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

FORM 10-K

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

For the fiscal year ended October 3, 2026

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

Securities Registered Pursuant to Section 12(g) of the Act: None.

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☒ No ☐

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes ☐ No ☒

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 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 has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☒

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b). ☐

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

The aggregate market value of common stock held by non-affiliates (based on the closing price on the last business day of the registrant's most recently completed second fiscal quarter as reported on the New York Stock Exchange-Composite Transactions) was $161.3 billion. All executive officers and directors of the registrant and all persons filing a Schedule 13D with the Securities and Exchange Commission in respect to registrant's common stock have been deemed, solely for the purpose of the foregoing calculation, to be "affiliates" of the registrant.

There were 1,708,029,668 shares of common stock outstanding as of November 11, 2026.

Documents Incorporated by Reference

Certain information required for Part III of this report is incorporated herein by reference to the proxy statement for the 2027 annual meeting of the Company's shareholders.

THE WALT DISNEY COMPANY AND SUBSIDIARIES

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Cautionary Note on Forward-Looking Statements

This Annual Report on Form 10-K 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 future products and services, agreements, expenditures, costs and investments); 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 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;
- the continued availability of our licenses;
- 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 this 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

ITEM 1. Business

The Walt Disney Company, together with the subsidiaries through which businesses are conducted (the Company), is a diversified worldwide entertainment company with operations in three segments: Entertainment, Sports and Experiences.

The terms "Company", "we", "our" and "us" are used in this report to refer collectively to the parent company and the subsidiaries through which businesses are conducted.

ENTERTAINMENT

The Entertainment segment generally encompasses the Company's non-sports focused global film and episodic content production and distribution businesses.

Significant activities include the following:

- Streaming services
  - Subscription-video-on-demand (SVOD) services
    - Disney+: a global direct-to-consumer (DTC) service that primarily offers general entertainment and family programming
    - Hulu: a U.S. DTC service that primarily offers general entertainment programming
  - Virtual multi-channel video programming distributor (vMVPD) services
    - Hulu Live TV and Fubo: U.S. DTC services that include live linear streams of various cable and broadcast networks. FuboTV Inc. (FuboTV) is a U.S. publicly-traded company that operates Fubo and Hulu Live and in which the Company has an approximate 70% interest (see Note 4 to the Consolidated Financial Statements for discussion of the Fubo Transaction).
- Content sales
  - Television and video-on-demand (TV/VOD) distribution through the licensing of film and episodic content to third-party television networks, television stations and other video service providers, including other DTC services
  - Theatrical distribution
  - Home entertainment distribution through electronic home video licenses, video-on-demand rentals and licensing of physical (DVD/Blu-ray discs) distribution rights
- Linear networks
  - Domestic: ABC Television Network (ABC Network); Disney, Freeform, FX and National Geographic (owned 73% by the Company) branded television channels; and eight owned ABC television stations
  - International: Disney, FX and National Geographic (owned 73% by the Company) branded television channels

Entertainment also includes the following activities:

- Development, production and licensing of live entertainment events on Broadway and around the world (Stage Plays)
- Distribution of music in both digital and physical formats, as well as licensing of music in various forms of media, including: television, print, gaming and consumer products
- Post-production services by Industrial Light & Magic and Skywalker Sound
- National Geographic magazine (owned 73% by the Company)
- Intersegment allocation of revenues from the Experiences segment, which is meant to reflect royalties on consumer products merchandise licensing revenues generated on intellectual property (IP) created by the Entertainment segment
- A 50% equity investment in A+E Global Media (A+E), which develops and distributes content globally. On September 30, 2026, the Company sold its interest in A+E to an affiliate of Hearst Corporation for approximately $1.3 billion in cash. See Note 4 to the Consolidated Financial Statements.

Beginning with our fiscal 2027 reporting, Merchandise Licensing and Publishing, currently reported within Experiences, will be reported within Entertainment.

The revenues of Entertainment are as follows:

- Subscription and affiliate fees - Fees charged to subscribers of our DTC streaming services and fees charged to multi-channel video programming distributors (i.e. cable, satellite and telecommunications providers and vMVPDs) (MVPDs) and other distributors for the right to deliver our programming to their customers. ABC Network also generates revenue from fees charged to affiliated television stations.

- Advertising - Sales of advertising time/space
- TV/VOD and home entertainment distribution
  - Licensing fees charged to third-party television networks, television stations and other video service providers, including other DTC services, for the right to distribute our film and episodic content
  - Electronic sales and rentals of film and episodic content through distributors
  - Fees from the licensing of physical (DVD/Blu-ray discs) distribution rights
- Theatrical distribution - Rentals from licensing our films to theaters
- Other revenue - Primarily consists of revenues from licensing our music, ticket sales from stage play performances, fees from licensing our IP for use in stage plays, sales of post-production services and the intersegment allocation of revenues from the Experiences segment, which is meant to reflect royalties on consumer products merchandise licensing revenues generated on IP created by the Entertainment segment

The expenses of Entertainment are as follows:

- Operating expenses, consisting of the following:
  - Programming and production costs, which include:
    - Amortization of capitalized production costs
    - Amortization of the costs of licensed programming rights
    - Subscriber-based fees for programming our vMVPD services, including fees paid by the Entertainment vMVPD services to the Sports and Entertainment linear networks for the right to air the networks on the Hulu Live TV and Fubo services
    - Production costs related to live programming (primarily news)
    - Participation and residual expenses
    - Fees paid to the Sports segment to program sports content on ABC Network and Disney+
  - Other operating expenses, which include technology support costs and distribution costs
- Selling, general and administrative costs, including marketing costs
- Depreciation and amortization

Streaming Services

Disney+, Hulu, Hulu Live TV and Fubo are subscription-based DTC services offered individually or in various bundles, which may include one of the ESPN DTC plans and/or third-party DTC services. The majority of streaming services revenue is derived from subscription fees and advertising.

SVOD Services

Disney+

Disney+ offers general entertainment and family programming from the Company's various studios, including library titles, as well as programming licensed from third parties. Disney, Pixar, Marvel, Star Wars and National Geographic branded programming are all top-level selections or "tiles" within the Disney+ interface. Outside the U.S., Disney+ includes a Hulu tile that features general entertainment programming. Additionally, subscribers to Disney+ have access to certain sports content through an ESPN branded tile on Disney+. In the U.S., subscribers to bundled offerings (e.g. Disney+ along with Hulu, ESPN Unlimited or ESPN Select) have access to certain content from the other services or plans on Disney+.

Disney+ offers a SVOD service without advertising in each of the markets it operates and a SVOD ad-supported service in the U.S., Canada and select international markets.

Hulu

Hulu is a U.S. SVOD service with general entertainment content from the Company's various studios as well as content licensed from third parties. Hulu offers SVOD services with or without advertising. In addition, Hulu offers subscriptions to premium services such as HBO Max, Cinemax, Starz and Paramount+ with Showtime, which can be added to the Hulu service. Certain programming from ABC, Freeform and FX is also available on the Hulu SVOD service one day after the linear airing on these channels. Subscribers to both Hulu and one of the ESPN DTC plans have access to certain sports content through Hulu.

Subscribers to Hulu who also have a Disney+ subscription have access to Hulu content through the Disney+ platform.

vMVPD Services

Hulu Live

The Hulu Live TV service is offered with either of Hulu's SVOD services and includes live linear streams of various cable and broadcast networks.

Fubo

The Fubo service includes live linear streams of various cable and broadcast networks.

Content Sales

Content sales revenue is derived from distribution in the TV/VOD, theatrical and home entertainment windows.

TV/VOD Distribution

We license our content to third-party television networks, television stations and other video service providers, including other DTC services, for distribution to viewers on television or internet-connected devices.

Theatrical Distribution

The Company licenses full-length live-action and animated films to theaters globally. Cumulatively through fiscal year 2026, the Company has released approximately 1,100 full-length live-action films and 100 full-length animated films. Domestically and in most major international markets, we distribute and market our films directly. In certain international markets our films are distributed by independent companies. In some territories, certain films may be exclusively distributed on our DTC streaming services. During fiscal year 2027, we expect to release approximately 15 films.

The Company incurs significant marketing and advertising costs before and throughout the theatrical release of a film in an effort to generate public awareness of the film, to increase the public's intent to view the film and to help generate consumer interest in the subsequent home entertainment and other ancillary markets. These costs are expensed as incurred, which may result in a loss on the theatrical distribution of a film, including in periods prior to the release of the film.

Home Entertainment Distribution

The Company's film and episodic content is sold in both electronic (home video license and video-on-demand rentals) and physical formats. We distribute electronic formats through e-tailers such as Apple and Amazon, and MVPDs, such as Comcast and DirecTV. We have licensed the rights for physical distribution to third parties who generally sell to retailers, such as Walmart and Amazon.

Electronic formats of film content in the home entertainment window are typically available approximately two months after the theatrical release and physical distribution generally starts within three to four months after the theatrical release.

Linear Networks

The majority of linear networks revenue is derived from affiliate fees and advertising. The Company's linear networks businesses provide programming under multi-year licensing agreements with MVPDs and/or affiliated television stations that are generally based on contractually specified rates on a per subscriber basis. The number of subscribers for each of our significant domestic branded channels is approximately 54 million (based on Nielsen Media Research estimates as of September 2026). The amounts that we can charge for our networks are largely dependent on the quality and quantity of programming that we can provide and the competitive market for programming services. The ability to sell advertising time and the rates received are primarily dependent on the size and nature of the audience that the network can deliver to the advertiser as well as overall advertiser demand.

Domestic Linear Networks

ABC Network

ABC Network programming is aired in the primetime, daytime, late night, news and sports "dayparts". Primetime programming includes scripted and unscripted programming, movies and specials. The Sports segment programs the sports daypart on ABC Network, which is branded ESPN on ABC. ABC Network distributes programming to approximately 245 local affiliated television stations and to our eight owned television stations, which collectively reach almost 100% of U.S. television households.

ABC Network produces a variety of unscripted programming, primetime specials, news and daytime programming.

Disney Channels

Branded television channels include: Disney Channel; Disney Junior; and Disney XD (collectively Disney Channels). Disney Channels air programming 24 hours a day targeted to kids ages 2 to 14 and generally feature live-action comedy series, animated programming and preschool series as well as original movies and theatrical films.

Freeform

Freeform is a channel targeted to viewers ages 18 to 34 that airs original and licensed television series, films and holiday programming events.

FX Channels

Branded television channels include: FX; FXM; and FXX (collectively FX Channels), which air a mix of original and licensed television series and films.

National Geographic Channels

Branded television channels include: National Geographic; Nat Geo Wild; and Nat Geo Mundo (collectively National Geographic Channels). National Geographic Channels air programming in genres such as travel, adventure, wildlife, science and history.

Domestic Television Stations

The Company owns eight television stations, six of which are located in the top ten television household markets in the U.S. (based on Nielsen Media Research, U.S. Television Household Estimates, January 1, 2026). Our television stations collectively reach approximately 20% of U.S. television households.

International Linear Networks

The Company's international linear networks use content from the Company's various studios, including library titles, as well as content acquired from third parties. The Company operates approximately 180 general entertainment and family channels outside the U.S. in approximately 30 languages and 170 countries/territories.

General entertainment channels include FX and National Geographic, which air a variety of scripted, reality and documentary programming. Family channels include Disney Channel and Disney Junior, which air a variety of animated and live-action original series and movies targeted to kids ages 2 to 14.

Content Production and Acquisition

Produced content primarily consists of original films and episodic programs and network news and daytime/late night programming. Acquired content includes rights to episodic programming, movies and specials. Original content is generally produced under the following banners: Disney Kids & Family; FX Productions; Lucasfilm; Marvel; National Geographic Studios; Pixar; Searchlight Pictures; Twentieth Century Studios; 20th Television; and Walt Disney Pictures. Original content is also commissioned from and produced by various third-party studios. Program development is carried out in collaboration with writers, producers and creative teams.

Costs to produce content are generally capitalized and allocated across Entertainment's businesses based on the estimated relative value of the distribution windows.

Generally, the Company has full production and distribution rights to its IP. However, Sony Pictures Entertainment has the rights to produce and distribute Spider-Man films as a result of licensing these rights from Marvel prior to the Company's acquisition of Marvel.

The Company has a significant library of content spanning approximately 100 years of production history as well as acquired libraries. The library of content includes approximately 5,400 live-action film titles and 470 animated film titles, as well as more than 200 episodic series with four or more seasons. In addition, the library includes approximately 170 series and 110 films that were produced for initial distribution on our DTC platforms.

In fiscal 2027, the Company will continue to produce or commission a significant number of episodic and film titles, the vast majority of which will initially be distributed on our linear networks, our DTC platforms or theatrically. We also produce content for third parties, who typically have exclusive domestic linear distribution rights for a certain time period (after which the rights revert back to the Company) while the Company retains domestic video-on-demand and international distribution rights.

Equity Investments

The most significant equity investment at Entertainment was A+E. The Company's share of A+E's financial results is reported as "Equity in the income of investees" in the Company's Consolidated Statements of Income through September 30, 2026. See Note 4 to the Consolidated Financial Statements.

Competition and Seasonality

Our DTC streaming services and linear networks compete for viewers and subscribers with a number of competitors, including other DTC and linear offerings, all other forms of media and all other forms of entertainment. Our DTC streaming services, linear networks and television stations compete for the sale of advertising time with traditional and new media

platforms, including other television and video-on-demand services and various forms of internet and mobile delivered platforms and content, which offer advertising delivery technologies that are more targeted than can be achieved through traditional means, as well as with other forms of advertising.

Our linear networks and DTC streaming services compete for carriage of their programming with other programming providers. The Company's contractual agreements with MVPDs are renewed or renegotiated from time to time in the ordinary course of business. Consolidation and other market conditions in the cable, satellite and telecommunication distribution industry, including changes in subscriber levels, the prevalence of streaming services and other factors may adversely affect the Company's ability to obtain and maintain contractual terms for the distribution of its various programming services that are as favorable as those currently in place.

Our content sales operations compete for customers with all other forms of entertainment and in the case of theatrical releases and other live events, for exhibition venues.

The operating results of our content sales businesses fluctuate due to the timing and performance of releases in the theatrical, home entertainment and television markets. Release dates are determined by several factors, including competition and the timing of vacation and holiday periods.

We also compete with other media and entertainment companies, independent production companies and video-on-demand services for creative and performing talent, story properties, show concepts, scripted and other programming, advertiser support, production facilities and exhibition outlets that are essential to the success of our Entertainment businesses.

See also Item 1A – Risk Factors for additional information related to the competition risks faced by our businesses in the Entertainment segment.

Advertising revenues at our DTC streaming services and linear networks are subject to seasonal and cyclical advertising patterns and changes in viewership levels. In general, domestic advertising revenue is typically somewhat higher during the fall and somewhat lower during the summer months and domestic advertising revenue is typically higher during election cycles. Subscription and affiliate fees vary with the subscriber levels of MVPDs and our streaming services.

SPORTS

The Sports segment generally encompasses the Company's global sports-focused content production and distribution businesses.

Significant activities include the following:

- Domestic:
  - ESPN-branded television channels
  - ESPN DTC streaming service
  - ESPN on ABC (sports programmed on the ABC Network by ESPN)
  - NFL Network and the linear feed of NFL RedZone (see Note 4 to the Consolidated Financial statements for discussion of the NFL Transaction)
  - MLB.tv streaming service
- International: ESPN-branded channels outside of the U.S.
- Certain Sports content can be accessed through the Disney+ platform

The entities within the Sports segment are generally owned 72% by the Company (see Note 4 to the Consolidated Financial Statements).

The revenues of Sports are as follows:

- Subscription and affiliate fees
- Advertising
- Other revenue - Primarily consists of fees for programming ESPN on ABC and sports content on Disney+ and from sub-licensing of sports rights

The expenses of Sports are as follows:

- Operating expenses, consisting of programming and production costs and other operating expenses. Programming and production costs include amortization of licensed sports rights and production costs related to live sports and other sports-related programming. Other operating expenses include technology support costs and distribution costs.
- Selling, general and administrative costs, including marketing costs
- Depreciation and amortization

Domestic Sports

Owned and operated television channels include the following:

- ESPN and ESPN2 - both dedicated to professional and college sports as well as sports news and original programming. The number of subscribers for each of ESPN and ESPN2 is approximately 54 million (based on Nielsen Media Research estimates as of September 2026).
- ESPNU - dedicated to college sports
- ESPNEWS - dedicated to the re-airing of select ESPN studio shows, while also offering a variety of other programming
- NFL Network - dedicated to professional football
- SEC Network - dedicated to Southeastern Conference college athletics
- ACC Network - dedicated to Atlantic Coast Conference college athletics
- ESPN Deportes - dedicated to professional and college sports as well as studio shows in Spanish

The Company has the linear distribution rights for NFL RedZone, which is a live broadcast of key plays from the majority of Sunday games during the National Football League (NFL) regular season.

The Company is the exclusive distribution rights holder for MLB.tv, which is the out-of-market live streaming service of Major League Baseball (MLB).

ESPN offers a U.S. subscription-based DTC streaming service with two plans: ESPN Select and ESPN Unlimited. ESPN Select offers thousands of live sporting events, on-demand sports content and other original content. ESPN Unlimited includes access to all of ESPN's branded television channels and ESPN Select content. The ESPN DTC plans are offered individually or in various bundles, including with Disney+ and Hulu. Consumers may also have access to the service through certain MVPDs.

ESPN programs ESPN on ABC, recognizes the direct revenues and costs for this programming and receives a fee from the ABC Network, which is eliminated in consolidation. ESPN also programs sports content on Disney+ and receives a fee from Disney+, which is eliminated in consolidation.

The Company has various sports programming rights, which are used to produce content, including live events and sports news. Rights include the NFL, college football (including bowl games and the College Football Playoff) and basketball, the National Basketball Association (NBA), MLB, the National Hockey League (NHL), soccer, Premium Live Events of World Wrestling Entertainment, US Open Tennis, the Wimbledon Championships, the Masters golf tournament, the Women's National Basketball Association (WNBA) and the Professional Golfers' Association (PGA) Championship.

International Sports

The Company operates approximately 45 ESPN branded sports channels outside the U.S. in 4 languages and approximately 110 countries/territories. In the Netherlands, the ESPN branded channels are operated by Eredivisie Media & Marketing CV (EMM) (owned 51% by the Company), which has the media rights to the Dutch Premier League for soccer. Programming rights primarily consist of various soccer leagues (including English Premier League, LaLiga, Bundesliga and multiple UEFA leagues).

Equity Investments

The most significant equity investment at Sports is a 30% interest in CTV Specialty Television, Inc. (CTV), which operates primarily sports-related television networks in Canada. The Company's share of CTV's financial results is reported as "Equity in the income of investees" in the Company's Consolidated Statements of Income.

Competition and Seasonality

Sports competes for viewers and subscribers with a number of competitors, including other DTC and linear offerings, all other forms of media and all other forms of entertainment. Sports competes for the sale of advertising time with traditional and new media platforms, including other television and video-on-demand services and various forms of internet and mobile delivered platforms and content, which offer advertising delivery technologies that are more targeted than can be achieved through traditional means, as well as with other forms of advertising.

Sports competes for carriage of their programming with other programming providers. The Company's contractual agreements with MVPDs are renewed or renegotiated from time to time in the ordinary course of business. Consolidation and other market conditions in the cable, satellite and telecommunication distribution industry and other factors may adversely affect the Company's ability to obtain and maintain contractual terms for the distribution of its various programming services that are as favorable as those currently in place.

We also compete with other media and entertainment companies and video-on-demand services for sports rights, creative and performing talent and other programming, advertiser support and production facilities that are essential to the success of our Sports businesses.

See also Item 1A – Risk Factors for additional information related to the competition risks faced by our businesses in the Sports segment.

Advertising revenues are subject to changes in viewership levels and the 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). Subscription and affiliate fees vary with the subscriber levels of MVPDs and our streaming services.

EXPERIENCES

Significant activities of the Experiences segment include:

- Parks & Experiences:
  - Domestic:
    - Theme parks and resorts:
      - Walt Disney World Resort in Florida
      - Disneyland Resort in California
    - Experiences:
      - Disney Cruise Line
      - Disney Vacation Club, including Aulani, a Disney Resort & Spa in Hawaii
      - National Geographic Expeditions (owned 73% by the Company) and Adventures by Disney
  - International:
    - Theme parks and resorts:
      - Disneyland Paris
      - Hong Kong Disneyland Resort (48% ownership interest and consolidated in our financial results)
      - Shanghai Disney Resort (43% ownership interest and consolidated in our financial results)
      - In addition, the Company licenses its IP to a third party that owns and operates Tokyo Disney Resort
- Consumer Products:
  - Merchandise Licensing, which includes the licensing of our trade names, characters, visual, literary and other IP to various manufacturers, game developers, publishers and retailers throughout the world, for use on merchandise, published materials and games
  - Branded Retail, which includes the direct sale of branded merchandise through online and retail locations
  - Publishing, which includes the development and publishing of books, comic books and magazines primarily sold through wholesalers (except National Geographic magazine, which is reported in Entertainment)

At the beginning of fiscal 2027, we will report Merchandise Licensing and Publishing within Entertainment.

