are severable and if any one or more provisions are determined to be illegal or otherwise unenforceable, in whole or in part, the remaining provisions shall nevertheless be binding and enforceable.

Section 18. Imposition of Other Requirements. Disney reserves the right to impose other requirements on the Restricted Stock Units and the Shares acquired upon vesting/settlement of the Restricted Stock Units, to the extent Disney determines it is necessary or advisable for legal or administrative reasons, and to require you to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing.

Section 19. Data Privacy.

(a) Purposes of Processing. Disney processes Data (as defined below) for purposes that include administering and managing your participation in the Plan and facilitating compliance with applicable tax, exchange control, securities and labor law.

(b) Data Collection and Usage. Disney and the Employer process information about you that includes the following for purposes of this Award Agreement: your name, home address, telephone number, email address, date of birth, social security number (or similar national identifier), salary, nationality, job title, any shares or directorships held in Disney, details of all Awards granted under the Plan or any other entitlement to shares awarded, canceled, exercised, vested, unvested or outstanding in your favor (“Data”).

(c) Stock Plan Administration Service Providers. Disney transfers Data to Merrill Lynch, Pierce, Fenner & Smith Incorporated and certain of its affiliates (“Merrill”), which is assisting Disney with the implementation, administration and management of the Plan. Disney may select a different service provider or additional service providers and share Data with such other provider(s) serving in a similar manner. You may be asked to agree on separate terms and data processing practices with Merrill or such other provider(s), with such agreement being a condition to the ability to participate in the Plan.

(d) International Data Transfers. You understand and acknowledge that any processing by Disney and/or Merrill under this Award Agreement may involve a transfer of Data from your home jurisdiction to the U.S.

(e) Data Subject Rights. You may have a number of rights under the data privacy laws in your jurisdiction. Depending on where you are based, such rights may include the right to (i) request access to or copies of Data Disney processes, (ii) rectify incorrect Data, (iii) delete Data, (iv) restrict the processing of Data, (v) restrict the portability of Data, (vi) lodge complaints with competent authorities in your jurisdiction, and/or (vii) receive a list with the names and addresses of any potential recipients of Data. To receive information regarding these rights or to exercise these rights, you can contact your local human resources representative.

(f) Contractual Requirement. Where necessary, your provision of Data and its processing as described above is a contractual requirement for you to participate in the Plan. Your participation in the Plan and your acceptance of the Restricted Stock Unit Award is purely voluntary. You can refuse to provide Data, as a result of which you will not be able to participate in the Plan, but your career and salary will not be affected in any way.

Section 20. Waiver. You acknowledge that a waiver by Disney of breach of any provision of this Award Agreement shall not operate or be construed as a waiver of any other provision of this Award Agreement, or of any subsequent breach by you or any other Participant.

Section 21. Insider Trading/Market Abuse Laws. You acknowledge that, depending on your or your broker's country of residence or where the Shares are listed, you may be subject to insider trading restrictions and/or market abuse laws, which may affect your ability to acquire or sell or attempt to sell Shares or rights to Shares (*e.g.*, Restricted Stock Units), either directly or indirectly, or rights linked to the value of Shares under the Plan during such times as you are considered to have "inside information" regarding Disney (as defined by or determined under the laws in the applicable jurisdiction or the laws in your country). Local insider trading laws and regulations may prohibit the cancellation or amendment of orders you placed before you possessed inside information. Furthermore, you could be prohibited from (i) disclosing the inside information to any third party (other than on a "need to know" basis) and (ii) "tipping" third parties or causing them to otherwise to buy or sell securities. Keep in mind third parties include fellow employees. Any restrictions under these laws or regulations are separate from and in addition to any restrictions that may be imposed under Disney's insider trading policy. You acknowledge that it is your responsibility to comply with any applicable restrictions, including those imposed under Disney's insider trading policy, and you should consult with your own personal legal and financial advisors on this matter before taking any action related to the Plan.