The revenues of Experiences are as follows:

- Theme park admissions - Sales of tickets for admission to our theme parks and for premium access to certain attractions
- Resorts and vacations - Sales of room nights at hotels, sales of cruise and other vacations and sales and rentals of vacation club properties
- Parks & Experiences merchandise, food and beverage - Sales of merchandise, food and beverages at our theme parks and resorts and cruise ships
- Merchandise licensing, branded retail and publishing:
  - Merchandise Licensing - Royalties from licensing our IP for use on consumer goods
  - Branded Retail - Sales of merchandise through internet shopping sites and at The Disney Store
  - Publishing - Sales of branded books, comic books and magazines to wholesalers
- Parks licensing and other - Primarily consists of revenues from sponsorships and co-branding opportunities, real estate rentals and sales and royalties earned on Tokyo Disney Resort revenues

The expenses of Experiences are as follows:

- Operating expenses, consisting of operating labor, infrastructure costs, costs of goods sold and distribution costs and other operating expenses. Infrastructure costs include technology support costs, repairs and maintenance, utilities and fuel, property taxes, retail occupancy costs, insurance and transportation. Other operating expenses include costs for such items as supplies, processing fees and entertainment offerings.
- Selling, general and administrative costs, including marketing costs
- Depreciation and amortization

Capital investments:

- In recent years, the majority of the Company's capital spend has been at our parks and experiences business, principally for theme park and resort expansion, new attractions, cruise ships, capital improvements and systems infrastructure.

Parks & Experiences

Walt Disney World Resort

The Walt Disney World Resort is located approximately 20 miles southwest of Orlando, Florida, on approximately 25,000 acres of land. The resort includes theme parks (the Magic Kingdom, EPCOT, Disney's Hollywood Studios and Disney's Animal Kingdom); hotels; vacation club properties; a retail, dining and entertainment complex (Disney Springs); a sports complex; conference centers; campgrounds; golf courses; water parks; and other recreational facilities designed to attract visitors for an extended stay.

The Walt Disney World Resort is marketed through a variety of international, national and local advertising and promotional activities. A number of attractions and restaurants in the theme parks are sponsored or operated by other companies under multi-year agreements.

Magic Kingdom — The Magic Kingdom consists of six themed areas: Adventureland, Fantasyland, Frontierland, Liberty Square, Main Street USA and Tomorrowland. Each area provides a unique guest experience featuring themed attractions, restaurants, merchandise shops and entertainment experiences. A new themed area, Villains Land, is currently under construction.

EPCOT — EPCOT consists of four major themed areas: World Showcase, World Celebration, World Nature and World Discovery. All areas feature themed attractions, restaurants, merchandise shops and entertainment experiences. Countries represented with pavilions include Canada, China, France, Germany, Italy, Japan, Mexico, Morocco, Norway, the United Kingdom and the U.S.

Disney's Hollywood Studios — Disney's Hollywood Studios consists of eight themed areas: Animation Courtyard, Commissary Lane, Echo Lake, Grand Avenue, Hollywood Boulevard, *Star Wars*: Galaxy's Edge, Sunset Boulevard and Toy Story Land. The areas provide behind-the-scenes glimpses of Hollywood-style action through various themed attractions, restaurants, merchandise shops and entertainment experiences. A new themed area, Monstropolis, is currently under construction and is expected to partially open in 2027.

Disney's Animal Kingdom — Disney's Animal Kingdom consists of a 145-foot tall Tree of Life centerpiece surrounded by four themed areas: Africa, Asia, Discovery Island and Pandora - The World of Avatar. Each area contains themed attractions, restaurants, merchandise shops and entertainment experiences. The park features more than 300 species of live mammals, birds, reptiles and amphibians and 3,000 varieties of vegetation. A themed area, DinoLand USA, closed in 2026 and will be rethemed as Tropical Americas, which is currently under construction and is planned to open in 2027.

Hotels, Vacation Club Properties and Other Resort Facilities — As of October 3, 2026, the Company owned and operated 18 resort hotels and vacation club properties at the Walt Disney World Resort, with approximately 23,000 rooms and 3,900 vacation club units. Resort facilities include approximately 500,000 square feet of conference meeting space and Disney's Fort Wilderness camping and recreational area, which offers approximately 800 campsites.

Disney Springs is an approximately 120 acre themed retail, dining and entertainment complex and consists of four areas: Marketplace, The Landing, Town Center and West Side. The areas are home to approximately 150 venues including the World of Disney retail store, which includes approximately 38,000 square feet of retail space. Most of the offerings at Disney Springs are operated by third parties that pay rent to the Company.

Ten independently-operated hotels with approximately 7,000 rooms are situated on property leased from the Company.

The ESPN Wide World of Sports Complex is an approximately 230 acre center that hosts professional-caliber training and competitions, festival and tournament events and interactive sports activities. The complex, which welcomes both amateur and

professional athletes, accommodates multiple sporting events. It also includes a stadium and two venues designed for cheerleading, dance competitions and other indoor sports.

Other recreational amenities and activities available at the Walt Disney World Resort include three championship golf courses, miniature golf courses, full-service spas, tennis, sailing, swimming, horseback riding and a number of other sports and leisure time activities. The resort also includes two water parks: Disney's Blizzard Beach and Disney's Typhoon Lagoon.

Disneyland Resort

The Disneyland Resort is located in Anaheim, California on approximately 550 acres of land. The resort includes two theme parks (Disneyland and Disney California Adventure); hotels; and a retail, dining and entertainment complex (Downtown Disney).

The Disneyland Resort is marketed through a variety of international, national and local advertising and promotional activities. A number of attractions and restaurants in the theme parks are sponsored or operated by other companies under multi-year agreements.

Disneyland — Disneyland consists of nine themed areas: Adventureland, Bayou Country, Fantasyland, Frontierland, Main Street USA, Mickey's Toontown, New Orleans Square, *Star Wars*: Galaxy's Edge and Tomorrowland. These areas feature themed attractions, restaurants, merchandise shops and entertainment experiences.

Disney California Adventure — Disney California Adventure includes eight themed areas: Avengers Campus, Buena Vista Street, Cars Land, Grizzly Peak, Hollywood Land, Paradise Gardens Park, Pixar Pier and San Fransokyo Square. These areas include themed attractions, restaurants, merchandise shops and entertainment experiences.

Hotels, Vacation Club Units and Other Resort Facilities — As of October 3, 2026, the Company owned and operated three resort hotels and vacation club properties at the Disneyland Resort, with approximately 2,400 rooms and 180 vacation club units. Resort facilities included approximately 170,000 square feet of conference meeting space.

Downtown Disney is an approximately 15-acre themed retail, dining and entertainment complex with approximately 40 venues including the World of Disney retail store, which includes approximately 25,000 square feet of retail space. Most of the offerings at Downtown Disney are operated by third parties that pay rent to the Company.

Disneyland Paris

Disneyland Paris is located approximately 20 miles east of Paris, France in Marne-la-Vallée on a 5,200-acre site that is being developed by Disneyland Paris pursuant to a master agreement with French governmental authorities. To date, approximately two-thirds of the site has been developed including properties owned and operated by third parties and a planned community (Val d'Europe). Disneyland Paris' operations include two theme parks (Disneyland Park and Disney Adventure World); hotels; two convention centers; and a retail, dining and entertainment complex (Disney Village).

Disneyland Park — Disneyland Park consists of five themed areas: Adventureland, Discoveryland, Fantasyland, Frontierland and Main Street USA. These areas include themed attractions, restaurants, merchandise shops and entertainment experiences.

Disney Adventure World — Disney Adventure World includes five themed areas: World Premiere Plaza, Worlds of Pixar, Avengers Campus, Adventure Way and World of Frozen. These areas include themed attractions, restaurants, merchandise shops and entertainment experiences. A new themed area, Lion King Land, is currently under construction.

Hotels and Other Facilities — Disneyland Paris operates seven resort hotels, with approximately 5,750 rooms and approximately 250,000 square feet of conference meeting space.

Disney Village is an approximately 500,000-square-foot themed retail, dining and entertainment complex. Construction is currently underway on a multi-year transformation of Disney Village. Several of the offerings at Disney Village are operated by third parties that pay rent to the Company.

Val d'Europe is a planned community near Disneyland Paris that is being developed in phases. Val d'Europe currently includes a regional train station, hotels and a town center consisting of a shopping center as well as office, commercial and residential space. Third parties operate these developments on land leased or purchased from the Company.

Hong Kong Disneyland Resort

The Company owns a 48% interest in Hong Kong Disneyland Resort and the Government of the Hong Kong Special Administrative Region (HKSAR) owns a 52% interest. The resort is located on Lantau Island on approximately 310 acres of land and is in close proximity to the Hong Kong International Airport and the Hong Kong-Zhuhai-Macau Bridge. Hong Kong Disneyland Resort includes a theme park and hotels. A separate Hong Kong subsidiary of the Company is responsible for managing Hong Kong Disneyland Resort. The Company is entitled to receive royalties and management fees based on the revenues and operating performance, respectively, of Hong Kong Disneyland Resort.

Hong Kong Disneyland — Hong Kong Disneyland consists of eight themed areas: Adventureland, Fantasyland, Grizzly Gulch, Main Street USA, Mystic Point, Tomorrowland, Toy Story Land and World of Frozen. These areas feature themed attractions, restaurants, merchandise shops and entertainment experiences.

Hotels — Hong Kong Disneyland Resort includes three themed hotels with approximately 1,750 rooms and approximately 16,000 square feet of conference meeting space.

Shanghai Disney Resort

The Company owns a 43% interest in Shanghai Disney Resort and Shanghai Shendi (Group) Co., Ltd (Shendi) owns a 57% interest. The resort is located in the Pudong district of Shanghai on approximately 1,000 acres of land, which includes the Shanghai Disneyland theme park; hotels; a retail, dining and entertainment complex (Disneytown); and an outdoor recreation area. A management company, in which the Company has a 70% interest and Shendi has a 30% interest, is responsible for operating the resort and receives a management fee based on the operating performance of Shanghai Disney Resort. The Company is also entitled to royalties based on the resort's revenues.

Shanghai Disneyland — Shanghai Disneyland consists of eight themed areas: Adventure Isle, Fantasyland, Gardens of Imagination, Mickey Avenue, Tomorrowland, Toy Story Land, Treasure Cove and Zootopia. These areas feature themed attractions, shows, restaurants, merchandise shops and entertainment experiences. A new themed area, Spider-Man Land, is currently under construction.

Hotels and Other Facilities — Shanghai Disneyland Resort includes two themed hotels with approximately 1,200 rooms. Disneytown is an 11-acre outdoor complex of retail, dining and entertainment venues located adjacent to Shanghai Disneyland. Most of the offerings at Disneytown are operated by third parties that pay rent to Shanghai Disney Resort. A third themed hotel, which will have approximately 400 rooms, is planned to open in December 2026.

Tokyo Disney Resort

Tokyo Disney Resort is located six miles east of downtown Tokyo, Japan, on approximately 500 acres of land. The Company earns royalties on revenues generated by the Tokyo Disney Resort, which is owned and operated by Oriental Land Co., Ltd. (OLC), a third-party Japanese corporation. The resort includes two theme parks (Tokyo Disneyland and Tokyo DisneySea); hotels; a retail, dining and entertainment complex (Ikspiari); and Bon Voyage, a Disney-themed merchandise location.

Tokyo Disneyland — Tokyo Disneyland consists of seven themed areas: Adventureland, Critter Country, Fantasyland, Tomorrowland, Toontown, Westernland and World Bazaar.

Tokyo DisneySea — Tokyo DisneySea is divided into eight "ports of call," including American Waterfront, Arabian Coast, Lost River Delta, Mediterranean Harbor, Mermaid Lagoon, Mysterious Island, Port Discovery and Fantasy Springs.

Hotels and Other Resort Facilities — Tokyo Disney Resort includes six Disney-branded hotels, with approximately 3,500 rooms and a monorail, which links the theme parks and resort hotels with Ikspiari.

Abu Dhabi Resort

In May 2025, the Company and Miral LLC (Miral) agreed to create a Disney-branded theme park and resort in Abu Dhabi, United Arab Emirates, to be built and operated by Miral. The Company will license its IP for the operation of the resort and provide certain development and management services. The Company will earn royalties based on the resort's revenues and fees for development and management services. The Company will not provide capital for the development and operation of the resort. The development of the resort is subject to finalizing agreements among the parties.

Disney Cruise Line

Disney Cruise Line operates eight ships out of ports in North America, Europe, the South Pacific and Southeast Asia which cater to families, children, teenagers and adults, with themed areas and activities for each group. The *Disney Magic* and the *Disney Wonder* are 85,000-ton 875-stateroom ships; the *Disney Dream* and the *Disney Fantasy* are 130,000-ton 1,250-stateroom ships; the *Disney Wish,* the *Disney Treasure* and the *Disney Destiny* are 140,000-ton 1,250-stateroom ships; and the *Disney Adventure* is a 200,000 ton 2,100 stateroom ship. Many cruises include a visit to Disney Castaway Cay, a 1,000-acre private Bahamian island, and/or Disney Lookout Cay at Lighthouse Point, which is located on approximately 600 acres of land on the island of Eleuthera.

Between calendar years 2027 and 2030, Disney Cruise Line plans to launch four additional cruise ships, all of which are currently under contract to be built. This includes the *Disney Believe*, which is expected to commence sailings in late 2027.

The Company has a licensing agreement with OLC, under which OLC will own and operate a Disney-branded cruise ship based in Japan. This ship is currently under construction, with sailings expected to commence by 2029. The Company will earn royalties on revenues generated by OLC.

Disney Vacation Club (DVC)

DVC offers ownership interests in 17 resort properties located at the Walt Disney World Resort; Disneyland Resort; Aulani, a Disney Resort & Spa in Hawaii; Vero Beach, Florida; and Hilton Head Island, South Carolina. Available units are offered for sale under vacation ownership plans and are operated as hotel rooms when not occupied by DVC members.

Aulani, a Disney Resort & Spa, is a family resort on a 21 acre oceanfront property on Oahu, Hawaii featuring approximately 480 vacation club units, 350 hotel rooms, an 18,000-square-foot spa and 12,000 square feet of conference meeting space.

DVC had a total of approximately 4,700 (two-bedroom equivalent) vacation club units as of fiscal year end 2026. Development is underway at Disney's Lakeshore Lodge, which is projected to open in 2027, and will include approximately 430 vacation club units.

Adventures by Disney and National Geographic Expeditions

Adventures by Disney and National Geographic Expeditions offer guided tour packages around the world, predominantly at third party locations.

Storyliving by Disney

Storyliving by Disney residential communities: *Cotino* in Rancho Mirage, California; and *Asteria* in Pittsboro, North Carolina, are being developed in collaboration with third parties.

Consumer Products

Merchandise Licensing

The Company's merchandise licensing operations cover a diverse range of product categories, including: toys, apparel, games, home décor and furnishings, accessories, books and magazines, health and beauty, food, stationery and footwear. The Company licenses characters from its film, television and other properties for use on third-party products in these categories and earns royalties, which are usually based on a fixed percentage of the wholesale or retail selling price of the products and often include minimum guarantee payments from the licensees. Major properties licensed by the Company include: Mickey and Friends, Lilo & Stitch, Spider-Man, Star Wars, Disney Princess, Toy Story, Frozen, Winnie the Pooh and The Mandalorian.

Branded Retail

The Company sells Disney-, Marvel-, Pixar- and Star Wars-branded products through Disney Store internet sites and retail locations. At fiscal year end 2026, the Company operated approximately 40 stores in Japan and approximately 20 stores in North America.

Publishing

The Company creates, distributes and publishes a variety of products, primarily children's books and comic books, in multiple countries and languages based on the Company's branded franchises.

Competition and Seasonality

The Company's Parks & Experiences businesses compete for guests with other theme parks and resorts, all other forms of entertainment, lodging, tourism and recreation activities and compete for technology, creative, performing and business talent, including with other theme park and resort operators. The profitability of the leisure-time industry may be influenced by various factors that are not directly controllable, such as economic conditions including business cycle and exchange rate fluctuations, health concerns, the political environment, travel industry trends, amount of available leisure time, oil and transportation prices, weather patterns and natural disasters. The licensing and retail business competes with other licensors, retailers and publishers of character, brand and celebrity names, as well as other licensors, publishers and developers of game software, online video content, websites, other types of home entertainment and retailers of toys and kids merchandise.

See also Item 1A – Risk Factors for additional information related to the competition risks faced by our businesses in the Experiences segment.

All of the Parks & Experiences businesses are operated on a year-round basis. Typically, theme park attendance and resort occupancy fluctuate based on the seasonal nature of vacation travel and leisure activities, the opening of new guest offerings and pricing and promotional offers. 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 following such celebrations. The licensing, retail and wholesale businesses are influenced by seasonal consumer purchasing behavior, which generally results in higher revenues during the Company's first and fourth fiscal quarter, and by the timing and performance of theatrical and game releases and direct-to-consumer programming.

INDIA JOINT VENTURE

The Company has a 37% interest in JioStar India Private Limited (JioStar), which operates branded general entertainment and sports channels and DTC services primarily in India (see Note 4 to the Consolidated Financial statements for discussion of the Star India Transaction). The Company's share of JioStar's results are reported in "Equity in the income of investees" in the Company's Consolidated Statement of Income.

HUMAN CAPITAL

The Company seeks to attract, retain and develop the highest quality talent. The Company's human resources programs are designed to develop talent to prepare them for critical roles and leadership positions for the future; reward and support employees through competitive pay, benefit and perquisite programs; enhance the Company's culture through efforts aimed at making the workplace more engaging and inclusive; acquire talent and facilitate internal talent mobility to create a high-performing workforce; engage employees as brand ambassadors of the Company and evolve and invest in technology, tools and resources to enable employees at work.

The Company employed approximately 234,000 people as of fiscal year end 2026, of which approximately 173,000 were employed in the U.S. and approximately 61,000 were employed outside the U.S. Our global workforce comprises approximately 77% full-time and 15% part-time employees, with another 8% being seasonal employees. A significant number of employees in various parts of our businesses, including employees of our theme parks, and writers, directors, actors and production personnel for our productions are covered by collective bargaining agreements. In addition, some of our employees outside the U.S. are represented by works councils, trade unions or other employee associations.

Some of our key programs and initiatives to attract, develop and retain our workforce include:

- **Health, financial, well-being and other benefits:** Disney's benefit offerings are designed to meet the varied and evolving needs of our employees and their families. These benefit offerings for eligible employees include:
  - Healthcare options aimed at improving quality of care while limiting out-of-pocket costs
  - Retirement and savings programs that help employees adapt to changing needs and unexpected events and drive financial security in the present and the future
  - Family care resources, such as childcare, senior care, pet care programs, long-term care coverage and a family building benefit
  - Paid time-off programs, including vacation and sick and family care leave
  - Free mental health and well-being resources, including 24/7 confidential support, counseling, navigation and crisis care
  - Global well-being programs, including in-person offerings through campus health clubs and virtual and onsite events and activities focused on physical, mental and financial well-being
  - Two Centers for Living Well, Disney-dedicated on/near-site health centers, offer convenient, on-demand access to board-certified physicians and counselors, and pharmacy services
- **Talent Development and Education:** We invest in employee skill-building and continuous learning through development programs, coaching and educational offerings, including through:
  - Learning platforms, personalized coaching, learning experiences focused on effective feedback and outreach about internal opportunities;
  - The use of emerging technologies through AI education, including foundational learning, skills-based workshops and centralized resources for employees at different levels of AI experience; and
  - Our education investment program, Disney Aspire, which offers assistance for tuition, books and fees to eligible participating employees at a variety of in-network learning providers at levels ranging from high school completion to undergraduate degrees.
- **Social Impact:** The Company has a longstanding commitment to social impact by supporting children and communities through our philanthropic efforts, including through our support of wish granting and children's hospitals. We also support communities in which we operate and the contributions of our employees. The Company supports employees who make eligible monetary donations to nonprofits with a generous U.S. matching gifts program. In addition, through the Disney VoluntEARS program, we encourage employees to donate their time and talents to their local communities and provide grants that allow employees to direct eligible donations from the Company to nonprofits of their choosing as a benefit for the time they spend volunteering.

ENVIRONMENTAL SUSTAINABILITY

The Company has developed measurable environmental sustainability goals for 2030, based on our assessment of where the Company's operations have the most significant environmental impacts and where we can most effectively mitigate those impacts. The Company's goals encompass science-based targets for Scope 1, 2 and 3 emissions, water stewardship, waste reduction, sustainable design in construction and use of more sustainable materials in our products.

INTELLECTUAL PROPERTY PROTECTION

The Company's businesses throughout the world are affected by its ability to exploit and protect against infringement of its IP, including trademarks, trade names, copyrights, patents and trade secrets. Important IP includes rights in the content of motion pictures, television programs, electronic games, sound recordings, character likenesses, theme park attractions, books and magazines and merchandise. Risks related to the protection and exploitation of IP rights and information concerning the expiration of certain of our copyrights are set forth in Item 1A – Risk Factors.

REGULATION

Federal Communications Commission Regulation

Television broadcasting is subject to extensive regulation by the Federal Communications Commission (FCC) under federal laws and regulations, including the Communications Act of 1934, as amended. Violation of FCC regulations can result in substantial monetary fines, limited renewals of licenses and, in egregious cases, denial of license renewal or revocation of a license. FCC regulations that affect linear channels include the following:

- *Licensing of television stations*. Each of the television stations we own must be licensed by the FCC. These licenses are granted for periods of up to eight years, and we must obtain renewal of licenses as they expire in order to continue operating the stations. We (and the acquiring entity in the case of a divestiture) must also obtain FCC approval whenever we seek to have a license transferred in connection with the acquisition or divestiture of a station. The FCC may decline to renew or approve the transfer of a license in certain circumstances and may delay renewals while permitting a licensee to continue operating. Although we have received such renewals and approvals in the past or have been permitted to continue operations when renewal is delayed, there can be no assurance that this will be the case in the future. In April 2026, the FCC ordered the Company to file early license renewal applications for all of our owned television stations, which the Company filed on May 28, 2026. In August 2026, the Company filed a lawsuit in federal district court seeking, among other relief, to enjoin the FCC's early license renewal process on First Amendment grounds. See Note 14 to the Consolidated Financial Statements for more details regarding this lawsuit.
- *Station ownership limits*. The FCC imposes limitations on the number of television stations and radio stations an entity can own in a specific market, on the combined number of television and radio stations an entity can own in a single market and on the aggregate percentage of the national audience that can be reached by television stations. Currently:
  - FCC regulations may restrict our ability to own more than one television station in a market, depending on the size and nature of the market. We do not own more than one television station in any market.
  - Federal statutes previously permitted our television stations in the aggregate to reach a maximum of 39% of the national audience. Pursuant to the most recent decision by the FCC as to how to calculate compliance with that limit, our eight stations reach approximately 20% of the national audience. The FCC recently voted to repeal the 39% national television multiple ownership cap and to empower the FCC to approve transactions where the merged entity achieves a national audience reach greater than 39% of television households if the agency finds that the deal would serve the public interest. The FCC's implementing order has not yet taken effect.
- *Dual networks*. FCC rules currently prohibit any of the four major broadcast television networks — ABC, CBS, Fox and NBC — from being under common ownership or control.
- *Foreign ownership*. The Communications Act generally restricts foreign individuals or entities from collectively owning more than 25% of the voting or equity interest in a U.S. entity that controls a broadcast television licensee. FCC approval is required to exceed the 25% threshold.
- *Regulation of programming*. The FCC regulates broadcast programming by, among other things, banning "indecent" programming, regulating political advertising and imposing commercial time limits during children's programming. Penalties for broadcasting indecent programming can be over $400,000 per indecent utterance or image per station.

  Federal legislation and FCC rules also limit the amount of commercial matter that may be shown on broadcast or cable channels during programming designed for children 12 years of age and younger. In addition, broadcast stations are generally required to provide an average of three hours per week of programming that has as a "significant purpose" meeting the educational and informational needs of children 16 years of age and younger. FCC rules also give television station owners the right to reject or refuse network programming in certain circumstances or to substitute programming that the licensee reasonably believes to be of greater local or national importance.

- *Cable and satellite carriage of broadcast television stations.* With respect to MVPDs operating within a television station's Designated Market Area, FCC rules require that every three years each television station elect either "must carry" status, pursuant to which MVPDs generally must carry a local television station in the station's market, or "retransmission consent" status, pursuant to which the MVPDs must negotiate with the television station to obtain the consent of the television station prior to carrying its signal. The ABC owned television stations have historically elected retransmission consent.
- *Cable and satellite carriage of programming.* The Communications Act and FCC rules regulate some aspects of negotiations between programmers and distributors regarding the carriage of networks by cable and satellite distribution companies, and some cable and satellite distribution companies have sought regulation of additional aspects of the carriage of programming on their systems. New legislation, court action or regulation in this area could have an impact on the Company's operations.

The foregoing is a brief summary of certain provisions of the Communications Act, other legislation and specific FCC rules and policies. Reference should be made to the Communications Act, other legislation, FCC rules and public notices and rulings of the FCC for further information concerning the nature and extent of the FCC's regulatory authority.

FCC laws and regulations are subject to change, and the Company generally cannot predict whether new legislation, court action or regulations, or a change in the extent of application or enforcement of current laws and regulations, would have an adverse impact on our operations.

Privacy and Data Protection Regulation

Our businesses are subject to various privacy and data protection laws and regulations in most of the domestic and international jurisdictions in which our businesses operate. Those laws and regulations govern our use, collection, storage, retention and sharing of personal information and vary from jurisdiction to jurisdiction, including within the U.S. at the federal level and among the 50 states. This patchwork of domestic and international laws creates different obligations that are, at times, inconsistent with one another.

While there is no comprehensive privacy law in the U.S. at the federal level, there are a number of sector-specific federal privacy laws applicable to our operations, such as the Video Privacy Protection Act, which restricts the ability to share personal information along with specific viewing information with third parties. In addition, various U.S. states, including California, have passed comprehensive data privacy laws that establish various consumer rights with respect to their personal information, including the right to opt out of the sale or sharing of personal information with third parties, to gain access to the personal information that companies hold about them, to delete personal information and to limit the use and disclosure of sensitive information. We are also subject to privacy legal and regulatory requirements in many jurisdictions outside the United States, including the General Data Protection Regulation in the European Union (EU) and similar comprehensive data privacy legislation in the UK. These laws require organizations that process the personal data of EU and UK citizens to comply with certain data protection standards and privacy rights, including requirements to implement privacy by design; parental consent for processing children's data; detailed privacy notices and related consents; breach notifications; and data subject rights to enforce access, rectification, objection, restriction, portability and deletion.

We also are subject to laws and regulations that are intended to protect the privacy of children online, including the Children's Online Privacy Protection Act, a U.S. federal law that requires websites and online services to obtain parental consent before collecting personal information from children under 13, as well as laws, regulations and codes of conduct relating to the design of digital products and services likely to be accessed by children, such as the UK's Age Appropriate Design Code and various U.S. state design codes. These laws, regulations and codes of conduct have an impact on the marketing of our products and services, the advertising on certain of our and third-party digital platforms that distribute our content and the design of certain of our new media offerings.

In addition, U.S. state laws and many international data protection laws require notifications to consumers and regulators in the event of a data breach, mandating that businesses provide consumers and/or government agencies notice of unauthorized access or disclosure of certain information.

Interpretation of privacy and data protection laws and enforcement priorities continue to evolve and in some cases, regulators seek to apply novel interpretations of existing laws.

Compliance with privacy and data protection laws and regulations entails significant investments and is costly and requires us to employ dedicated compliance personnel and processes. In addition, many of these laws and regulations provide for substantial fines, private rights of action for damages and other relief.

International Content Regulation

The laws and regulations in many international jurisdictions in which we operate require our linear networks or our DTC streaming services to include a certain amount of programming produced in specific jurisdictions or languages or require us to invest specified amounts of our revenues in local content or to acquire content produced by local independent production companies. In addition, some countries regulate the content of films and television programming, which can impact our ability to distribute certain content in those jurisdictions or can require us to make adjustments to the films or programming. These laws and regulations increase our costs and impact the way we operate our DTC streaming services and linear networks and the distribution of our films and programming in these markets.

AVAILABLE INFORMATION

Our annual report on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K and amendments to those reports are available without charge on our website, www.disney.com/investors, as soon as reasonably practicable after they are filed electronically with the U.S. Securities and Exchange Commission (SEC).

We also use our Investor Relations website as a means of disclosing material non-public information. We may also use our Investor Relations website for the purpose of complying with our disclosure obligations under Regulation FD. Therefore, we encourage investors, the media and others interested in Disney to review the information we post on our Investor Relations website.

We are providing the address to our website solely for the information of investors. We do not intend our website address to be an active link or to otherwise incorporate the contents of the website into this report.

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 below. These disclosures reflect the Company's beliefs and opinions as to factors that could materially and adversely affect the Company and its securities in the future. These risk factors do not identify all risks that we face; our operations could also be affected by factors, events or uncertainties that are not presently known to us or that we currently do not consider to present significant risks to our operations. The Company may not be able to accurately predict, control or mitigate these risks. References to past events are provided by way of example only and are not intended to be a complete listing or a representation as to all events that have occurred in the past or their likelihood of occurring in the future.

RISKS RELATED TO OUR BUSINESSES AND INDUSTRY

Declines in U.S., global and regional economic conditions adversely affect our results of operations and financial condition.

Declines in U.S., global and regional economic conditions, such as recessions, other less severe slowdowns in economic activity and/or inflationary conditions typically adversely affect demand for our products and services and/or costs to operate our businesses, reducing our revenue and earnings. While a number of different factors affect the demand for our products and services, actual or perceived declines in economic conditions typically have impacts across our businesses, including, among others, lower attendance and spending at our parks and experiences businesses, fees received for our DTC, cable and broadcast programming services, including as a result of declines in subscribers, purchases of and prices for advertising on our DTC services and linear networks or licensing fees. Further, inflationary conditions also increase the prices we pay for goods, services and labor, as well as typically our borrowing costs due to elevated interest rates, making it more difficult to obtain financing for our operations and investments on favorable terms. Even when inflationary pressures moderate, we expect certain costs, such as for labor, to remain elevated. In addition, an increase in price levels generally, or in price levels in a particular sector, could result in a shift in consumer demand away from the entertainment and experiences we offer, which could also adversely affect our revenues, while at the same time, increase our costs. Moreover, geopolitical conflicts, such as the ongoing conflicts in the Middle East and Ukraine, can lead to significant increases in energy prices and supply chain disruptions, further exacerbating inflationary pressures and potentially impacting consumer spending on entertainment. A decline in economic conditions or a failure of conditions to improve as anticipated could impact implementation or success of our business plans, such as our investment plans for our Experiences segment, plans for our DTC services, including enhancements, additional product offerings, pricing structure and price increases and plans for strategic investments. Unfavorable economic conditions also impair the ability of those with whom we do business to satisfy their obligations to us. The adverse impact on our businesses of actual or perceived declines in economic conditions or a failure of conditions to improve as anticipated depends, in part, on their severity and duration, and our ability to mitigate these impacts on our businesses is limited.

Fluctuations in foreign currency exchange rates impact our results of operations, including our revenues and costs.

Fluctuations in foreign currency exchange rates against the U.S. dollar impact our results of operations, including by impacting the cost in U.S. dollars of providing our goods and services, our revenues in U.S. dollars generated by our international businesses and the international demand for our domestic products and services. An increase or sustained strength in the value of the U.S. dollar adversely impacts the U.S. dollar value of revenue we receive and expect to receive from other markets and contributes to reduced international demand for our domestic products and services, including international travel to our domestic parks and resorts. A decrease or sustained weakness in the value of the U.S. dollar often increases the cost of labor, goods and services in, or originating from, as applicable, non-U.S. markets. Although we generally hedge exposure to fluctuations in certain foreign currencies, any such hedging activity may not substantially offset the negative financial impact of exchange rate fluctuations and is not expected to offset all such negative financial impact, particularly in periods of sustained U.S. dollar strength or weakness relative to multiple foreign currencies. Further, economic or political conditions in certain countries outside the U.S. also limit our ability to hedge exposure to currency fluctuations in those countries or our ability to repatriate revenue from those countries.

Changes in technology, in consumer consumption patterns and in how entertainment products and services are created affect demand for, the revenue we can generate from and the cost of producing or distributing our entertainment offerings and our results of operations.

The media entertainment and technology businesses in which we participate increasingly depend on our ability to successfully adapt to new technologies, including shifting patterns of content consumption and how entertainment products and services are generated. New technologies affect the demand for our products and services, the manner in which our entertainment offerings are created and distributed to consumers, the ways we charge for and receive revenue for our entertainment products and services and the stability of those revenue streams, the sources and nature of competing entertainment offerings, the time and manner in which consumers acquire and view some of our entertainment offerings and the options available to advertisers for reaching their desired audiences. These developments have impacted the business model for certain traditional forms of distribution, as evidenced by the industry-wide decline in ratings for broadcast and cable television, the reduction in demand for home entertainment sales of theatrical content, the development of alternative distribution channels for broadcast and cable programming and declines in subscriber levels for traditional cable channels. In addition, the implementation of our DTC strategy may further contribute to such declines. These developments have decreased advertising and affiliate revenue at some of our linear networks and have led, and may lead in the future, to the impairment of the value of certain of our assets.

In addition, we use artificial intelligence (AI) in our businesses, including in connection with the production and operation of our products and services. There can be no assurance that our use of AI will produce the operational efficiencies or other benefits we anticipate, and our use of these tools may impact the cybersecurity risk environment as discussed further below in these risk factors. Further, regulations governing new technological developments, such as developments in AI remain unsettled, and these developments may affect aspects of our existing business models, including revenue streams for the use of our IP, how we create our entertainment offerings and the competition we face. In order to respond to the impact of new technologies on our businesses, we regularly consider, and from time to time implement, new initiatives and changes to our business models. There can be no assurance that these efforts will successfully respond to technological changes. In addition, declines in certain traditional forms of distribution impact the cost of content allocable to our DTC offerings. As part of our DTC strategy, we forgo revenue from certain traditional sources. Initially, our DTC streaming services experienced significant losses. There can be no assurance that the DTC model and other business models we may develop will each be or remain profitable or be as profitable over the long term as our historic business models.

We face risks relating to misalignment with public and consumer tastes and preferences for entertainment, travel and consumer products, which impacts demand for our entertainment offerings and products and services and our results of operations.

Our businesses create entertainment, travel and consumer products, the success of which depends substantially on consumer tastes and preferences that change in often unpredictable ways. The success of our businesses depends on our ability to consistently produce compelling creative content, which may be distributed, among other ways, through DTC services, linear networks and theaters and used in theme park attractions, hotels and other resort facilities and travel experiences and consumer products. Such distribution must meet the changing preferences of the broad consumer market and respond to competition from an expanding array of choices facilitated by technological developments in the delivery of content. The success of our theme parks, resorts, cruise ships and experiences, as well as our theatrical releases, depends on demand for out-of-home entertainment experiences. In addition, as a global entertainment company with a global consumer base, the success of our businesses depends on our ability to predict and adapt to constantly evolving and often divergent consumer tastes and preferences across various domestic and international markets. Evolving tourist preferences regarding travel to destinations in the U.S. and other geographical regions where our parks and experiences businesses operate affect travel to those businesses. Moreover, we must often make substantial investments in content production and acquisition, acquisition of sports and other

programming rights, theme park attractions, cruise ships or hotels and other facilities or customer-facing platforms before we know the extent to which these products will earn consumer acceptance, and the market, economic or social conditions are sometimes significantly different from the ones we anticipated at the time of the investment decisions. Further, preferences of some consumers are affected by their perceptions of our position on matters of public interest, including regarding environmental and social issues, and such perceptions sometimes lead to consumer boycotts. Further, consumer, government and other stakeholder perceptions often differ widely and present risks to our reputation and brands. Generally, our results of operations and financial condition are adversely impacted when our entertainment offerings and products and services, as well as our methods to make our offerings and products and services available to consumers, do not align with constantly evolving and often conflicting consumer preferences and tastes or achieve sufficient consumer acceptance.

A variety of uncontrollable events disrupt our businesses, reduce demand for or consumption of our products and services, impair our ability to provide our products and services or increase the cost of providing our products and services, adversely impacting our results of operations and financial condition.

The operation of, and demand for and consumption of our products and services, particularly our parks and experiences businesses, are highly dependent on the general environment for travel and tourism, including in the specific regions in which our parks and experiences businesses operate. In addition, we have extensive international operations, including our international theme parks and resorts, which are dependent on domestic and international regulations consistent with trade and investment in those regions. The operation of our businesses, the environment for travel and tourism, the demand for and consumption of our other products and services and ultimately our results of operations and financial condition are subject to adverse impacts from a variety of factors beyond our control in the U.S., globally or in specific geographic regions around the world where we operate, including: health concerns; adverse weather conditions arising from short-term weather patterns or long-term climate change, including longer and more regular excessive heat conditions, catastrophic events or natural disasters (such as excessive heat or rain, hurricanes, wildfires, typhoons, floods, droughts, tsunamis and earthquakes); international, political or military developments, including armed conflicts (such as the ongoing conflicts in the Middle East and in Ukraine), tariffs and other trade and international disputes and social unrest; legal and regulatory developments; macroeconomic conditions, including a decline in economic activity, inflation and foreign exchange rates; and terrorist attacks. These events and others, such as fluctuations in travel and energy costs, supply chain disruptions and malware and other cyber-related attacks or intrusions or other widespread computing, telecommunications or payment processing failures, from time to time disrupt our ability to provide our products and services, raise the cost of providing our products and services. Incidents or other events that affect our property directly, including security incidents, extreme weather events or natural disasters, have a direct impact on our ability to provide products and services and could result in closure of impacted operations or have an extended effect of discouraging consumers from attending our facilities. Moreover, we incur costs to protect against such incidents.

For example, COVID-19 and measures to prevent its spread impacted our businesses in a number of ways, including the closure of our theme parks and resorts, suspension of cruise ship sailings and guided tours, delayed, or in some cases, shortened or canceled, theatrical releases and disruptions in the production and availability of content, significantly reducing revenues across all of our segments. Certain of our business operations have been temporarily disrupted by payment processing outages and widespread computing failures. Hurricanes have caused park closures and other impacts to the operations of Walt Disney World Resort, adversely affecting segment results, and may do so in the future. The Company has ceased certain operations in certain regions, including in response to sanctions, trade restrictions and related developments, resulting in impairment charges.

In addition, we derive affiliate fees and royalties from the distribution of our programming, sales of our licensed products and services by third parties, and the management of businesses operated under brands licensed from the Company and advertising revenues from the purchase of advertising on our various platforms, including DTC services and linear networks, and we are therefore dependent on the successes of those third parties for that portion of our revenue. Our results of operations could be adversely impacted by a significant contraction of distribution channels for our products and services, including through third-party licensees or sellers of our licensed goods and services, or a contraction in the number or kind of advertisers purchasing advertising on our platforms, including as a result of legal or regulatory developments. In addition, third-party suppliers and service providers provide products and services essential to the operation of a number of our businesses. A wide variety of factors influence the success of those third parties and if negative factors significantly impacted a sufficient number of those third parties or materially impacted a supplier of a significant product or service, our results of operations could be adversely affected. In specific geographic markets, we have experienced delayed and/or partial payments from certain third parties due to liquidity issues.

We obtain insurance related to some of these risks. The nature and level of insurance coverage may evolve based on our assessment of risk and market capacity and remain subject to applicable deductibles, exclusions, terms, conditions and limits. Accordingly, certain losses may be retained or fall outside available insurance coverage.

We face risks related to changes in our business strategies and plans, which have affected and may continue to affect our cost structure, the value of our assets and/or our results of operations.

We adjust our business strategies and plans from time to time in connection with changes in senior management and in our efforts to respond to changes in our operating environment, such as changes in technology, consumer purchasing and consumption patterns, acceptance of our entertainment offerings, the market for advertising, macroeconomic conditions and other changes in the business environment. For example, following the appointment of a new chief executive officer in 2026, we announced new strategic priorities for the Company; we have previously reorganized our segments and most recently announced plans to move the management and reporting of certain consumer products businesses from Experiences to the Entertainment segment in the first quarter of fiscal 2027; we have completed various strategic transactions, including a combination of certain Hulu Live TV assets with the FuboTV business to acquire an approximate 70% interest in FuboTV, ESPN's acquisition of the NFL Network and certain other media assets owned and controlled by the NFL in exchange for a 10% noncontrolling interest in ESPN and an investment in, and a multi-year project with, Epic Games; and from time to time, we announce exploration of new types of businesses. Our new business strategies and plans are, among other things, subject to execution risk, often take significant time to implement or complete and may not produce the anticipated benefits, such as supporting our growth strategies and enhancing shareholder value in the timeframe we expect or at all, and over the long term could be less successful than our prior strategies and plans.