Section 22. Foreign Asset/Account Reporting Requirements. You acknowledge that there may be certain foreign asset and/or account reporting requirements which may affect your ability to acquire or hold Shares acquired under the Plan or cash received from participating in the Plan (including from any dividends received or sale proceeds arising from the sale of Shares) in a brokerage or bank account outside your country. You understand that you may be required to report such accounts, assets or transactions to the tax or other authorities in your country. You also may be required to repatriate sale proceeds or other funds received as a result of your participation in the Plan to your country through a designated bank or broker and/or within a certain time after receipt. You acknowledge that it is your responsibility to comply with all such requirements, and that you should consult your personal legal and tax advisors, as applicable, to ensure your compliance.

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Note: Restricted Stock Units are granted and vested in the United States. You are responsible for any applicable taxes whether you are in the United States or any other country. At the time of vesting, Disney will withhold any minimum statutory local or U.S. taxes, as applicable

Exhibit 10.6

THE WALT DISNEY COMPANY
Schedule of Provisions for Performance-Based Restricted Stock Unit Award Pursuant to the 2011 Stock Incentive Plan

AWARD AGREEMENT, dated as of **Date** between The Walt Disney Company, a Delaware corporation ("**Disney**"), and **Participant Name** (the "**Participant**"). This Award is granted on **Grant Date** (the "**Date of Grant**") by the Compensation Committee of the Disney Board of Directors (the "**Committee**") pursuant to the terms of the 2011 Stock Incentive Plan, as amended (the "**Plan**").

Section 1. **Restricted Stock Unit Award**. Disney hereby grants to the Participant, on the terms and conditions set forth herein, an Award for a target number of Stock Units of #### (such target number of Stock Units, together with such number of additional whole or fractional Stock Unit(s), if any, as may from time to time be credited with respect thereto (as dividend equivalents) pursuant to Section 4 hereof, being referred to herein as the "**Target Award Amount**"). The number of Stock Units which may be awarded hereunder is dependent upon the satisfaction of the conditions set forth herein and may range from no Stock Units to 200% of the Target Award Amount. The Stock Units are notional units of measurement denominated in Shares of Disney (i.e., one Stock Unit is equivalent in value to one Share, subject to the terms hereof). The Stock Units represent an unfunded, unsecured obligation of Disney.

Section 2. **Vesting Requirements**. The vesting of this Award (other than pursuant to accelerated vesting in certain circumstances as provided in Section 3 below or vesting pursuant to Section 6 below) shall be subject to the satisfaction of the condition(s) set forth in each subsection of Exhibit A hereto, as applicable, **and**, in each case, subsection A of this Section 2.

A. **Service Vesting Requirement**. In addition to whichever of the performance vesting requirements of the subsection(s) of Exhibit A hereto is applicable to a stated portion of the Stock Units subject to this Award, the right of the Participant to receive payment of this Award shall become vested only if he or she remains continuously employed by Disney or an Affiliate from the date hereof until the Scheduled Vesting Date.

If the service vesting requirements of this Section 2.A are not satisfied, all of the Stock Units subject to this Award shall be immediately forfeited and the Participant's rights with respect thereto shall cease.

All Stock Units for which all of the requirements of Exhibit A and this Section 2 have been satisfied shall become vested and shall thereafter be payable in accordance with Section 5 hereof. Subject to the terms, conditions and performance-based vesting requirements set forth herein, the Stock Units subject to this Award will vest on the third anniversary date of the Date of Grant (the "**Scheduled Vesting Date**").

Section 3. **Accelerated Vesting.** Notwithstanding the terms and conditions of Section 2 hereof, upon the Participant's death or disability (within the meaning of Section 409A of the Internal Revenue Code), or upon the occurrence of a Triggering Event within the 12-month period following a Change in Control (in accordance with Section 11 of the Plan as in effect as of the date of the Triggering Event), in any case, prior to the Scheduled Vesting Date, the provisions of this Section 3 shall apply to determine the extent to which the Participant's Restricted Stock Units that have not previously been forfeited shall become vested. If such death, disability or Triggering Event occurs while the Participant is employed by Disney (or an affiliate) and

A. prior to the Determination Date, this Award shall become fully vested (provided that, for this purpose, the performance condition(s) applicable to the Award as set forth in the subsection(s) to Exhibit A hereto shall in each case be deemed to have been satisfied at the target level of performance), or

B. after the Determination Date but before the Scheduled Vesting Date, then the number of Restricted Stock Units which shall become vested shall be determined on the same basis as if the Participant had been continuously employed by Disney (or an Affiliate) until the Scheduled Vesting Date.