In addition, changing technology, consumer purchasing patterns and acceptance of our offerings and macroeconomic conditions may impair the value of our assets. We incur costs in connection with changes to our business strategy and plans and have needed and may in the future need to write-down the value of our assets. For example, in connection with changes in strategy, including the disposition of certain assets, we have impaired the value of our investment in A+E, impaired the value of our content primarily at our DTC services and goodwill and intangible assets at our linear networks and impaired the value of certain of our retail store assets and certain hotel experiences assets. We may write down other assets as our strategy evolves to account for the business environment.

We also make investments in existing or new businesses, including investments in international expansion of our business and in new business lines, and announce other new projects. For example, in recent years, we have expanded our fleet of cruise ships, with announced plans for further fleet expansion, and increased investment in our parks and resorts; have made substantial investments related to domestic and international DTC offerings; and have announced plans to develop with a third party a Disney resort in Abu Dhabi. Our investments increase our costs and are subject to cost overruns and the performance of third parties, the ultimate success of these investments is uncertain, some of these and future investments may ultimately result in returns that are negative or lower than anticipated, and these investments may negatively impact the resources available to our other businesses and ultimately, our results of operations. In addition, we may have significant charges associated with the write-down of assets if the investments are not as successful as anticipated or the projects are not completed. Over the long term, our new strategies could be less successful than previous strategies. Even if our strategies are effective in the long term, our new offerings generally negatively impact results of operations in the short term, results of our new offerings are unlikely to be even quarter over quarter and we may not expand into new markets as or when anticipated. Our ability to forecast for new businesses is impacted by our lack of experience operating in those new businesses, speed with which the competitive landscape changes, volatility beyond our control (such as the events beyond our control noted above in these risk factors) and our ability to obtain or develop the content and rights on which our projections are based. Accordingly, we may not achieve our forecasted outcomes.

Increased competitive pressures impact our revenues, increase our costs and impact our results of operations.

We face substantial competition in each of our businesses from alternative providers of the products and services we offer and from other forms of entertainment, lodging, tourism and recreational activities. This includes, among other types, competition for personnel, content and other resources we require in operating our businesses. For example:

- Our programming and production operations compete to obtain creative, performing, production and business talent, sports and other programming, story properties, advertiser support, production facilities, exhibition venues and market share with traditional and new media platforms, including other video-on-demand services and sources of broadband delivered content, studio operators and television networks.
- Our linear networks and DTC streaming services compete for viewers and subscribers with an increasing number of competitors, including other DTC and linear offerings, all other forms of media and all other forms of entertainment, as well as for technology, creative, performing and business talent and for content.
- Our linear networks, television stations and DTC streaming services compete for the sale of advertising time with traditional and new media platforms, including other television and video-on-demand services and various forms of internet and mobile delivered platforms and content, which offer advertising delivery technologies that are more targeted than can be achieved through traditional means, as well as with other forms of advertising.
- Our linear networks and DTC streaming services compete for carriage of their programming with other programming providers.

- Our theme parks, resorts and experiences compete for guests with other theme parks and resorts, all other forms of entertainment, lodging, tourism and recreation activities and compete for technology, creative, performing and business talent, including with other theme park and resort operators.
- Our content sales operations compete for customers with all other forms of entertainment and in the case of theatrical releases and other live events, for exhibition venues.
- Our consumer products operations compete with other licensors, creators and publishers of IP and other forms of entertainment.

See also Item 1 – ENTERTAINMENT – Competition and Seasonality; – SPORTS – Competition and Seasonality; and – EXPERIENCES – Competition and Seasonality.

Competition for the acquisition of resources sometimes further increases the cost of producing our products and services; changes the composition of our offerings, including sports; deprives us of talent needed for our entertainment and experiences businesses, which talent is necessary to produce high quality creative material; increases employee turnover and staffing instability; and increases our labor costs. Competition also reduces, or limits growth in, prices for our products and services, including advertising rates and subscription and affiliate fees at our linear networks and DTC offerings, parks and resorts admissions and room rates and prices for consumer products from which we derive licensing revenues. For example, our advertising revenue is negatively impacted by the increased supply of advertising tools and platforms on which to place advertising, including search, social media, online marketplaces and other ad-supported DTC services, which depresses advertising rates across our DTC streaming services and linear networks and creates demand uncertainty.

Technological developments, including developments in generative AI tools that can be used to create competing low-cost content and products, and changes in market structure, including consolidation of suppliers of resources and distribution channels, increase competition in these areas. Increased competition raises the cost of programming, including for sports and other products, and diverts consumers from our offerings to other products and services or other forms of entertainment and experiences. In addition, given the nature of travel planning, consumers sometimes delay travel to our theme parks and resorts in connection with planned major product launches of regional travel industry competitors. Each of these competitive pressures could reduce our revenue and increase our marketing and other costs and adversely impact our results of operations.

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 distributors for contracts scheduled to expire in fiscal 2027 could lead to temporary or longer-term service blackouts, negatively impacting our results of operations. For example, our channels and programming have previously been removed temporarily, including in fiscal 2026, from distributors' platforms in some cases for extended periods, following the expiration of a 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 we license to our distributors 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 have and may in the future 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 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 for obtaining programming rights 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.

We face risks related to environmental, social and governance matters and related reporting obligations.

Domestic and international laws and regulations relating to environmental, social and governance matters, including environmental sustainability, climate change, human rights and human capital management, have been adopted or are under consideration, some of which include specific, target-driven disclosure requirements or obligations. Responding to these laws and regulations has increased our compliance costs, including from increased investment in technology and appropriate expertise and has required the implementation of new reporting processes, entailing additional compliance risk.

In addition, we have undertaken or announced a number of related actions and goals, which will require changes to operations and ongoing investment. There is no assurance that our initiatives will achieve their intended outcomes or that we will achieve any of these goals. Consumer, government and other stakeholder perceptions of our initiatives often differ widely and present risks to our reputation and brands. In addition, our ability to implement some initiatives or achieve some goals is dependent on external factors. For example, our ability to meet certain environmental sustainability goals or initiatives will depend in part on third-party collaboration, the availability of suppliers that can satisfy new requirements, mitigation innovations and/or the availability of economically feasible solutions at scale.

We face risks related to damage to our reputation or brands.

Our reputation and globally recognizable brands are integral to the success of our businesses. Because our brands engage consumers across our businesses, some types of damage to our reputation or brands have an impact on all of our businesses. Because some of our brands are globally recognized, some types of brand damage are not locally contained. Maintenance of the reputation of our Company and brands depends on many factors, including the quality of our offerings, maintenance of trust with our customers, safety and security of our products and our ability to successfully innovate. In addition, we have pursued and may in the future pursue brand or product integration combining previously separate brands or products targeting different audiences under one brand or pursue other business initiatives inconsistent with one or more of our brands, and there is no assurance that these initiatives will be accepted by our customers and not adversely impact one or more of our brands. Significant negative claims or publicity regarding the Company or its operations, products, management, employees, practices, business partners, business decisions, social responsibility and culture, which may be amplified by social media, adversely impact our brands or reputation, even if such claims are untrue. From time to time, these negative claims and publicity have led, and may lead in the future, to calls for consumer or other action, including boycotts, litigation, investigations or regulatory actions. These negative perceptions and other damage to our reputation or brands could persist, negatively impacting our sales, business opportunities, results of operations, financial condition and price of our common stock.

Various risks may impact the success of our DTC streaming services.

The success of our DTC streaming services will be impacted by the success of our content and investment decisions, including increased investments in technology and international local programming, and ability to offer compelling content and product features; success and consumer acceptance of our one app integration of Disney+ and Hulu; our ability to grow subscription and advertising revenues, including by increasing subscriber and viewership levels and managing churn; our pricing, bundling, product features and content distribution determinations, including across windows; and our ability to contain costs. The initial costs of marketing campaigns are generally recognized in the business of initial exploitation, and amortization of capitalized production costs and licensed programming rights are generally allocated across businesses based on the estimated relative value of the distribution windows. Accordingly, our distribution determinations impact the costs of each business, including the applicable DTC service. There are a number of competing DTC businesses. Consumers may not be willing to pay for an expanding set of DTC services at increasing prices, potentially exacerbated by challenging economic conditions, such as during periods of high inflation or declines in economic activity. In addition, such economic conditions negatively impact the purchase of and price for advertising on our DTC streaming services. We face competition for creative talent and sports and other programming rights and are sometimes not successful in recruiting and retaining talent and obtaining desired programming rights and face increased costs to do so. We have experienced flat subscriber growth or net losses of subscribers in periods. Our content does not always attract and retain subscribers in the quantities that we expect. Our content is subject to cost pressures and may cost more than we expect. We may not successfully manage our costs to meet our goals. Government regulations, including revised foreign content and ownership regulations, government-imposed content restrictions and laws relating to the online safety of minors, and consumer protection laws governing auto-renewing subscriptions, impact the implementation of our DTC business plans and increase our costs. The highly competitive environment in which we operate puts pricing pressure on our DTC offerings and may require us to lower our prices or not increase our prices to attract or retain customers or lead to higher churn rates. Also, as discussed further below in these risk factors, patent infringement claims targeting our DTC streaming services could harm these businesses. These and other risks may impact the success of our DTC streaming services and our results of operations.

Potential credit ratings actions, increases in interest rates, volatility in the U.S. and global financial markets or periods of elevated indebtedness could impede access to, or increase the cost of, financing our operations and investments and have the effect of decreasing business flexibility.

Our borrowing costs have been and can be affected by short- and long-term debt ratings assigned by nationally recognized ratings agencies that are based, in part, on the Company's performance as measured by credit metrics such as leverage and interest coverage ratios. For example, our elevated indebtedness and leverage ratios in response to the financial impact of COVID-19 on our businesses resulted in certain rating agencies downgrading our debt ratings. Any future downgrades could increase our cost of borrowing and/or make it more difficult for us to obtain financing on acceptable terms.

In addition, increases in interest rates have increased our cost of borrowing and volatility in U.S. and global financial markets could impact our access to, or further increase the cost of, financing. Past disruptions in the U.S. and global credit and

equity markets made it more difficult for many businesses to obtain financing on acceptable terms. These conditions tended to increase the cost of borrowing and if they recur, our cost of borrowing could increase and it may be more difficult to obtain financing for our operations or investments.

Labor disputes disrupt our operations and adversely affect the profitability of our businesses.

A significant number of employees in various parts of our businesses, including employees of our theme parks, and writers, directors, actors and production personnel for our productions are covered by collective bargaining agreements. In addition, some of our employees outside the U.S. are represented by works councils, trade unions or other employee associations. Further, some employees of licensees who manufacture and retailers who sell our licensed consumer products, and employees of providers of programming content (such as sports leagues) are covered by labor agreements with their employers. From time to time, collective bargaining agreements and other labor agreements expire, requiring renegotiation of their terms. In general, labor disputes and work stoppages involving our employees; persons employed on our productions; athletes or others employed by, or otherwise connected with, sports leagues or organizers; or the employees of our licensees or retailers who sell our licensed consumer products or providers of programming content may disrupt or lead to closure of certain operations and reduce our revenues and the profitability of our businesses. For example, in fiscal 2023, members of the Writers Guild of America (WGA) commenced a work stoppage, which lasted for almost five months, and members of SAG-AFTRA, the union representing television and movie actors, also commenced a work stoppage, which lasted for almost four months. These work stoppages affected our productions and the pipeline for programming and theatrical releases, which resulted in reduced revenue for the impacted businesses. The resulting collective bargaining agreements with these and other entertainment guilds and with certain labor unions at our domestic parks and resorts increased our costs to create our content and to operate our domestic parks and resorts, respectively. As a general matter, resolution of labor disputes and negotiation of new collective bargaining agreements, including as a result of rate increases and other changes to employee benefits, has in the past increased our costs and may increase our costs in the future.

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 Item 1 – ENTERTAINMENT – Competition and Seasonality; – SPORTS – Competition and Seasonality; and – EXPERIENCES – Competition and Seasonality 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 impact 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.

Our operations are impacted by our ability to attract and retain employees, and the costs of employee compensation and benefits, including postretirement medical benefits for some, may negatively impact our results of operations and financial condition.

With approximately 234,000 employees, the success of our businesses is substantially affected by our ability to attract and retain a workforce with the necessary skills for our varied businesses, including executing successfully on succession planning for the talent at all levels necessary to advance the Company's key objectives and strategies. Further, our results of operations are substantially affected by labor costs, including wages and our health, welfare and retirement benefits, including the costs of medical benefits for current employees and the costs of postretirement medical benefits for some current employees and retirees. We may experience significant increases in these costs as a result of macroeconomic, regulatory, competitive and other factors. For example, labor costs in our parks and resorts have increased, and we expect will continue to increase, as a result of collective bargaining agreements and wage laws and regulations where we operate. Further, the costs of providing medical insurance and other medical benefits for our employees have increased, and we expect will continue to increase. In addition, for benefits provided to certain employees, changes in asset values, investment returns and discount rates used to calculate pension and postretirement medical expense and related assets and liabilities can be volatile and may have an unfavorable impact on our costs in some years. These factors may also increase future funding requirements for these benefit plans. There can be no assurance that we will succeed in attracting and retaining the human resources necessary for the success of our businesses or in limiting cost increases from wages and other employee benefits, negatively impacting our results of operations and financial condition.

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.

We face risks from claims, litigation, governmental investigations and other proceedings to our businesses, reputation, results of operations and financial condition.

We are subject to various actual and threatened claims, litigation, investigations and other proceedings, including private individual actions, class actions and actions and investigations by governmental and other regulatory authorities, relating to a range of issues, including securities; competition and antitrust; intellectual property, including patent and copyright; employment and labor; taxes; privacy and data protection; data security; personal injury and property damage; consumer protection; broadcasting; contractual and commercial disputes; the production, distribution and licensing of our content; and other matters. For example, a private securities class action lawsuit was filed in federal court against the Company and certain current and former senior management on behalf of certain purchasers of securities of the Company seeking unspecified damages, plus interest and costs and fees, and an adverse final judgment or the terms of a settlement of such matter could result in the payment of substantial monetary damages. See Note 14 to the Consolidated Financial Statements for more details regarding this lawsuit and above in these risk factors regarding patent infringement litigation and other claims. In addition, from time to time, we bring actions seeking to vindicate our rights.

Actual and threatened proceedings and investigations increase our costs, divert management resources and disrupt business operations and may negatively impact our reputation and brands. The outcomes of such matters are inherently unpredictable, and determining legal reserves or potential losses from such matters involves judgment. If the ultimate cost of the resolution of such matters exceeds the total amounts previously recorded, our results of operations could be materially adversely affected for the applicable reporting period. Further, from time to time, adverse resolutions or settlements of such matters result in substantial monetary damages or substantial future payment obligations and injunctive relief or other orders or

actions that limit or prevent our implementation of our business plans, including our ability to complete strategic transactions and offer certain products and services, impact the enforcement or validity of our property and other (including intellectual property) rights, franchises and licenses or cause us to alter our business practices, which individually or taken together, negatively impact our business prospects, our results of operations, our financial condition and price of our common stock. We obtain insurance related to some of these risk factors. The nature and level of insurance coverage may evolve based on our assessment of risk and market capacity and remain subject to applicable deductibles, exclusions, terms, conditions, and limits. Accordingly, certain losses may be retained or fall outside available insurance coverage.

Cybersecurity and other data compromises and/or attempted compromises increase our costs, disrupt our services and business plans, lead to the unauthorized disclosure and use of our confidential and proprietary information and assets and negatively impact our reputation.

We maintain information and assets necessary to conduct our businesses, including confidential and proprietary information and assets as well as personal information regarding our customers and employees, in digital form. We also use computer and cloud-based systems to deliver our products and services and operate our businesses. Such data and systems are subject to the risk of compromise and other cyberattacks, including attacks resulting in unauthorized access, modification, exfiltration, destruction or denial of access and ransomware attacks, any of which also can result in service disruption, loss of data or operational disruption, and in some cases, physical harm. We also provide confidential, proprietary and personal information to third parties in certain cases and use many third-party systems and software, which are also subject to compromise and other cyberattacks.

We have developed and maintain an information security program, including a cybersecurity incident response plan, to assess, identify and manage cyber risks. Continued development and maintenance of this program is costly and requires ongoing monitoring and updating as technologies change, including due to the proliferation of AI tools, and as efforts to overcome security measures become more sophisticated. We face an increasingly challenging cybersecurity environment with expanding and evolving threats. Threat actors are increasingly using AI tools to increase the speed, scale, sophistication and effectiveness of their attacks, which may make such attacks more difficult to detect, prevent or respond to. In addition, autonomous or semi-autonomous AI agents may act in unintended, unauthorized or malicious ways. While we employ various tools in an effort to protect our data and systems, our defenses remain vulnerable to compromise, including from human error. Remote work by our employees and contractors and those of the third parties with whom we engage create additional risks. Despite our efforts, the risk of a potentially material incident as a result of unauthorized access, modification, exfiltration, destruction or denial of access with respect to data or systems and other cybersecurity attacks cannot be eliminated, and from time to time our systems and third-party systems have been compromised and are subject to the risk of future compromise. Moreover, there can be no assurance that our information security program will be effective in limiting the impact of any such incident. Further, the use of AI tools in our operations may introduce new vulnerabilities, increase the attack surface for potential cybersecurity threats and produce unexpected outcomes or operate in ways inconsistent with our expectations or policies, including the unintended disclosure, modification, destruction or denial of access with respect to our data or systems.

If our information systems or data (or those of third parties with which we engage) are compromised in a material way, our ability to conduct our businesses may be impaired, we may lose profitable opportunities or the value of those opportunities may be diminished and, as described above, we may lose revenue as a result of unlicensed use of our intellectual property. Further, such a material compromise could damage our brands and reputation, and such harm may persist long after the incident itself has been remediated. We have experienced and may in the future experience cybersecurity compromises that result in the exfiltration and/or misappropriation of our confidential and proprietary information and assets, including our intellectual property and the personal information of our customers and/or employees, which may result in reputational damage, loss of business, competitive disadvantage and/or harm to employee morale. Related remediation, including notifying and supporting affected customers and employees, and/or damages, fines, penalties or other costs arising from litigation or regulatory actions, as applicable, create additional costs and/or impacts to our businesses. Our systems and users and those of third parties with whom we engage are continually attacked, sometimes successfully, and there can be no assurance that future incidents will not have material adverse effects on our operations or financial results.

Regulations applicable to our businesses impact our operations and the profitability of our businesses.

Each of our businesses, including our broadcast networks and television stations, is subject to a variety of U.S. and international regulations, which impact the operations and profitability of our businesses. Some of these regulations include:

- U.S. Federal Communications Commission (FCC) regulation of our television and radio networks, our national programming networks and our owned television stations. See Item 1 — Federal Communications Commission Regulation.
- Federal, state and foreign privacy and data protection laws and regulations, including with respect to child safety. See Item 1 — Privacy and Data Protection Regulation.

- Regulation of the safety and supply chain of consumer products and theme park operations, including regulation regarding the sourcing, importation and the sale of goods.
- Land planning, use and development regulations applicable to our theme park operations.
- Environmental protection and sustainability regulations.
- Accessibility requirements applicable to our content, digital services, theme parks, cruise ships and other physical locations.
- U.S. and international anti-corruption laws, sanction programs, trade restrictions, tariffs, anti-money laundering laws or currency controls.
- Restrictions on the manner in which content is currently licensed and distributed, ownership restrictions or film or television content requirements, investment obligations or quotas. See Item 1 — International Content Regulation.
- Domestic and international labor laws, tax laws and antitrust laws.

Laws and regulations in any of these and other areas and changes in judicial and agency interpretation or regulatory priorities, actions or initiatives (or, if applicable, private litigation to enforce such laws and regulations), as well as an increasingly unpredictable regulatory landscape, require us to incur additional costs and may limit our ability to implement our business strategies as planned or offer products and services in ways that are profitable, or at all. In addition, ongoing and future developments in international political, trade and security policy may lead to new regulations that increase the cost of providing our products and services, negatively impact demand for our products and services and limit international trade and investment, disrupting our operations in and outside the U.S., including our international theme parks and resorts operations in France, mainland China and Hong Kong. Accordingly, laws and regulations applicable to our business and operations and judicial and agency decisions and other actions in connection therewith, individually or taken together, may negatively impact our business prospects, our results of operations, our financial condition and the price of our common stock.

For example, in 2022 the U.S. and other countries implemented a series of sanctions against Russia in response to events in Russia and Ukraine; U.S. agencies have enhanced trade restrictions, including new prohibitions on the importation of goods from certain regions and other jurisdictions are considering similar measures; and U.S. state governments have become more active in passing legislation targeted at specific sectors and companies and applying existing laws in novel ways to new technologies, including streaming and online commerce. Tariffs announced with respect to and by certain U.S. trading partners, could, depending on how these or future tariffs or other regulations with respect to trade are implemented, have a significant impact on our results of operations, including by impacting the macroeconomic environment, increasing costs or adversely affecting demand for our products and services. In April 2026, the FCC ordered the Company to file early license renewal applications for all of our owned television stations, which the Company filed on May 28, 2026. In August 2026, the Company filed a lawsuit in federal district court seeking, among other relief, to enjoin the FCC's early license renewal process on First Amendment grounds. See Note 14 to the Consolidated Financial Statements for more details regarding this lawsuit. If not permanently enjoined, the FCC's regulatory action could adversely impact the Company, including as described above and elsewhere in these risk factors and this Form 10-K.

Further, the legal and regulatory landscape for certain new technologies, such as AI, is uncertain and evolving and our compliance obligations could increase our costs or limit how we may use these technologies in one or more of our businesses.

Our operations outside the U.S. are affected by the operation of laws in those jurisdictions.

Our operations outside the U.S. are in many cases subject to the laws of the jurisdictions in which they operate rather than, or in addition to, U.S. law. Laws in some international jurisdictions differ in significant respects from those in the U.S. and sometimes conflict with U.S. laws. These differences can affect our ability to react to changes in our businesses, and our rights or ability to enforce rights are sometimes different than would be expected under U.S. law. Moreover, enforcement of laws in some international jurisdictions can be inconsistent and unpredictable, which can affect both our ability to enforce our rights and to undertake activities that we believe are beneficial to our businesses. In addition, the business and political climate in some jurisdictions may present operational and reputational risks or encourage corruption, which could reduce our ability to compete successfully in those jurisdictions while remaining in compliance with local laws or U.S. anti-corruption, sanctions or trade laws applicable to our businesses. Further, our operations in certain jurisdictions may be subject to expropriation and other confiscatory policies, which could result in substantial losses and disruption of our operations. As a result, our ability to generate revenue, the expenses we incur and the risks to our assets and operations in non-U.S. jurisdictions may differ from what would be expected if U.S. law alone governed these operations.

RISKS RELATED TO OWNERSHIP OF OUR STOCK

The price of our common stock has been, and may continue to be, volatile.

The price of our common stock has experienced substantial volatility and may continue to be volatile. Various factors have impacted, and may continue to impact, the price of our common stock, including, among others, changes in management; variations in our operating results; variations between our actual results and expectations of securities analysts; changes in our

estimates, guidance or business plans; changes in financial estimates and recommendations by securities analysts; the activities, operating results or stock price of our competitors or other industry participants in the industries in which we operate; the announcement or completion of significant transactions by us or a competitor; events affecting the stock market generally; and the economic, trade and political conditions in the U.S. and internationally, as well as other factors described in this Item 1A. Some of these factors may adversely impact the price of our common stock, regardless of our operating performance. Further, volatility in the price of our common stock may negatively impact one or more of our businesses, including by increasing stock awards for our employees who participate in our stock incentive programs or limiting our financing options for acquisitions and other business expansion.

GENERAL RISKS

The Company's amended and restated bylaws provide to the fullest extent permitted by law that the Court of Chancery of the State of Delaware will be the exclusive forum for certain legal actions between the Company and its stockholders, which could increase costs to bring a claim, discourage claims or limit the ability of the Company's stockholders to bring a claim in a judicial forum viewed by the stockholders as more favorable for disputes with the Company or the Company's directors, officers or other employees.

The Company's amended and restated bylaws provide to the fullest extent permitted by law that unless the Company consents in writing to the selection of an alternative forum, the Court of Chancery of the State of Delaware will be the sole and exclusive forum for any (i) derivative action or proceeding brought on behalf of the Company, (ii) any action or proceeding asserting a claim of breach of a fiduciary duty owed by any current or former director, officer or stockholder of the Company to the Company or the Company's stockholders, (iii) any action or proceeding asserting a claim arising pursuant to, or seeking to enforce any right, obligation or remedy under, any provision of the General Corporation Law of the State of Delaware (the "DGCL"), the Certificate of Incorporation or these Bylaws (as each may be amended from time to time), (iv) any action or proceeding as to which the General Corporation Law of the State of Delaware confers jurisdiction on the Court of Chancery of the State of Delaware, or (v) any action or proceeding asserting a claim governed by the internal affairs doctrine. The choice of forum provision may increase costs to bring a claim, discourage claims or limit a stockholder's ability to bring a claim in a judicial forum that it finds favorable for disputes with the Company or the Company's directors, officers or other employees, which may discourage such lawsuits against the Company or the Company's directors, officers and other employees. Alternatively, if a court were to find the choice of forum provision contained in the Company's amended and restated bylaws to be inapplicable or unenforceable in an action, the Company may incur additional costs associated with resolving such action in other jurisdictions. The exclusive forum provision in the Company's amended and restated bylaws will not preclude or contract the scope of exclusive federal or concurrent jurisdiction for actions brought under the federal securities laws including the Securities Exchange Act of 1934, as amended, or the Securities Act of 1933, as amended, or the respective rules and regulations promulgated thereunder.

ITEM 1B. Unresolved Staff Comments

The Company has received no written comments regarding its periodic or current reports from the staff of the SEC that were issued 180 days or more preceding the end of fiscal 2026 that remain unresolved.

ITEM 1C. Cybersecurity

Risk Management and Strategy

We have implemented processes for assessing, identifying and managing material risks from cybersecurity threats as part of our overall risk management program. Our cybersecurity program is informed by globally recognized standards. We use a layered defense model, incorporating a wide range of technologies and practices in an effort to prevent, detect and mitigate threats. These measures include intrusion detection and prevention systems, multi-factor authentication, account management and access controls, encryption and endpoint protection tools. We also implement threat detection and response solutions. To address emerging threats, we employ automated monitoring, vulnerability scans and patch management processes, network monitoring and defenses, antivirus/antimalware protections and network segmentations. Regular assessments, such as penetration tests, security audits and table-top exercises, are conducted to identify vulnerabilities and promote incident response and risk mitigation. We also provide privacy and information security trainings for our employees on a recurring basis. From time to time, we engage auditors, assessors, consultants and other third parties to assist with assessing, identifying and managing cybersecurity risks, including assisting us to conduct some of the foregoing assessments. Our cybersecurity risk management processes also are informed by intelligence received from law enforcement and other governmental agencies, private sector intelligence networks, recognized cybersecurity and intelligence firms and other third-party sources, and as appropriate we engage outside counsel to advise on regulatory compliance and other cybersecurity risk management efforts.

In addition, we have processes designed to oversee and identify cybersecurity risks associated with our use of third-party service providers. Where appropriate based on the data and intellectual property to which these providers are reasonably

expected to have access, we conduct security assessments and due diligence reviews of third-party systems for compliance with our security standards, and we include data protection language in our agreements with these third parties.

Further, as part of our cybersecurity risk management processes, we maintain a cybersecurity incident response plan (CIRP) that establishes a set of procedures for reporting and handling cybersecurity events. The CIRP delegates to an internal incident response team the initial assessment, investigation and remediation of the event and includes, among other procedures, guidelines for escalation to senior management and engagement with law enforcement. In certain instances, events are escalated to the Cybersecurity Incident Disclosure Subcommittee, which is a subcommittee of the Company's Risk Management Committee (RMC) (discussed further below).

As discussed in further detail in Item 1A – Risk Factors, the Company faces an increasingly challenging cybersecurity environment, and from time to time the persistent efforts of bad actors to gain unauthorized access to our and our service providers' information systems and our confidential and proprietary information are successful. We did not identify any cybersecurity threats in fiscal 2026 that have materially affected or to date are reasonably likely to materially affect our business strategy, results of operations or financial condition. However, despite our efforts, we cannot eliminate all risks from cybersecurity threats or provide assurances that we have not experienced undetected cybersecurity incidents or will not discover additional information about previously detected events, and there is no assurance that there will not be cybersecurity risks that will have a material adverse effect in the future.

Governance

The Company's Board of Directors has delegated to the Audit Committee oversight responsibility for information technology risks, including cybersecurity and data security risks and mitigation strategies. The Audit Committee regularly receives reports from the Senior Vice President, Chief Information Security Officer (CISO) concerning the Company's cybersecurity and data security risks, including ongoing efforts to prevent, detect, monitor, remediate and manage such cybersecurity threats, the threat environment, incident updates and emerging cybersecurity practices and technologies. The Chair of the Audit Committee reports on its discussion, including concerning cybersecurity matters, to the full Board. In addition, from time to time, senior management briefs the Audit Committee, the Audit Committee Chair and the Board on cybersecurity matters potentially of interest, including cybersecurity events, regulatory disclosures and regulatory trends.

Day-to-day management of our information security strategy and operations is currently the responsibility of our CISO, who reports to our Chief Information and Data Officer (who reports to our Chief Technology Officer) and our Chief Security Officer (who reports to our Chief Financial Officer). Our CISO has approximately 16 years of experience working in information security positions, including having served as CISO for publicly traded companies. That experience is supplemented by the collective experience and expertise of our dedicated internal teams of cybersecurity personnel.

In addition, the Company's RMC, a management level committee that includes, among others, the Chief Financial Officer and Chief Legal and Global Affairs Officer, oversees and supports the Company's ongoing efforts to identify, assess and prioritize, manage and monitor the Company's enterprise risks, including risks related to privacy and cybersecurity, and periodically reports certain discussions to the Company's Chief Executive Officer and Audit Committee. The RMC's Cybersecurity Incident Disclosure Subcommittee, whose members include the members of the RMC, the CISO and lead securities counsel, is responsible for, among other things, the accurate and timely disclosure of material cybersecurity incidents under the federal securities laws, including assessing significant events for materiality, making the materiality determination and approving related securities disclosures, and, as appropriate, escalating such events to the Audit Committee and the Board of Directors.

ITEM 2. Properties

Our parks and resorts locations and other properties of the Company and its subsidiaries are described in Item 1 under the caption *Experiences*. Film and television library properties and television stations owned by the Company are described in Item 1 under the caption *Entertainment*.

The Company and its subsidiaries own and lease properties throughout the world. In addition to the properties noted above, the table below provides a brief description of other significant properties and the related business segment.

Location	Property / Approximate Size	Use	Business Segment
Burbank, CA & surrounding cities[1]	Land (182 acres) & Buildings (4,733,000 ft^2)	Owned Office/Production/Warehouse (includes 240,000 ft^2 leased to third-party tenants)	Corporate/Entertainment/Experiences
Burbank, CA & surrounding cities[1]	Buildings (1,698,000 ft^2)	Leased Office/Warehouse	Corporate/Entertainment/Experiences
Los Angeles, CA	Land (22 acres) & Buildings (634,000 ft^2)	Owned Office/Production/Technical Warehouse	Corporate/Entertainment
Los Angeles, CA	Buildings (1,176,000 ft^2)	Leased Office/Production/Technical/Theater	Corporate/Entertainment/Experiences
New York, NY	Buildings (1,052,000 ft^2)	Owned Office	Corporate/Entertainment/Sports
New York, NY	Buildings (933,000 ft^2)	Leased Office/Production/Theater/Warehouse (includes 676,000 ft^2 leased to third-party tenants)	Corporate/Entertainment/Experiences/Sports
Bristol, CT	Land (117 acres) & Buildings (1,078,000 ft^2)	Owned Office/Production/Technical	Sports
Bristol, CT	Buildings (273,000 ft^2)	Leased Office/Warehouse/Technical	Sports
Emeryville, CA	Land (20 acres) & Buildings (430,000 ft^2)	Owned Office/Production/Technical	Entertainment
Emeryville, CA	Buildings (94,000 ft^2)	Leased Office/Storage	Entertainment
San Francisco, CA	Buildings (539,000 ft^2)	Leased Office/Production/Technical/Theater (includes 44,000 ft^2 leased to third-party tenants)	Corporate/Entertainment
USA & Canada	Land and Buildings (Multiple sites and sizes)	Owned and Leased Office/ Production/Transmitter/Theaters/Warehouse	Corporate/Entertainment/Experiences
Europe, Asia, Australia & Latin America	Buildings (Multiple sites and sizes)	Leased Office/Warehouse/Retail/Residential	Entertainment/Experiences

(1) Surrounding cities include Glendale, CA, North Hollywood, CA and Sun Valley, CA

ITEM 3. Legal Proceedings

As disclosed in Note 14 to the Consolidated Financial Statements, the Company is engaged in certain legal matters, and the disclosure set forth in Note 14 relating to certain legal matters is incorporated herein by reference.

ITEM 4. Mine Safety Disclosures

Not applicable.

Information About Our Executive Officers

The executive officers of the Company are elected each year at the organizational meeting of the Board of Directors and at other Board of Directors meetings, as appropriate. Each of the executive officers has been employed by the Company in the position or positions indicated in the list and pertinent notes below.

The executive officers of the Company are:

Name	Age	Title	Executive Officer Since
Joshua W. D'Amaro	55	Chief Executive Officer[1]	2026
Hugh F. Johnston	65	Senior Executive Vice President and Chief Financial Officer[2]	2023
Dana M. Walden	62	President and Chief Creative Officer[3]	2026
Horacio E. Gutierrez	61	Senior Executive Vice President, Chief Legal and Global Affairs Officer[4]	2022
Sonia L. Coleman	54	Senior Executive Vice President and Chief People Officer[5]	2023
Paul M. Roeder	50	Senior Executive Vice President and Chief Communications Officer[6]	2026

(1) Mr. D'Amaro was appointed Chief Executive Officer effective March 18, 2026, at which time he also became a director on the Board of Directors. Mr. D'Amaro previously served as Chairman of the Experiences segment from 2020.

(2) Mr. Johnston was appointed Chief Financial Officer effective December 4, 2023. Prior to joining the Company, he served as Executive Vice President and Chief Financial Officer, from 2010, and Vice Chairman, from 2015 to November 2023 of PepsiCo, Inc. ("PepsiCo"). His portfolio included a variety of responsibilities, including leadership of PepsiCo's information technology function from 2015, PepsiCo's global e-commerce business from 2015 to 2019, and the Quaker Foods North America division from 2014 to 2016. Mr. Johnston serves on the board of directors of Microsoft Corporation, which he joined in 2017, and on the board of HCA Healthcare, Inc., which he joined in 2021.

(3) Ms. Walden was appointed President and Chief Creative Officer effective March 18, 2026. Ms. Walden previously served as Co-Chairman of the Entertainment segment from 2023, as Chairman of Disney General Entertainment Content from 2022 and as Chairman of Disney Television Studios and ABC Entertainment from 2019.

(4) Mr. Gutierrez was appointed Senior Executive Vice President and General Counsel effective February 1, 2022, appointed Senior Executive Vice President, General Counsel and Chief Compliance Officer effective March 27, 2023, appointed Senior Executive Vice President, Chief Legal and Compliance Officer effective December 21, 2023 and appointed Senior Executive Vice President, Chief Legal and Global Affairs Officer effective November 4, 2025. Prior to joining the Company, he served as Head of Global Affairs and Chief Legal Officer for Spotify Technology S.A. (Spotify) from November 2019 to January 2022. He was previously Spotify's General Counsel - Vice President, Business & Legal Affairs from April 2016 to November 2019.

(5) Ms. Coleman was appointed Senior Executive Vice President and Chief Human Resources Officer effective April 8, 2023 and appointed Senior Executive Vice President and Chief People Officer effective September 27, 2025. Ms. Coleman previously served as Senior Vice President, Human Resources at Disney General Entertainment and ESPN from August 2021 and as Senior Vice President, Human Resources for Disney General Entertainment from April 2017.

(6) Mr. Roeder was appointed Senior Executive Vice President and Chief Communications Officer effective March 19, 2026. He previously served as Executive Vice President, Communications — Disney Entertainment Studios, Direct-to-Consumer, and International from 2023 and led communications for the Walt Disney Studios from 2010.

PART II

ITEM 5. Market for the Company's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities

The Company's common stock is listed on the New York Stock Exchange under the ticker symbol "DIS".

See Note 11 of the Consolidated Financial Statements for a summary of the Company's dividends in fiscal 2026.

As of October 3, 2026, the approximate number of common shareholders of record was 674,000.

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 October 3, 2026:

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]
June 28, 2026 – July 31, 2026	7,071,500	$ 96.86	7,071,500	264 million
August 1, 2026 – August 31, 2026	4,403,152	106.84	4,403,152	259 million
September 1, 2026 – October 3, 2026	5,393,457	105.57	5,393,457	254 million
Total	16,868,109	102.25	16,868,109	254 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 6. [Reserved]

ITEM 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

CONSOLIDATED RESULTS
($ in millions, except per share data)

	2026	2025	% Change Better (Worse)
Revenues:			
Services	**$ 91,854**	$ 84,588	9 %
Products	**10,490**	9,837	7 %
Total revenues	**102,344**	94,425	8 %
Costs and expenses:			
Cost of services (exclusive of depreciation and amortization)	**(57,187)**	(52,677)	(9) %
Cost of products (exclusive of depreciation and amortization)	**(6,243)**	(6,089)	(3) %
Selling, general, administrative and other	**(16,812)**	(16,501)	(2) %
Depreciation and amortization	**(5,605)**	(5,326)	(5) %
Total costs and expenses	**(85,847)**	(80,593)	(7) %
Restructuring and impairment charges	**(1,456)**	(819)	(78) %
Interest expense, net	**(1,157)**	(1,305)	11 %
Equity in the income of investees, net	**328**	295	11 %
Income before income taxes	**14,212**	12,003	18 %
Income taxes	**(3,564)**	1,428	nm
Net income	**10,648**	13,431	(21) %
Net income attributable to noncontrolling interests	**(749)**	(1,027)	27 %
Net income attributable to Disney	**$ 9,899**	$ 12,404	(20) %
Diluted earnings per share attributable to Disney	**$ 5.63**	$ 6.85	(18) %

Organization of Information

Management's Discussion and Analysis provides a narrative on 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 and Non-Segment Items
- Business Segment Results
- Corporate and Unallocated Shared Expenses
- Liquidity and Capital Resources
- Trends and Uncertainties
- Critical Accounting Policies and Estimates
- Supplemental Guarantor Financial Information

In Item 7, we discuss fiscal 2026 and 2025 results and comparisons of fiscal 2026 results to fiscal 2025 results. Discussions of fiscal 2024 results and comparisons of fiscal 2025 results to fiscal 2024 results can be found in "Management's Discussion and Analysis of Financial Condition and Results of Operations" in Part II, Item 7 of the Company's Annual Report on Form 10-K for the fiscal year ended September 27, 2025.

CONSOLIDATED RESULTS AND NON-SEGMENT ITEMS

Revenues for fiscal 2026 increased 8%, or $7.9 billion, to $102.3 billion; net income attributable to Disney decreased $2.5 billion to income of $9.9 billion compared to $12.4 billion in the prior year; and diluted earnings per share (EPS) attributable to Disney decreased to $5.63 compared to $6.85 in the prior year. The net income and EPS decreases were due to the comparison to tax benefits recognized in the prior year related to a change in Hulu's U.S. income tax classification and a favorable resolution of a tax matter, partially offset by higher operating income at Experiences and Entertainment in the current year and the comparison to a charge for a payment to acquire Hulu in the prior year (Hulu Charge).

Fiscal 2026 results include the benefit from a fifty-third week of operations due to the timing of our fiscal period end. Fiscal 2025 had fifty-two weeks of operations.

Revenues

Service revenues for fiscal 2026 increased 9%, or $7.3 billion, to $91.9 billion, which included an approximate 3 percentage point net favorable impact from the additional week of operations and the Fubo and NFL Transactions. Aside from these impacts, service revenues increased due to growth in resorts and vacations and theme park admissions revenue, higher subscription and affiliate fees and, to a lesser extent, an increase in content sales.

Product revenues for fiscal 2026 increased 7%, or $0.7 billion, to $10.5 billion, which included an approximate 2 percentage point benefit from the additional week of operations. Aside from this impact, product revenues increased due to growth in merchandise, food and beverage revenue.

Costs and expenses

Cost of services for fiscal 2026 increased 9%, or $4.5 billion to $57.2 billion, which included an approximate 3 percentage point net unfavorable impact from the additional week of operations and the Fubo and NFL Transactions. Aside from these impacts, cost of services increased due to higher programming and production costs and the impact of new guest offerings, inflation and increased volumes at our parks and experiences businesses.

Cost of products for fiscal 2026 increased 3%, or $0.2 billion to $6.2 billion, due to higher volumes at our parks and experiences businesses.

Selling, general, administrative and other costs for fiscal 2026 increased 2%, or $0.3 billion, to $16.8 billion, which included an approximate 3 percentage point net unfavorable impact from the additional week of operations and the Fubo and NFL Transactions.

Depreciation and amortization for fiscal 2026 increased 5%, or $0.3 billion, to $5.6 billion driven by higher depreciation at Experiences and Entertainment, partially offset by lower Acquisition Amortization[a].