Any Restricted Stock Units that become vested pursuant to this Section 3 shall be payable in accordance with Section 5 hereof.

Section 4. **Dividend Equivalents**. Any dividends paid in cash on Shares of Disney will be credited to the Participant as additional Restricted Stock Units as if the Restricted Stock Units previously held by the Participant were outstanding Shares, as follows: such credit shall be made in whole Restricted Stock Units only (rounded downward to the nearest whole unit) and shall be based on the fair market value (as defined in the Plan) of the Shares on the date of payment of such dividend. All such additional Restricted Stock Units shall be subject to the same vesting requirements applicable to the Restricted Stock Units in respect of which they were credited and shall be payable in accordance with Section 5 hereof.

Section 5. **Payment of Award**. Payment of vested Restricted Stock Units shall be made within 30 days following the applicable date under Section 2 hereof as of which the vesting requirements under Exhibit A hereto and Section 2 hereof shall have been satisfied with respect to any tranche, as applicable (or within 30 days following acceleration of vesting under Section 3 hereof, if applicable). The Restricted Stock Units shall be paid in cash or in Shares (or some combination thereof), as determined by the Committee in its discretion at the time of payment, and in either case shall be paid to the Participant after deduction of applicable withholding taxes in the amount determined by the Committee. If the Participant is a U.S. taxpayer, Disney will withhold all U.S. federal and state taxes as required by law at the then-current rate for supplemental wage income as applicable. If the Participant is resident in a foreign country, the Participant shall be responsible for the payment of any applicable local country taxes, including, without limitation, income taxes, social security taxes, and fringe benefit taxes, and Disney will either withhold such taxes as required by local law, or, alternatively, Participant will be required to pay such taxes directly or, where permitted by local law with respect to fringe benefit taxes, to reimburse Disney or the affiliated entity by whom you are employed for such taxes paid by Disney or such affiliated entity.

Section 6. **Extended Vesting**.

(a) In the event that Participant's employment with Disney or an Affiliate thereof terminates for any reason other than death, disability or "cause" (as further provided in the Plan) at a time when (i) the Participant has attained the age of sixty and has completed at least ten consecutive Service Years (as hereinafter defined) and (ii) at least one year has passed since the Date of Grant of this Award, then the remaining then unvested tranche(s) of this Award shall vest in accordance with the terms and provisions hereof in the same manner as if Participant's employment had continued through the scheduled vesting date(s) of such tranche(s). For purposes of the foregoing, "Service Year" shall mean any full 12-month period during which the Participant was continuously employed by Disney or an affiliate thereof. In determining the total number of consecutive Service Years that the Participant has been so employed, Disney shall apply such rules regarding the bridging of service as the Committee may adopt from time to time.

(b) Notwithstanding any other term or provision hereof, if at the time of termination of employment (other than upon the scheduled expiration date of an employment agreement) Participant is employed pursuant to an employment agreement with Disney or an Affiliate which provides under certain circumstances for the continued vesting of any Stock Units subject to this Award in the event of the termination of such employment agreement prior to its scheduled expiration date (a "Contractual Extension Provision"), then, except as otherwise provided in such employment agreement, (i) this Section 6 shall be interpreted and applied in all respects as if Participant had remained continuously employed by Disney or an Affiliate thereof from the Date of Grant of this Award through the scheduled expiration date of such employment agreement and (ii) the date of termination of Participant's employment for all purposes under this Section 6 shall be deemed to be the scheduled expiration date of such employment agreement.

[(c) In the event that Participant's employment with Disney or an Affiliate thereof terminates on or after December 31, 2026, or upon an earlier Termination for Good Reason or termination of Participant's employment by Disney or an Affiliate without Cause (provided that the Participant executes and does not revoke the Release and executes the Consulting Agreement, in each case as required by Participant's employment agreement with Disney or an Affiliate thereof), then notwithstanding any other term or provision hereof, the remaining unvested tranche(s) of this Award shall vest in accordance with the terms and provisions hereof in the same manner as if Participant's employment had continued through the scheduled vesting date(s) of such tranche(s); provided, however, that in the event of Participant's death following such termination but prior to any such scheduled vesting date(s), all remaining then unvested tranche(s) of this Award shall be treated as set forth in Section 3 hereof as if Participant was employed by Disney (or an affiliate) upon such event. For purposes of the foregoing, each of "Termination for Good Reason", "Cause", "Release" and "Consulting Agreement" shall have the meaning of such term as set forth in the Participant's employment agreement with Disney, as may be amended from time to time.][*]

[(c)] [(d)] Solely for purposes of determining whether, and to what extent, the Participant shall have satisfied the service vesting requirement in Section **2.A**, the Participant shall be deemed to have continued in employment (without duplication of any service credit afforded with respect to a Contractual Extension Provision) with Disney or an Affiliate during any period for which such entity provides Participant pay in lieu of notice in connection with The Worker Adjustment and Retraining Notification Act, as currently in effect and as the same may be amended from time to time, or any successor statute thereto or any comparable provision of state, local or foreign law applicable to the Participant.

Section 7. **Restrictions on Transfer**. Neither this Award nor any Restricted Stock Units covered hereby may be sold, assigned, transferred, encumbered, hypothecated or pledged by the Participant, other than to Disney as a result of forfeiture of the Restricted Stock Units as provided herein.

Section 8. **No Voting Rights**. The Restricted Stock Units granted pursuant to this Award, whether or not vested, will not confer any voting rights upon the Participant, unless and until the Award is paid in Shares.

Section 9. **Award Subject to Plan**. This Restricted Stock Unit Award is subject to the terms of the Plan, the terms and provisions of which are hereby incorporated by reference. In the event of a conflict or ambiguity between any term or provision contained herein and a term or provision of the Plan, the Plan will govern and prevail.

Section 10. **Changes in Capitalization**. The Restricted Stock Units under this Award shall be subject to the provisions of the Plan relating to adjustments for changes in corporate capitalization.

Section 11. **No Right of Employment**. Nothing in this Award Agreement shall confer upon the Participant any right to continue as an employee of Disney or an Affiliate nor interfere in any way with the right of Disney or an Affiliate to terminate the Participant's employment at any time or to change the terms and conditions of such employment.

Section 12. **Effect of Employment Agreement.** If the Participant is employed pursuant to an employment agreement with Disney, any provisions thereof relating to the effect of a termination of the Participant's employment

[*] Included in award agreements for Horacio Gutierrez and Hugh Johnston.

upon his or her rights with respect to this Award, including, without limitation, any provisions regarding acceleration of vesting and/or payment of this Award in the event of termination of employment, shall be fully applicable and supersede any provisions hereof with respect to the same subject matter.

Section 13. **Data Privacy**. The Participant expressly authorizes and consents to the collection, possession, use, retention and transfer of personal data of the Participant, whether in electronic or other form, by and among Disney, its Affiliates, third-party administrator(s) and other possible recipients, in each case for the exclusive purpose of implementing, administering, facilitating and/or managing the Participant's Awards under, and participation in, the Plan. Such personal data may include, without limitation, the Participant's name, home address and telephone number, date of birth, Social Security Number, social insurance number or other identification number, salary, nationality, job title and other job-related information, tax information, the number of Disney shares held or sold by the Participant, and the details of all Awards (including any information contained in this Award and all Award-related materials) granted to the Participant, whether exercised, unexercised, vested, unvested, cancelled or outstanding ("**Data**"). The Participant acknowledges, understands and agrees that Data will be transferred to Merrill, which is assisting Disney with the implementation, administration and management of the Plan, and/or to such other third-party plan administrator(s) and/or recipients as may be selected by Disney in the future. The Participant understands that one or more of the administrators or recipients of Data may be located in countries other than the country of Participant's current residence, and that such other countries may have data privacy laws and protections different from, and less protective than, the laws and protections of the country of Participant's current residence, the Member States of the European Union or any other country to which the Participant may be at any time relocated.