Restructuring and Impairment Charges

($ in millions)	2026	2025
Impairments:		
Equity investments[1]	**$ 1,012**	$ 635
Star India	**—**	143
Content[2]	**—**	109
Severance	**392**	—
Other	**52**	(68)
	$ 1,456	$ 819

[1] Primarily related to A+E in the current and prior year.

[2] Related to strategic changes in our approach to content curation.

Interest Expense, net

($ in millions)	2026	2025	% Change Better (Worse)
Interest expense	**$ (1,906)**	$ (1,812)	(5) %
Interest income, investment income and other	**749**	507	48 %
Interest expense, net	**$ (1,157)**	$ (1,305)	11 %

The increase in interest expense was primarily due to higher average debt balances and the additional week, partially offset by lower average rates.

The increase in interest income, investment income and other was due to a higher benefit from pension and postretirement benefit costs, other than service cost, and net investment gains in the current year as compared to net losses in prior year.

Equity in the Income of Investees

Equity in the income of investees increased $33 million to $328 million in the current year from $295 million in the prior year due to a reduced loss from the India joint venture.

[a] Acquisition Amortization includes the 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.

Effective Income Tax Rate

($ in millions)	2026	2025
Income before income taxes	**$ 14,212**	$ 12,003
Income tax expense	**3,564**	(1,428)
Effective income tax rate	**25.1 %**	(11.9) %

The effective income tax rate was 25.1% in the current year compared to negative 11.9% in the prior year. Significant items impacting the effective income tax rate include the following:

- The current year included an unfavorable impact of approximately 3 percentage points from non-cash tax charges in connection with the Fubo and NFL Transactions.
- The prior year included a favorable impact of approximately 26 percentage points from a non-cash tax benefit recognized upon a change in Hulu's U.S. income tax classification and a favorable impact of approximately 10 percentage points from adjustments related to prior-year tax matters, partially offset by a non-cash tax charge of approximately 2 percentage points in connection with the Star India Transaction.

Noncontrolling Interests

($ in millions)	2026	2025	% Change Better (Worse)
Net income attributable to noncontrolling interests	**$ (749)**	$ (1,027)	27 %

The decrease in net income attributable to noncontrolling interests was due to the comparison to the Hulu Charge in the prior year, partially offset by the impact of the NFL Transaction in the current year.

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 Year

Results for fiscal 2026 were impacted by the following:

- Restructuring and impairment charges of $1,456 million
- Acquisition Amortization of $1,284 million
- Non-cash tax charges resulting from the Fubo and NFL Transactions of $307 million and $115 million, respectively

Results for fiscal 2025 were impacted by the following:

- Hulu Transaction Impacts consisting of a $3,277 million benefit in "Income taxes" and a $462 million charge in "Net income attributable to noncontrolling interests"
- Acquisition Amortization of $1,576 million
- Favorable resolution of a prior-year tax matter of $1,016 million
- Restructuring and impairment charges of $819 million ($748 million after tax) and a non-cash tax expense of $244 million related to the Star India Transaction

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]
Year Ended October 3, 2026:				
Restructuring and impairment charges	$ (1,456)	$ 283	$ (1,173)	$ (0.65)
Acquisition Amortization	(1,284)	293	(991)	(0.50)
Non-cash tax charges resulting from the Fubo and NFL Transactions	—	(422)	(422)	(0.23)
Total	$ (2,740)	$ 154	$ (2,586)	$ (1.38)
Year Ended September 27, 2025:				
Hulu Transaction Impacts	$ —	$ 3,277	$ 3,277	$ 1.55
Resolution of a prior-year tax matter	—	1,016	1,016	0.56
Acquisition Amortization[3]	(1,576)	366	(1,210)	(0.64)
Restructuring and impairment charges	(819)	(173)	(992)	(0.55)
Total	$ (2,395)	$ 4,486	$ 2,091	$ 0.92

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

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

(3) Includes amortization of intangibles related to TFCF equity investees.

BUSINESS SEGMENT RESULTS

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

Below is a discussion of the major revenue and expense categories for our business segments. Costs and expenses for each segment consist of operating expenses, selling, general, administrative and other costs, and depreciation and amortization. Selling, general, administrative and other costs include third-party and internal marketing expenses.

Entertainment

The Entertainment segment generates revenue from film, episodic and other content that is produced and distributed across the following businesses:

- Linear networks, which primarily generate revenue from affiliate fees and advertising
- Streaming services, which primarily generate revenue from subscription fees and advertising
- Content sales, primarily revenue from the sale/licensing of film and episodic content in the TV/VOD and home entertainment markets and the distribution of films in the theatrical market

Revenues are also generated from:

- Licensing our music
- Ticket sales from stage play performances
- Fees from licensing our IP for use in stage plays
- Sales of post-production services

In addition, revenues include an intersegment allocation of revenues from the Experiences segment, which is meant to reflect royalties on consumer products merchandise licensing revenues generated on IP created by the Entertainment segment

Operating expenses at the Entertainment segment consist of the following:

- Programming and production costs, which include:
  - Amortization of capitalized production costs and the costs of licensed programming rights
  - Subscriber-based fees for programming our vMVPD services, including fees paid by the Entertainment vMVPD services to the Sports and Entertainment linear networks for the right to air the networks on the Hulu Live TV and Fubo services
  - Production costs related to live programming (primarily news)

- Participation and residual expenses
- Fees paid to the Sports segment to program sports content on ABC Network and Disney+

- Other operating expenses, which include technology support costs and distribution costs

Amortization of capitalized production costs and costs of licensed programming rights is generally allocated across Entertainment's businesses based on the estimated relative value of the distribution windows. The initial costs of marketing campaigns are generally recognized in the business of initial exploitation.

Sports

The Sports segment primarily generates revenue from subscription and affiliate fees, advertising and sub-licensing of sports rights. Operating expenses consist of programming and production costs and other operating expenses. Programming and production costs include amortization of licensed sports rights and production costs related to live sports and other sports-related programming. Other operating expenses include technology support costs and distribution costs.

Experiences

The Experiences segment primarily generates revenue from the sale of tickets for admissions to theme parks, the sale of food, beverage and merchandise at our theme parks and resorts, charges for room nights at hotels, sales of cruise vacations, sales and rentals of vacation club properties, royalties from licensing our IP for use on consumer goods and the sale of branded merchandise. Revenues are also generated from sponsorships and co-branding opportunities, real estate rent and sales, and royalties earned on Tokyo Disney Resort revenues. Expenses consist of operating labor, infrastructure costs, costs of goods sold and distribution costs, depreciation and other operating expenses. Infrastructure costs include technology support costs, repairs and maintenance, utilities and fuel, property taxes, retail occupancy costs, insurance and transportation. Other operating expenses include costs for such items as supplies, processing fees and entertainment offerings.

Eliminations

The following transactions are recognized in segment revenues and eliminated in total Company revenue:

- Fees paid by the Entertainment vMVPD services to the Sports and Entertainment linear networks for the right to air the networks on the Hulu Live TV and Fubo services
- Fees paid by the Entertainment segment to the Sports segment to program sports content on ABC Network and Disney+

BUSINESS SEGMENT RESULTS - 2026 vs. 2025

The following table presents revenues from our operating segments:

($ in millions)	2026	2025	% Change Better (Worse)
Entertainment	**$ 46,562**	$ 42,466	10 %
Sports	**18,632**	17,672	5 %
Experiences	**39,566**	36,156	9 %
Eliminations	**(2,416)**	(1,869)	(29) %
Revenues	**$ 102,344**	$ 94,425	8 %

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

($ in millions)	2026	2025	% Change Better (Worse)
Entertainment operating income	**$ 5,443**	$ 4,674	16 %
Sports operating income	**3,094**	2,882	7 %
Experiences operating income	**11,191**	9,995	12 %
Corporate and unallocated shared expenses	**(1,461)**	(1,646)	11 %
Equity in the loss of India joint venture	**(158)**	(202)	22 %
Restructuring and impairment charges	**(1,456)**	(819)	(78) %
Interest expense, net	**(1,157)**	(1,305)	11 %
Acquisition Amortization	**(1,284)**	(1,576)	19 %
Income before income taxes	**$ 14,212**	$ 12,003	18 %

Entertainment

Operating results for Entertainment are as follows:

($ in millions)	2026	2025	% Change Better (Worse)
Revenues			
Subscription and affiliate fees	**$ 30,680**	$ 27,120	13 %
Advertising	**6,761**	6,679	1 %
Content sales	**6,735**	6,099	10 %
Other	**2,386**	2,568	(7) %
Total revenues	**46,562**	42,466	10 %
Operating expenses	**(30,710)**	(27,673)	(11) %
Selling, general, administrative and other	**(9,900)**	(9,733)	(2) %
Depreciation and amortization	**(917)**	(825)	(11) %
Equity in the income of investees	**408**	439	(7) %
Operating Income	**$ 5,443**	$ 4,674	16 %

Revenues - Subscription and affiliate fees

Growth in subscription and affiliate fees was attributable to increases of 5% from the Fubo Transaction, 4% from higher effective rates, 2% from more subscribers and 2% from the additional week of operations.

Revenues - Advertising

Advertising revenue grew 1% as increases of 4% from higher impressions and 2% from the additional week of operations were largely offset by a decrease of 5% from lower rates.

Revenues - Content sales

Higher content sales revenue was primarily attributable to an increase of 10% from theatrical distribution, partially offset by a decrease of 2% from TV/VOD and home entertainment distribution revenue.

Higher theatrical distribution revenue was due to the release of three significant animated titles, *Zootopia 2, Toy Story 5* and *Hoppers,* in the current year compared to *Moana 2* in the prior year. In addition, the current year included the live-action titles *Avatar: Fire and Ash, The Devil Wears Prada 2, The Mandalorian and Grogu,* and the prior year included the live-action titles *Lilo & Stitch, Mufasa: The Lion King*, *The Fantastic Four: First Steps, Captain America: Brave New World* and *Thunderbolts**.

Revenues - Other

The decrease in other revenue was attributable to the impact of our foreign exchange hedging program.

Operating expenses

($ in millions)	2026	2025	% Change Better (Worse)
Programming and production costs	**$ (24,821)**	$ (22,273)	(11) %
Other operating expenses	**(5,889)**	(5,400)	(9) %
	$ (30,710)	$ (27,673)	(11) %

The increase in programming and production costs was due to increases of 4% from the Fubo Transaction, 4% from theatrical distribution, 3% from our streaming services and 2% from the additional week of operations.

Higher other operating expenses were due to an increase in technology and distribution costs, the Fubo Transaction and the additional week of operations.

Selling, general, administrative and other

Selling, general, administrative and other costs increased $167 million, to $9,900 million from $9,733 million, due to the Fubo Transaction and the additional week of operations.

Depreciation and amortization

Depreciation and amortization increased $92 million, to $917 million from $825 million, due to investments in technology and production facilities.

Operating Income from Entertainment

Segment operating income increased $769 million, to $5,443 million from $4,674 million, due to an increase in subscription and affiliate fees and higher content sales revenue, partially offset by higher operating costs.

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)	2026	2025	% Change Better (Worse)
Restructuring and impairment charges[1]	**$ (1,268)**	$ (744)	(70) %
Acquisition Amortization[2]	**(1,189)**	(1,273)	7 %

(1) Fiscal 2026 includes $1,012 million for impairments of our investment in A+E and $256 million for severance. Fiscal 2025 includes $635 million primarily for impairments of our investments in A+E and Tata Play Limited and $109 million for content impairments.

(2) In fiscal 2026, amortization of intangible assets was $931 million and amortization of step-up on film and television costs was $258 million. In fiscal 2025, amortization of intangible assets was $1,004 million and amortization of step-up on film and television costs was $260 million.

Sports

Operating results for the Sports segment are as follows:

($ in millions)	2026	2025	% Change Better (Worse)
Revenues			
Subscription and affiliate fees	**$ 12,798**	$ 11,944	7 %
Advertising	**4,768**	4,444	7 %
Other	**1,066**	1,284	(17) %
Total revenues	**18,632**	17,672	5 %
Operating expenses	**(14,126)**	(13,478)	(5) %
Selling, general, administrative and other	**(1,375)**	(1,331)	(3) %
Depreciation and amortization	**(115)**	(48)	>(100) %
Equity in the income of investees	**78**	67	16 %
Operating Income	**$ 3,094**	$ 2,882	7 %

Revenues - Subscription and affiliate fees

Growth in subscription and affiliate fees was due to increases of 6% from higher effective rates, 3% from the NFL Transaction and 2% from the additional week of operations, partially offset by a decrease of 2% from fewer subscribers.

Revenues - Advertising

The increase in advertising revenue was primarily attributable to increases of 7% from higher rates, 1% from the NFL Transaction and 1% from the additional week of operations, partially offset by a decrease of 3% from fewer impressions.

Revenues - Other

Other revenue decreased $218 million, to $1,066 million from $1,284 million, due to a decrease in Ultimate Fighting Championship (UFC) pay-per-view revenue, as a result of our UFC rights expiring in December 2025.

Operating expenses

($ in millions)	2026	2025	% Change Better (Worse)
Programming and production costs	**$ (13,091)**	$ (12,492)	(5) %
Other operating expenses	**(1,035)**	(986)	(5) %
	$ (14,126)	$ (13,478)	(5) %

Programming and production costs increased in the current year compared to the prior year due to costs for new sports rights, contractual rate increases and the additional week of operations, partially offset by the absence of certain rights costs, primarily for UFC content.

The increase in other operating expenses was attributable to higher technology costs.

Selling, general, administrative and other

Selling, general, administrative and other costs increased $44 million, to $1,375 million from $1,331 million, due to higher sales and marketing costs and the NFL Transaction, partially offset by the benefit from a comparison to the write-off of an investment in the prior year.

Depreciation and amortization

Depreciation and amortization increased $67 million, to $115 million from $48 million, due to investments in technology.

Operating Income from Sports

Segment operating income increased $212 million, to $3,094 million from $2,882 million, due to an increase in revenues, partially offset by higher programming and production costs.

Items Excluded from Segment Operating Income Related to Sports

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

($ in millions)	2026	2025	% Change Better (Worse)
Acquisition Amortization[1]	**$ (88)**	$ (296)	70 %
Restructuring and impairment charges[2]	**(87)**	—	(100) %

(1) Amortization of intangible assets

(2) Costs for exiting a facility and severance

Experiences

Operating results for the Experiences segment are as follows:

($ in millions)	2026	2025	% Change Better (Worse)
Revenues			
Theme park admissions	**$ 12,709**	$ 11,707	9 %
Resorts and vacations	**10,544**	9,210	14 %
Parks & Experiences merchandise, food and beverage	**9,124**	8,491	7 %
Merchandise licensing, branded retail and publishing	**4,645**	4,387	6 %
Parks licensing and other	**2,544**	2,361	8 %
Total revenues	**39,566**	36,156	9 %
Operating expenses	**(20,752)**	(19,224)	(8) %
Selling, general, administrative and other	**(4,403)**	(4,114)	(7) %
Depreciation and amortization	**(3,220)**	(2,823)	(14) %
Operating Income	**$ 11,191**	$ 9,995	12 %

Revenues - Theme park admissions

The increase in theme park admissions revenue was due to increases of 5% from higher average per capita ticket revenue, 2% from the additional week of operations and 1% from increased attendance.

Revenues - Resorts and vacations

Growth in resorts and vacations revenue was attributable to increases of 9% from additional passenger cruise days, 2% from higher average daily hotel room rates and 2% from the additional week of operations. The increase in passenger cruise days reflected the launches of the *Disney Destiny* in November 2025 and the *Disney Adventure* in March 2026.

Revenues - Parks & Experiences merchandise, food and beverage

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

Revenues - Merchandise licensing, branded retail and publishing

Higher merchandise licensing, branded retail and publishing revenue was due to an increase of 5% from merchandise licensing.

Revenues - Parks licensing and other

The increase in parks licensing and other revenue was attributable to increases in co-branding and sponsorship revenue.

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 Parks & Experiences businesses, and we believe these metrics are useful to investors in analyzing the businesses:

	2026	2025
Global guests[1] increase	**5 %**	1 %

	Domestic		International[2]	
	2026	2025	**2026**	2025
Parks				
Increase (decrease)				
Attendance[3]	**3 %**	(1) %	**3 %**	1 %
Per Capita Guest Spending[4]	**4 %**	5 %	**4 %**	2 %
Hotels				
Occupancy[5]	**88 %**	87 %	**86 %**	87 %
Available Room Nights (in thousands)[6]	**10,434**	10,236	**3,193**	3,173
Change in Per Room Guest Spending[7]	**4 %**	3 %	**4 %**	6 %

(1) Global guests is used to analyze combined volume trends across our theme parks and cruise businesses and is defined as the sum of theme park attendance and passenger cruise days. Passenger cruise days is the number of passengers on a cruise multiplied by the number of days in the voyage.
(2) Per capita guest spending growth rate and per room guest spending growth rate exclude the impact of changes in foreign currency exchange rates.
(3) 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.
(4) 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.
(5) 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.
(6) Available hotel room nights are defined as the total number of room nights that are available at our hotels and at 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.
(7) 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)	**2026**	2025	% Change Better (Worse)
Operating labor	**$ (9,586)**	$ (8,948)	(7) %
Infrastructure costs	**(3,742)**	(3,511)	(7) %
Cost of goods sold and distribution costs	**(3,360)**	(3,253)	(3) %
Other operating expenses	**(4,064)**	(3,512)	(16) %
	$ (20,752)	$ (19,224)	(8) %

The additional week of operations resulted in a 2% average increase in total operating expenses. Aside from this impact:

- The increase in operating labor was due to inflation, new guest offerings, higher volumes and an unfavorable foreign exchange impact
- Higher infrastructure costs were attributable to new guest offerings and an increase in operations support costs
- The increase in cost of goods sold and distribution costs was due to higher volumes, partially offset by cost management initiatives
- The increase in other operating expenses was primarily attributable to new guest offerings, higher volumes and inflation

Selling, general, administrative and other

Selling, general, administrative and other costs increased $289 million from $4,114 million to $4,403 million, driven by higher marketing costs and the additional week of operations.

Depreciation and amortization

Depreciation and amortization increased $397 million from $2,823 million to $3,220 million, due to higher depreciation at our domestic and international parks and experiences, driven by an increase at Disney Cruise Line.

Operating Income from Experiences

Segment operating income increased $1,196 million, from $9,995 million to $11,191 million due to higher revenues at Parks & Experiences and, to a lesser extent, Consumer Products, partially offset by higher costs.

Supplemental revenue and operating income

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

($ in millions)	2026	2025	% Change Better (Worse)
Supplemental revenue detail			
Parks & Experiences			
Domestic	**$ 27,917**	$ 25,191	11 %
International	**6,956**	6,520	7 %
Total Parks & Experiences	**34,873**	31,711	10 %
Consumer Products	**4,693**	4,445	6 %
	$ 39,566	$ 36,156	9 %
Supplemental operating income detail			
Parks & Experiences			
Domestic	**$ 7,398**	$ 6,375	16 %
International	**1,371**	1,442	(5) %
Consumer Products	**2,422**	2,178	11 %
	$ 11,191	$ 9,995	12 %

Items Excluded from Segment Operating Income Related to Experiences

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

($ in millions)	2026	2025	% Change Better (Worse)
Restructuring and impairment charges[1]	**$ (29)**	$ —	(100) %
Acquisition Amortization[2]	**(7)**	(7)	— %

(1) Charges for severance

(2) Amortization of intangible assets.

CORPORATE AND UNALLOCATED SHARED EXPENSES

Corporate and unallocated shared expenses are as follows:

($ in millions)	2026	2025	% Change Better (Worse)
Corporate and unallocated shared expenses	**$ (1,461)**	$ (1,646)	11 %

The decrease in corporate and unallocated shared expenses was attributable to a favorable resolution of a legal matter in the current year compared to legal settlements in the prior year.

LIQUIDITY AND CAPITAL RESOURCES

The change in cash, cash equivalents and restricted cash is as follows:

($ in millions)	2026	2025
Cash provided by operations	**$ 19,270**	$ 18,101
Cash used in investing activities	**(7,893)**	(8,043)
Cash used in financing activities	**(10,299)**	(10,366)
Impact of exchange rates on cash, cash equivalents and restricted cash	**(34)**	5
Change in cash, cash equivalents and restricted cash	**$ 1,044**	$ (303)

Operating Activities

Cash provided by operations increased 6% or $1.2 billion to $19.3 billion in the current year compared to $18.1 billion in the prior year. The increase was due to higher operating cash flows at Experiences, Entertainment, and to a lesser extent, Sports, partially offset by higher income tax payments. The increase in operating cash flows at Experiences was due to higher cash receipts, attributable to higher revenue, partially offset by higher operating cash disbursements attributable to higher operating expenses. The increase in operating cash flows at Entertainment and Sports was due to higher cash receipts attributable to higher revenue, partially offset by higher operating cash disbursements due to higher operating expenses. The increase in income tax payments was primarily due to payment of U.S. federal and California state income tax liabilities for fiscal 2025 and a portion of fiscal 2024, which were deferred until fiscal year 2026 pursuant to relief related to the 2025 wildfires in California.

Depreciation expense is as follows:

($ in millions)	2026	2025
Entertainment	**$ 865**	$ 773
Sports	**115**	48
Experiences		
Domestic	**2,236**	1,933
International	**876**	782
Total Experiences	**3,112**	2,715
Corporate	**327**	323
Total depreciation expense	**$ 4,419**	$ 3,859

Amortization of intangible assets is as follows:

($ in millions)	2026	2025
Entertainment	**$ 52**	$ 52
Experiences	**108**	108
Acquisition Amortization - intangible assets	**1,026**	1,307
Total amortization of intangible assets	**$ 1,186**	$ 1,467

Produced and licensed content 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 production and programming activity for fiscal 2026 and 2025 are as follows:

($ in millions)	2026	2025
Beginning balances:		
Production and programming assets	**$ 33,390**	$ 34,409
Programming liabilities	**(3,353)**	(3,692)
	30,037	30,717
Spending:		
Licensed programming and rights	**13,899**	12,887
Produced content	**9,910**	9,822
	23,809	22,709
Amortization:		
Licensed programming and rights	**(13,643)**	(12,876)
Produced content	**(10,947)**	(10,410)
	(24,590)	(23,286)
Change in production and programming costs	**(781)**	(577)
Content impairment	**—**	(109)
Other non-cash activity	**(125)**	6
Ending balances:		
Production and programming assets	**32,736**	33,390
Programming liabilities	**(3,605)**	(3,353)
	$ 29,131	$ 30,037

The Company currently expects its fiscal 2027 spend on produced and licensed content to be approximately $26 billion compared to fiscal 2026 content spend of $24 billion. See Note 14 to the Consolidated Financial Statements for information regarding the Company's contractual commitments to acquire sports and broadcast programming.

Commitments and guarantees

The Company has various commitments and guarantees, such as long-term leases, purchase commitments and other executory contracts, that are disclosed in the footnotes to the financial statements. See Notes 14 and 15 to the Consolidated Financial Statements for further information regarding these commitments.

Legal and Tax Matters

As disclosed in Notes 9 and 14 to the Consolidated Financial Statements, the Company has exposure for certain tax and legal matters.

Investing Activities

Investing activities, which consist principally of investments in parks, resorts and other property and acquisition and divestiture activity, for fiscal 2026 and 2025 are as follows:

($ in millions)	2026	2025
Entertainment and Sports	**$ (1,300)**	$ (1,158)
Experiences		
Domestic	**(5,657)**	(5,271)
International	**(1,431)**	(1,158)
Total Experiences	**(7,088)**	(6,429)
Corporate	**(310)**	(437)
Total investments in parks, resorts and other property	**(8,698)**	(8,024)
Cash provided by (used in) other investing activities, net	**805**	(19)
Cash used in investing activities	**$ (7,893)**	$ (8,043)

Investments in Parks, Resorts and Other Property

Capital expenditures at Entertainment and Sports primarily reflect investments in technology and in facilities and equipment for expanding and upgrading broadcast centers, production facilities and television station facilities. In general, spend benefits both the Entertainment and Sports segments.

Capital expenditures at Experiences are principally for theme park and resort expansion, new attractions, cruise ships, capital improvements and systems infrastructure. The increase in capital expenditures in fiscal 2026 compared to fiscal 2025 was due to higher spending on theme park and resort expansion and new attractions, partially offset by lower spending on cruise ship fleet expansion.

Capital expenditures at Corporate primarily reflect investments in facilities, information technology infrastructure and equipment. The decrease in fiscal 2026 compared to fiscal 2025 was due to lower spending on facilities.

The Company currently expects its fiscal 2027 capital expenditures to be comparable to fiscal 2026 capital expenditures of $9 billion.

Other Investing Activities

Cash provided by other investing activities was $0.8 billion in fiscal 2026 primarily reflecting proceeds from the sale of A+E, partially offset by purchases of investments.

Financing Activities

Financing activities for fiscal 2026 and 2025 are as follows:

($ in millions)	**2026**	2025
Cash provided by (used in) borrowing activities	**$ 2,378**	$ (3,621)
Dividends	**(2,634)**	(1,803)
Repurchases of common stock	**(9,000)**	(3,500)
Activities related to noncontrolling interests[1]	**(446)**	(1,032)
Cash used in other financing activities, net[2]	**(597)**	(410)
Cash used in financing activities	**$ (10,299)**	$ (10,366)

[1] Activities related to noncontrolling interests in the current year were due to $0.4 billion of dividend payments to noncontrolling interest holders. Activities in the prior year were due to $0.6 billion of dividend payments to noncontrolling interest holders and an incremental $0.4 billion paid by the Company for Hulu based on Hulu's final appraised fair value.

[2] Primarily equity award activity.

Borrowings activities and other

During the year ended October 3, 2026, the Company's borrowing activity was as follows:

($ in millions)	September 27, 2025	Borrowings	Payments	Other Activity	October 3, 2026
Commercial paper with original maturities less than three months[1]	$ 1,963	$ —	$ (1,593)	$ (6)	**$ 364**
Commercial paper with original maturities greater than three months	99	10,311	(6,554)	49	**3,905**
U.S. dollar denominated borrowings[2]	38,658	5,047	(4,861)	168	**39,012**
Asia Theme Parks borrowings[3]	1,075	28	—	75	**1,178**
Foreign currency denominated debt and other[4]	231	—	—	(217)	**14**
	$ 42,026	$ 15,386	$ (13,008)	$ 69	**$ 44,473**

[1] Borrowings and reductions of borrowings are reported net.

[2] The other activity includes borrowings assumed in the acquisition of FuboTV, amortization of purchase accounting adjustments and debt issuance fees.

[3] See Note 6 to the Consolidated Financial Statements for information regarding commitments to fund the Asia Theme Parks.

[4] The other activity is attributable to market value adjustments for debt with qualifying hedges.

See Note 8 to the Consolidated Financial Statements for a summary of the Company's borrowing activities in fiscal 2026 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 11 to the Consolidated Financial Statements for a summary of dividends and share repurchases in fiscal 2026 and 2025. On November 17, 2026, the Company declared a dividend of $2.00 per share (or approximately $3.4 billion), payable in two installments of $1.00 per share on January 22, 2027 and July 13, 2027. The Company is targeting a total of $9 billion in share repurchases in fiscal 2027.

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 October 3, 2026, 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 October 3, 2026, the Company met this covenant by a significant margin. The Company's bank facilities also specifically exclude certain entities, including the Asia Theme Parks and FuboTV, from any representations, covenants or events of default.

TRENDS AND UNCERTAINTIES

We are making, among other things, strategic investments in our DTC offerings, and while there can be no assurances these investments will be successful, we expect that they will lead to growth in subscription fees and advertising revenue at our DTC streaming services that will over time more than offset general declines in affiliate fees and advertising revenue, as applicable, at our linear networks, which we expect will continue.

In addition, the future effects of evolving macroeconomic, trade, travel and consumer spending dynamics, including the duration of the decline in international travel to our domestic parks and resorts, and geopolitical developments are unknown and, depending on how these conditions develop, could adversely affect demand for and availability of our products and services, increase our costs to provide products and services and have a negative impact on our results of operations.

See also Item 1A - Risk Factors.

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

We believe that the application of the following accounting policies, which are important to our financial position and results of operations, require significant judgments and estimates on the part of management. For a summary of our significant accounting policies, including the accounting policies discussed below, see Note 2 to the Consolidated Financial Statements.

Produced and Acquired/Licensed Content Costs

We amortize and test for impairment capitalized film and television production costs based on whether the content is predominantly monetized individually or as a group. See Note 2 to the Consolidated Financial Statements for further discussion.

Production costs that are classified as individual are amortized based upon the ratio of the current period's revenues to the estimated remaining total revenues (Ultimate Revenues).

With respect to produced films intended for theatrical release, the most sensitive factor affecting our estimate of Ultimate Revenues is theatrical performance. Revenues derived from other markets subsequent to the theatrical release are generally highly correlated with theatrical performance. Theatrical performance varies primarily based upon the public interest and demand for a particular film, the popularity of competing films at the time of release and the level of marketing effort. Upon a film's release and determination of the theatrical performance, the Company's estimates of revenues from succeeding windows

and markets, which may include imputed license fees for content that is used on our DTC streaming services, are revised based on historical relationships and an analysis of current market trends.

With respect to capitalized television production costs that are classified as individual, the most sensitive factor affecting estimates of Ultimate Revenues is program ratings of the content on our licensees' platforms. Program ratings, which are an indication of market acceptance, directly affect the program's ability to generate advertising and subscriber revenues and are correlated with the license fees we can charge for the content in subsequent windows and for subsequent seasons.

Ultimate Revenues are reassessed each reporting period and the impact of any changes on amortization of production cost is accounted for as if the change occurred at the beginning of the current fiscal year. If our estimate of Ultimate Revenues decreases, amortization of costs may be accelerated or result in an impairment. Conversely, if our estimate of Ultimate Revenues increases, cost amortization may be slowed.

Production costs classified as individual are tested for impairment at the individual title level by comparing that title's unamortized costs to the present value of discounted cash flows directly attributable to the title. To the extent the title's unamortized costs exceed the present value of discounted cash flows, an impairment charge is recorded for the excess.

Produced content costs that are part of a group and acquired/licensed content costs are amortized based on projected usage, typically resulting in an accelerated or straight-line amortization pattern. The determination of projected usage requires judgment and is reviewed on a regular basis for changes. Adjustments to projected usage are applied prospectively in the period of the change. Historical viewing patterns are the most significant input into determining the projected usage, and significant judgment is required in using historical viewing patterns to derive projected usage. If projected usage changes we may need to accelerate or slow the recognition of amortization expense.

Cost of content that is predominantly monetized as a group is tested for impairment whenever events or changes in circumstances indicate that the fair value of the group may be less than its unamortized costs by comparing the present value of the discounted cash flows of the group to the aggregate unamortized costs of the group. The group is established by identifying the lowest level for which cash flows are independent of the cash flows of other produced and licensed content. If the unamortized costs exceed the present value of discounted cash flows, an impairment charge is recorded for the excess and allocated to individual titles based on the relative carrying value of each title in the group. If there are no plans to continue to use an individual film or television program that is part of a group, the unamortized cost of the individual title is written down to its estimated fair value. Licensed content is included as part of the group within which it is monetized for purposes of impairment testing.

The amortization of multi-year sports rights is based on projections of revenues for each season relative to projections of total revenues over the contract period (estimated relative value). Projected revenues include advertising revenue and an allocation of affiliate revenue. If the annual contractual payments related to each season approximate each season's estimated relative value, we expense the related contractual payments during the applicable season. If estimated relative values by year were to change significantly, amortization of our sports rights costs may be accelerated or slowed.

Revenue Recognition

The Company has revenue recognition policies for its various operating segments that are appropriate to the circumstances of each business. Refer to Note 2 to the Consolidated Financial Statements for our revenue recognition policies.

Pension and Postretirement Medical Plan Actuarial Assumptions

The Company's pension and postretirement medical benefit obligations and related costs are calculated using a number of actuarial assumptions. Two critical assumptions, the discount rate and the expected return on plan assets, are important elements of expense and/or liability measurement, which we evaluate annually. Other assumptions include the healthcare cost trend rate and employee demographic factors such as retirement patterns, mortality, turnover and rate of compensation increase.

The discount rate enables us to state expected future cash payments for benefits as a present value on the measurement date. A lower discount rate increases the present value of benefit obligations and increases pension and postretirement medical expense. The guideline for setting this rate is a high-quality long-term corporate bond rate. We increased our discount rate to 6.56% at the end of fiscal 2026 from 5.45% at the end of fiscal 2025 to reflect market interest rate conditions at our fiscal 2026 year-end measurement date. The Company's discount rate was determined by considering yield curves constructed of a large population of high-quality corporate bonds and reflects the matching of the plans' liability cash flows to the yield curves. A one percentage point decrease in the assumed discount rate would have a negligible impact on total annual benefit expense and increase the projected benefit obligation at October 3, 2026 by approximately $1.7 billion. A one percentage point increase in the assumed discount rate would have a negligible impact on total annual benefit expense and decrease the projected benefit obligation at October 3, 2026 by approximately $1.6 billion.

To determine the expected long-term rate of return on the plan assets, we consider the current and expected asset allocation, as well as historical and expected returns on each plan asset class. Our expected return on plan assets is 7.25%. A

lower expected rate of return on plan assets will increase pension and postretirement medical expense. A one percentage point change in the long-term asset return assumption would impact fiscal 2027 annual expense by approximately $183 million.

Goodwill, Other Intangible Assets, Long-Lived Assets and Investments

The Company is required to test goodwill and other indefinite-lived intangible assets for impairment on an annual basis and if current events or circumstances require, on an interim basis. The Company performs its annual test of goodwill and indefinite-lived intangible assets for impairment in its fiscal fourth quarter.

Goodwill is allocated to various reporting units, which are an operating segment or one level below the operating segment. To test goodwill for impairment, the Company first performs a qualitative assessment to determine if it is more likely than not that the carrying amount of a reporting unit exceeds its fair value. If it is, a quantitative assessment is required. Alternatively, the Company may bypass the qualitative assessment and perform a quantitative impairment test.

The qualitative assessment requires the consideration of factors such as recent market transactions, macroeconomic conditions and changes in projected future cash flows of the reporting unit.

The quantitative assessment compares the fair value of each reporting unit to its carrying amount, and to the extent the carrying amount exceeds the fair value, an impairment of goodwill is recognized for the excess up to the amount of goodwill allocated to the reporting unit.

The impairment test for goodwill requires judgment related to the identification of reporting units, determining whether reporting units should be aggregated, the assignment of assets and liabilities including goodwill to reporting units, and the determination of fair value of the reporting units.

When performing a quantitative assessment, we generally use a present value technique (discounted cash flows) corroborated by market multiples when available and as appropriate to determine the fair value of our reporting units. The discounted cash flow analyses are sensitive to our estimated projected future cash flows as well as the discount rates used to calculate their present value. Our future cash flows are based on internal forecasts for each reporting unit, which consider projected inflation and other economic indicators, as well as industry growth projections. Discount rates are determined based on the inherent risks of the underlying operations.

Significant judgments and assumptions in the discounted cash flow model used to determine fair value relate to future revenues and certain operating expenses, operating margins, terminal growth rates and discount rates. We believe our estimates are consistent with how a marketplace participant would value our businesses. Changes to these assumptions and shifts in market trends or macroeconomic events could impact test results in the future.

In fiscal 2026, the Company performed a qualitative assessment of goodwill for impairment. Based on this assessment, we concluded that it was more likely than not that the estimated fair values of our reporting units were higher than their carrying values and that the performance of a quantitative impairment test was not required.

To test other indefinite-lived intangible assets for impairment, the Company first performs a qualitative assessment to determine if it is more likely than not that the carrying amount of each of its indefinite-lived intangible assets exceeds its fair value. If it is, a quantitative assessment is required. Alternatively, the Company may bypass the qualitative assessment and perform a quantitative impairment test.

The qualitative assessment requires the consideration of factors such as recent market transactions, macroeconomic conditions and changes in projected future cash flows.

The quantitative assessment compares the fair value of an indefinite-lived intangible asset to its carrying amount. If the carrying amount of an indefinite-lived intangible asset exceeds its fair value, an impairment loss is recognized for the excess. Fair values of indefinite-lived intangible assets are determined based on discounted cash flows or appraised values, as appropriate.

In fiscal 2026, the Company performed a qualitative assessment of indefinite-lived intangibles for impairment. Based on this assessment, we concluded that it was more likely than not that the estimated fair values of our intangible assets were higher than their carrying values and that the performance of a quantitative impairment test was not required.

The Company tests long-lived assets, including amortizable intangible assets, for impairment whenever events or changes in circumstances (triggering events) indicate that the carrying amount may not be recoverable. Once a triggering event has occurred, the impairment test employed is based on whether the Company's intent is to hold the asset for continued use or to hold the asset for sale. The impairment test for assets held for use requires a comparison of the estimated undiscounted future cash flows expected to be generated over the useful life of the significant assets of an asset group to the carrying amount of the asset group. An asset group is generally established by identifying the lowest level of cash flows generated by a group of assets that are largely independent of the cash flows of other assets and could include assets used across multiple businesses. If the carrying amount of an asset group exceeds the estimated undiscounted future cash flows, an impairment would be measured as

the difference between the fair value of the asset group and the carrying amount of the asset group. For assets held for sale, to the extent the carrying amount is greater than the asset's fair value less costs to sell, an impairment loss is recognized for the difference. Determining whether a long-lived asset is impaired requires various estimates and assumptions, including whether a triggering event has occurred, the identification of asset groups, estimates of future cash flows and the discount rate used to determine fair values.

The Company has investments in equity securities. For equity securities that do not have a readily determinable fair value, we consider forecasted financial performance of the investee companies, as well as volatility inherent in the external markets for these investments. If these forecasts are not met, impairment charges may be recorded.

The Company tested its long-lived assets and investments for impairment and recorded non-cash impairment charges of $1.0 billion and $0.8 billion in fiscal 2026 and 2025, respectively. The fiscal 2026 charges related to impairments of our equity investment in A+E. The fiscal 2025 charges related to impairments of equity investments and content assets. See Note 18 to the Consolidated Financial Statements for additional information.

Allowance for Credit Losses

We evaluate our allowance for credit losses and estimate collectability of accounts receivable based on historical bad debt experience, our assessment of the financial condition of individual companies with which we do business, current market conditions, and reasonable and supportable forecasts of future economic conditions. In times of economic turmoil our estimates and judgments with respect to the collectability of our receivables are subject to greater uncertainty than in more stable periods. If our estimate of uncollectible accounts is too low, costs and expenses may increase in future periods, and if it is too high, costs and expenses may decrease in future periods. See Note 2 to the Consolidated Financial Statements for additional discussion.

Contingencies and Litigation

We are currently involved in certain legal proceedings and, as required, have accrued estimates of the probable and estimable losses for the resolution of these proceedings. These estimates are based upon an analysis of potential results, assuming a combination of litigation and settlement strategies and have been developed in consultation with outside counsel as appropriate. From time to time, we are also involved in other contingent matters for which we accrue estimates for a probable and estimable loss. It is possible, however, that future results of operations for any particular quarterly or annual period could be materially affected by changes in our assumptions or the effectiveness of our strategies related to legal proceedings or our assumptions regarding other contingent matters. See Note 14 to the Consolidated Financial Statements for more information on litigation exposure.

Income Tax

As a matter of course, the Company is regularly audited by federal, state and foreign tax authorities. From time to time, these audits result in proposed assessments. Our determinations regarding the recognition of income tax benefits are made in consultation with outside tax and legal counsel, where appropriate, and are based upon the technical merits of our tax positions in consideration of applicable tax statutes and related interpretations and precedents and upon the expected outcome of proceedings (or negotiations) with taxing and legal authorities. The tax benefits ultimately realized by the Company may differ from those recognized in our future financial statements based on a number of factors, including the Company's decision to settle rather than litigate a matter, relevant legal precedent related to similar matters and the Company's success in supporting its filing positions with taxing authorities.

The Company currently has a valuation allowance on the deferred tax assets related to net operating loss carryforwards at Disneyland Paris. We regularly assess the need for valuation allowances based on factors such as a history of losses, recent operating results, future projections, and economic conditions in local markets, to conclude whether deferred tax assets are more likely than not to be realized. We believe it is reasonably possible that Disneyland Paris's valuation allowance will no longer be required in fiscal 2027. The timing and amount of any valuation allowance release will be based on available evidence, including fiscal 2027 results and updated projections. A full release of Disneyland Paris's valuation allowance during fiscal 2027 would result in an approximately $1 billion non-cash income tax benefit.

See Note 9 to the Consolidated Financial Statements for additional discussion.

New Accounting Pronouncements

See Note 19 to the 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 October 3, 2026 was as follows:

	TWDC		Legacy Disney	
($ in millions)	Par Value	Carrying Value	Par Value	Carrying Value
Registered debt with unconditional guarantee	$ 31,815	$ 32,280	$ 4,450	$ 4,422

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 are 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 U.S. GAAP.