Section 14. **Governing Law**. This Award Agreement shall be construed and enforced in accordance with the laws of the State of Delaware, without giving effect to the choice of law principles thereof.

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Note: Restricted Stock Units are granted and vested in the United States. You are responsible for any applicable taxes whether you are in the United States or any other country. At the time of vesting, Disney will withhold any minimum statutory local or U.S. taxes, as applicable.

Exhibit 22

List of Guarantor Subsidiaries

TWDC Enterprises 18 Corp (Legacy Disney) is a subsidiary of The Walt Disney Company (TWDC) and, as of December 27, 2025, a guarantor of TWDC's registered debt securities. Legacy Disney is also an issuer of registered debt securities, which are guaranteed by TWDC. At December 27, 2025, the registered debt securities were as follows:

CUSIPs for TWDC Registered Debt Securities Guaranteed by Legacy Disney

254687FL5 / 254687FM3 / 254687FP6 / 254687FQ4 / 254687FR2 / 254687FS0 / 254687DH6 / 254687DK9 / 254687DM5 / 254687DP8 / 254687DR4 / 254687DT0 / 254687DV5 / 254687DX1 / 254687DZ6 / 254687EB8 / 254687ED4 / 254687EF9 / 254687EH5 / 254687EK8 / 254687EM4 / 254687EP7 / 254687ER3 / 254687ET9 / 254687EV4 / 254687EX0 / 254687EZ5 / 254687FB7 / 254687FD3 / 254687FF8 / 254687FU5 / 254687FV3 / 254687FW1 / 254687FX9 / 254687FY7 / 254687FZ4 / 254687GA8

CUSIPs for Legacy Disney Registered Debt Securities Guaranteed by TWDC

25468PDK9 / 25468PDM5 / 25468PDV5 / 25468PBW5 / 25468PCP9 / 25468PCR5 / 25468PCX2 / 25468PDB9 / 25468PDN3 /

Exhibit 31(a)

RULE 13a-14(a) CERTIFICATION IN ACCORDANCE WITH SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Robert A. Iger, Chief Executive Officer of The Walt Disney Company (the “Company”), certify that:

1. I have reviewed this quarterly report on Form 10-Q of the Company;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant’s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c) evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d) disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and

5. The registrant’s other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):

    a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and

    b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

Date:	February 2, 2026	By:	/s/ ROBERT A. IGER
			Robert A. Iger Chief Executive Officer

Exhibit 31(b)

RULE 13a-14(a) CERTIFICATION IN ACCORDANCE WITH SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Hugh F. Johnston, Senior Executive Vice President and Chief Financial Officer of The Walt Disney Company (the “Company”), certify that:

1. I have reviewed this quarterly report on Form 10-Q of the Company;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant’s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and

5. The registrant’s other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):

   a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and

   b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

Date:	February 2, 2026	By:	/s/ HUGH F. JOHNSTON
			Hugh F. Johnston
			Senior Executive Vice President and Chief Financial Officer

Exhibit 32(a)

**CERTIFICATION PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of The Walt Disney Company (the "Company") on Form 10-Q for the fiscal quarter ended December 27, 2025 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Robert A. Iger, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. §1350, as adopted pursuant to §906 of the Sarbanes-Oxley Act of 2002, that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

By: /s/ ROBERT A. IGER

Robert A. Iger
Chief Executive Officer
February 2, 2026

Exhibit 32(b)

CERTIFICATION PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of The Walt Disney Company (the “Company”) on Form 10-Q for the fiscal quarter ended December 27, 2025 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Hugh F. Johnston, Senior Executive Vice President and Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. §1350, as adopted pursuant to §906 of the Sarbanes-Oxley Act of 2002, that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

By: /s/ HUGH F. JOHNSTON

Hugh F. Johnston
Senior Executive Vice President and
Chief Financial Officer
February 2, 2026