Results of operations ($ in millions)	2026
Revenues	$ —
Costs and expenses	—
Net income (loss)	(2,798)
Net income (loss) attributable to TWDC shareholders	(2,798)

Balance Sheet ($ in millions)	October 3, 2026	September 27, 2025
Current assets	$ 3,010	$ 2,295
Noncurrent assets	4,455	3,613
Current liabilities	8,831	9,592
Noncurrent liabilities (excluding intercompany to non-Guarantors)	37,480	36,314
Intercompany payables to non-Guarantors	180,479	167,091

ITEM 7A. Quantitative and Qualitative Disclosures About 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 flow 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, Japanese yen, British pound, 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 certain countries have reduced and in the future could further reduce our ability to hedge exposure to currency fluctuations in, or repatriate cash from, those countries.

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.

See Note 17 of the Consolidated Financial Statements for additional information.

Value at Risk (VAR)

The Company utilizes a VAR model to estimate the maximum potential one-day loss in the fair value of its interest rate, foreign exchange, commodities and market sensitive equity financial instruments. While various modeling techniques can be used in a VAR computation, the Company's computations are based on a variance/co-variance technique, which assesses the interrelationships between movements in various interest rates, currencies, commodities and equity prices. These interrelationships were determined by observing interest rate, foreign currency, commodity and equity market changes over the preceding quarter for the calculation of VAR amounts at each fiscal quarter end. The model includes all of the Company's debt, interest rate, foreign exchange and commodities derivatives, and market sensitive equity investments. Forecasted transactions, firm commitments and accounts receivable and payable denominated in foreign currencies, which certain of these instruments are intended to hedge, were excluded from the model. The VAR model estimates were made assuming normal market conditions and a 95% confidence level.

The VAR model is a risk analysis tool and does not purport to represent actual losses in fair value that will be incurred by the Company, nor does it consider the potential effect of favorable changes in market factors.

VAR on a combined basis decreased to $168 million at October 3, 2026 from $201 million at September 27, 2025 due to reduced interest rate volatility.

The estimated maximum potential one-day loss in fair value, calculated using the VAR model, is as follows (unaudited, in millions):

Fiscal 2026	Interest Rate Sensitive Financial Instruments	Currency Sensitive Financial Instruments	Equity Sensitive Financial Instruments	Commodity Sensitive Financial Instruments	Combined Portfolio
Year end fiscal 2026 VAR	$ 142	$ 58	$ 6	$ 2	$ 168
Average VAR	142	59	6	2	167
Highest VAR	145	79	8	3	178
Lowest VAR	135	39	6	1	147
Year end fiscal 2025 VAR	164	57	4	2	201

The VAR for Asia Theme Parks is immaterial as of October 3, 2026 and has been excluded from the above table.

ITEM 8. Financial Statements and Supplementary Data

See Index to Financial Statements and Supplemental Data on page 59.

ITEM 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

None.

ITEM 9A. 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 October 3, 2026, 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.

Management's Report on Internal Control Over Financial Reporting

Management's report set forth on page 60 is incorporated herein by reference.

Our internal control over financial reporting as of October 3, 2026, has been audited by PricewaterhouseCoopers LLP, an independent registered public accounting firm, who has issued an audit report which is set forth on page 61 and is incorporated herein by reference.

Changes in Internal Controls

There have been no changes in our internal control over financial reporting during the fourth quarter of the fiscal year ended October 3, 2026 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

ITEM 9B. Other Information

Rule 10b5-1 Trading Arrangements

On August 27, 2026, Sonia L. Coleman, the Company's Senior Executive Vice President, Chief People 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. Ms. Coleman's trading plan provides for the sale of up to 13,673 gross shares (which includes shares vesting during the duration of the trading plan pursuant to certain equity awards previously granted to Ms. Coleman), plus related dividend-equivalent shares subsequently earned with respect to such shares and excluding any shares withheld to satisfy tax withholding obligations in connection with the net settlement of the equity awards. Ms. Coleman's trading plan is scheduled to terminate on May 28, 2027, subject to early termination.

ITEM 9C. Disclosure Regarding Foreign Jurisdictions that Prevent Inspections

Not applicable.

PART III

ITEM 10. Directors, Executive Officers and Corporate Governance

Information regarding Section 16(a) compliance, the Audit Committee, the Company's code of ethics, background of the directors and director nominations appearing under the captions "Delinquent Section 16(a) Reports," "The Board of Directors," "Committees" and "Corporate Governance Documents" in the Company's Proxy Statement for the 2027 annual meeting of Shareholders (2027 Proxy Statement) is hereby incorporated by reference.

The Company has adopted an insider trading compliance policy and program applicable to the Company's directors, officers and employees, as well as the Company itself, that the Company believes is reasonably designed to promote compliance with insider trading laws, rules and regulations and the New York Stock Exchange listing standards. The foregoing summary of the Company's insider trading compliance policy and program does not purport to be complete and is qualified in its entirety by reference to the full text thereof set forth in Exhibit 19 hereto.

Information regarding executive officers is included in Part I of this Form 10-K as permitted by General Instruction G(3).

ITEM 11. Executive Compensation

Information required by this item and appearing under the captions "Director Compensation," and "Executive Compensation" (other than the "Compensation Committee Report," which is deemed furnished herein by reference, and the "Letter from the Compensation Committee") in the 2027 Proxy Statement is hereby incorporated by reference.

ITEM 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters

Information setting forth the security ownership of certain beneficial owners and management appearing under the caption "Stock Ownership" and information appearing under the caption "Equity Compensation Plans" in the 2027 Proxy Statement is hereby incorporated by reference.

ITEM 13. Certain Relationships and Related Transactions, and Director Independence

Information regarding certain related transactions appearing under the captions "Certain Relationships and Related Person Transactions" and information regarding director independence appearing under the caption "Director Independence" in the 2027 Proxy Statement is hereby incorporated by reference.

ITEM 14. Principal Accounting Fees and Services

Information appearing under the captions "Auditor Fees and Services" and "Policy for Approval of Audit and Permitted Non-Audit Services" in the 2027 Proxy Statement is hereby incorporated by reference.

PART IV

ITEM 15. Exhibits and Financial Statement Schedules

(1) Financial Statements and Schedules

See Index to Financial Statements and Supplemental Data on page 59.

(2) Exhibits

The documents set forth below are filed herewith or incorporated herein by reference to the location indicated.

	Exhibit	Location
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
4.1	Senior Debt Securities Indenture, dated as of September 24, 2001, between TWDC Enterprises 18 Corp. and Wells Fargo Bank, N.A., as Trustee	Exhibit 4.1 to the Current Report on Form 8-K of Legacy Disney filed September 24, 2001
4.2	First Supplemental Indenture, dated as of March 20, 2019, among The Walt Disney Company, TWDC Enterprises 18 Corp. and Wells Fargo Bank, N.A., as Trustee	Exhibit 4.1 to the Current Report on Form 8-K of Legacy Disney filed March 20, 2019
4.3	Indenture, dated as of March 20, 2019, by and among The Walt Disney Company, as issuer, and TWDC Enterprises 18 Corp., as guarantor, and Citibank, N.A., as trustee	Exhibit 4.1 to the Current Report on Form 8-K of the Company filed March 20, 2019
4.4	Other long-term borrowing instruments are omitted pursuant to Item 601(b)(4)(iii) of Regulation S-K. The Company undertakes to furnish copies of such instruments to the Commission upon request	
4.5	Description of Registrant's Securities	Exhibit 4.6 to the Form 10-K of the Company for the fiscal year ended September 28, 2019
10.1	Offer Letter, dated as of February 2, 2026, by and between The Walt Disney Company and Josh D'Amaro †	Exhibit 10.2 to the Current Report on Form 8-K of the Company filed February 3, 2026
10.2	Amended and Restated Employment Agreement, dated as of October 6, 2011, between the Company and Robert A. Iger †	Exhibit 10.1 to the Form 10-K of Legacy Disney for the fiscal year ended October 1, 2011
10.3	Amendment dated July 1, 2013 to Amended and Restated Employment Agreement, dated as of October 6, 2011, between the Company and Robert A. Iger †	Exhibit 10.1 to the Current Report on Form 8-K of Legacy Disney filed July 1, 2013
10.4	Amendment dated October 2, 2014 to Amended and Restated Employment Agreement, dated as of October 6, 2011, between the Company and Robert A. Iger †	Exhibit 10.1 to the Current Report on Form 8-K of Legacy Disney filed October 3, 2014
10.5	Amendment dated March 22, 2017 to Amended and Restated Employment Agreement, dated as of October 6, 2011, between the Company and Robert A. Iger †	Exhibit 10.1 to the Current Report on Form 8-K of Legacy Disney filed March 23, 2017
10.6	Amendment dated December 13, 2017 to Amended and Restated Employment Agreement, dated as of October 6, 2011, between the Company and Robert A. Iger †	Exhibit 10.2 to the Current Report on Form 8-K of Legacy Disney filed December 14, 2017
10.7	Amendment to Amended and Restated Employment Agreement, Dated as of October 6, 2011, as amended, between the Company and Robert A. Iger, dated November 30, 2018 †	Exhibit 10.1 to the Current Report on Form 8-K of Legacy Disney filed December 3, 2018

	Exhibit	Location
10.8	Amendment to Amended and Restated Employment Agreement, Dated as of October 6, 2011, as amended, between the Company and Robert A. Iger, dated March 4, 2019 †	Exhibit 10.1 to the Current Report on Form 8-K of Legacy Disney filed March 4, 2019
10.9	Amendment to Amended and Restated Employment Agreement, Dated as of October 6, 2011 and as previously amended, between the Company and Robert A. Iger, dated February 24, 2020 †	Exhibit 10.1 to the Current Report on Form 8-K of the Company filed February 25, 2020
10.10	Employment Agreement Dated as of November 20, 2022, between the Company and Robert A. Iger †	Exhibit 10.1 to the Current Report on Form 8-K of the Company filed November 21, 2022
10.11	Amendment dated July 12, 2023 to Employment Agreement dated as of November 20, 2022, between the Company and Robert A. Iger †	Exhibit 10.1 to the Current Report on Form 8-K of the Company filed July 12, 2023
10.12	Second Amendment dated December 15, 2023, to that certain Employment Agreement, dated as of November 20, 2022, as amended, by and between The Walt Disney Company and Robert A. Iger †	Exhibit 10.1 to the Form 10-Q of the Company for the quarter ended December 30, 2023
10.13	Third Amendment, dated as of February 2, 2026, to that certain Employment Agreement, dated as of November 20, 2022, as amended, by and between The Walt Disney Company and Robert A. Iger †	Exhibit 10.1 to the Current Report on Form 8-K of the Company filed February 3, 2026
10.14	Employment Agreement, dated as of February 2, 2026, by and between The Walt Disney Company and Dana Walden †	Exhibit 10.3 to the Current Report on Form 8-K of the Company filed February 3, 2026
10.15	Employment Agreement Dated as of December 4, 2023 by and between The Walt Disney Company and Hugh F. Johnston †	Exhibit 10.1 to the Current Report on Form 8-K of the Company filed November 6, 2023
10.16	Amendment dated December 15, 2023, to that certain Employment Agreement, dated as of December 4, 2023, by and between The Walt Disney Company and Hugh F. Johnston †	Exhibit 10.3 to the Form 10-Q of the Company for the quarter ended December 30, 2023
10.17	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
10.18	Employment Agreement, dated as of December 21, 2021 between the Company and Horacio E. Gutierrez †	Exhibit 10.4 to the Form 10-Q of the Company for the quarter ended January 1, 2022
10.19	Assignment of Employment Agreement dated January 31, 2022 between the Company and Horacio E. Gutierrez †	Exhibit 10.5 to the Form 10-Q of the Company for the quarter ended January 1, 2022
10.20	Amendment dated July 21, 2022 to the Employment Agreement dated December 21, 2021, between Disney Corporate Services Co., LLC and Horacio E. Gutierrez and to the Indemnification Agreement dated December 21, 2021, between the Company and Horacio E. Gutierrez †	Exhibit 10.2 to the Form 10-Q of the Company for the quarter ended July 2, 2022
10.21	Amendment dated April 21, 2023 to the Employment Agreement dated December 21, 2021, between Disney Corporate Services Co., LLC and Horacio E. Gutierrez and to the Indemnification Agreement dated December 21, 2021, between the Company and Horacio E. Gutierrez †	Exhibit 10.2 to the Form 10-Q of the Company for the quarter ended April 1, 2023
10.22	Amendment dated December 21, 2023 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 December 22, 2023
10.23	Second Amendment dated December 13, 2023 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 †	Exhibit 10.4 to the Form 10-Q of the Company for the quarter ended December 30, 2023

	Exhibit	Location
10.24	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
10.25	Employment Agreement dated as of April 8, 2023, by and between the Company and Sonia L. Coleman †	Exhibit 10.1 to the Form 10-Q of the Company for the quarter ended April 1, 2023
10.26	Amendment dated December 13, 2023, to that certain Employment Agreement, dated as of April 8, 2023, by and between The Walt Disney Company and Sonia L. Coleman †	Exhibit 10.6 to the Form 10-Q of the Company for the quarter ended December 30, 2023
10.27	Second Amendment dated September 27, 2025, to that certain Employment Agreement, dated as of April 8, 2023, by and between The Walt Disney Company and Sonia L. Coleman, as amended †	Exhibit 10.1 to the Current Report on Form 8-K of the Company filed October 1, 2025
10.28	Voluntary Non-Qualified Deferred Compensation Plan †	Exhibit 10.1 to the Current Report on Form 8-K of Legacy Disney filed December 23, 2014
10.29	Amendment No. 1 to the Voluntary Non-Qualified Deferred Compensation Plan †	Exhibit 10.30 to the Form 10-K of the Company for the fiscal year ended September 27, 2025
10.30	Description of Directors Compensation	Exhibit 10.1 to the Form 10-Q of the Company for the quarter ended June 28, 2025
10.31	Form of Indemnification Agreement for certain officers and directors †	Exhibit 10.26 to the Form 10-K of the Company for the fiscal year ended October 1, 2022
10.32	Form of Assignment and Assumption of Indemnification Agreement for certain officers and directors †	Exhibit 10.1 to the Form 10-Q of the Company for the quarter ended June 29, 2019
10.33	Management Incentive Bonus Program †	The portions of the tables labeled “Annual Performance-Based Bonus” and "Performance-Based Bonus" in the sections of the Proxy Statement for the 2026 annual meeting titled “Executive Compensation Program Overview - Objectives and Key Features” and “Compensation Process,” respectively, and the section of the Proxy Statement titled “Performance Goals”
10.34	Amended and Restated 1997 Non-Employee Directors Stock and Deferred Compensation Plan	Annex II to the Proxy Statement for the 2003 annual meeting of Legacy Disney
10.35	Amended and Restated 2011 Stock Incentive Plan †	Annex A to Proxy Statement of registrant filed February 1, 2024
10.36	The Walt Disney Productions and Associated Companies Key Employees Deferred Compensation and Retirement Plan, as amended and restated †	Exhibit 10.5 to the Form 10-Q of Legacy Disney for the quarter ended April 2, 2011
10.37	Amended and Restated Benefit Equalization Plan of ABC, Inc. †	Exhibit 10.6 to the Form 10-Q of Legacy Disney for the quarter ended April 2, 2011
10.38	Disney Key Employees Retirement Savings Plan †	Exhibit 10.1 to the Form 10-Q of Legacy Disney for the quarter ended July 2, 2011
10.39	Amendments dated April 30, 2015 to the Amended and Restated The Walt Disney Productions and Associated Companies Key Employees Deferred Compensation and Retirement Plan, Amended and Restated Benefit Equalization Plan of ABC, Inc. and Disney Key Employees Retirement Savings Plan †	Exhibit 10.3 to the Form 10-Q of Legacy Disney for the quarter ended March 28, 2015
10.40	Second Amendment to the Disney Key Employees Retirement Savings Plan †	Exhibit 10.33 to the Form 10-K of the Company for the fiscal year ended October 2, 2021
10.41	Third Amendment to the Disney Key Employees Retirement Savings Plan †	Exhibit 10.9 to the Form 10-Q of the Company for the quarter ended January 1, 2022
10.42	Disney Executive Severance Pay Plan †	Exhibit 10.4 to the Current Report on Form 8-K of the Company filed February 3, 2026
10.43	21st Century Fox America Supplemental Executive Retirement Plan, as amended and restated †	Filed herewith

	Exhibit	Location
10.44	Group Personal Excess Liability Insurance Plan †	Exhibit 10.8 to the Form 10-Q of the Company for the quarter ended January 1, 2022
10.45	Form of Non-Qualified Stock Option Award Agreement †	Exhibit 10.2 to the Form 10-Q of the Company for the quarter ended January 2, 2021
10.46	Form of Non-Qualified Stock Option Award Agreement †	Exhibit 10.6 to the Form 10-Q of the Company for the quarter ended July 2, 2022
10.47	Form of Performance-Based Restricted Stock Unit Award Agreement (Three-Year Vesting subject to Total Shareholder Return/ROIC Tests) †	Exhibit 10.9 to the Form 10-Q of the Company for the quarter ended December 30, 2023
10.48	Form of Non-Qualified Stock Option Award Agreement †	Exhibit 10.12 to the Form 10-Q of Legacy Disney for the quarter ended December 29, 2018
10.49	Form of Non-Qualified Stock Option Award Agreement †	Exhibit 10.2 to the Form 10-Q of the Company for the quarter ended December 31, 2022
10.50	Form of Non-Qualified Stock Option Award Agreement †	Exhibit 10.8 to the Form 10-Q of the Company for the quarter ended December 30, 2023
10.51	Form of Restricted Stock Unit Award Agreement (Time-Based Vesting) †	Exhibit 10.3 to the Form 10-Q of the Company for the quarter ended December 31, 2022
10.52	Non-Qualified Stock Option Award Agreement for Robert A. Iger dated as of December 14, 2021 †	Exhibit 10.12 to the Form 10-Q of the Company for the quarter ended January 1, 2022
10.53	Form of Stock Option Awards Agreement †	Exhibit 10.60 to the Form 10-K of the Company for the fiscal year ended October 1, 2022
10.54	Form of Stock Option Awards Agreement †	Exhibit 10.61 to the Form 10-K of the Company for the fiscal year ended October 1, 2022
10.55	Form of Stock Option Awards Agreement †	Exhibit 10.62 to the Form 10-K of the Company for the fiscal year ended October 1, 2022
10.56	Form of Non-Qualified Stock Option Award Agreement †	Exhibit 10.1 to the Form 10-Q of the Company for the quarter ended December 28, 2024
10.57	Form of Restricted Stock Unit Award Agreement (Time-Based Vesting) †	Exhibit 10.2 to the Form 10-Q of the Company for the quarter ended December 28, 2024
10.58	Form of Performance-Based Restricted Stock Unit Award Agreement (Three-Year Vesting subject to ROIC/TSR/EPS Tests) †	Exhibit 10.3 to the Form 10-Q of the Company for the quarter ended December 28, 2024
10.59	Form of Non-Qualified Stock Option Award Agreement †	Exhibit 10.4 to the Form 10-Q of the Company for the quarter ended December 27, 2025
10.60	Form of Restricted Stock Unit Award Agreement (Time-Based Vesting) †	Exhibit 10.5 to the Form 10-Q of the Company for the quarter ended December 27, 2025
10.61	Form of Performance-Based Restricted Stock Unit Award Agreement †	Exhibit 10.6 to the Form 10-Q of the Company for the quarter ended December 27, 2025
10.62	Form of Non-Qualified Stock Option Award Agreement †	Exhibit 10.5 to the Form 10-Q of the Company for the quarter ended March 28, 2026
10.63	Form of Restricted Stock Unit Award Agreement (Time-Based Vesting) †	Exhibit 10.6 to the Form 10-Q of the Company for the quarter ended March 28, 2026
10.64	Form of Performance-Based Restricted Stock Unit Award Agreement †	Exhibit 10.7 to the Form 10-Q of the Company for the quarter ended March 28, 2026
10.65	Form of Restricted Stock Unit Award Agreement (Time-Based Vesting) †	Filed herewith
10.66	Form of Stock Option Award Agreement †	Filed herewith
10.67	Form of Performance-Based Restricted Stock Unit Award Agreement (Three-year Vesting subject to Total Shareholder Return/ROIC Tests) †	Filed herewith
10.68	Form of Performance-Based Restricted Stock Unit Award Agreement (Three-year Vesting subject to ROIC/TSR/EPS Tests) †	Filed herewith
10.69	Form of Performance-Based Restricted Stock Unit Award Agreement †	Filed herewith

	Exhibit	Location
10.70	Five-Year Credit Agreement dated as of March 1, 2024	Exhibit 10.2 to the Current Report on Form 8-K of the Company filed March 4, 2024
10.71	First Amendment, dated as of February 27, 2026, to the Five-Year Credit Agreement dated as of March 1, 2024, among The Walt Disney Company, TWDC Enterprises 18 Corp., the Lenders party thereto, and JPMorgan Chase Bank N.A. as designated agent	Exhibit 10.3 to the Current Report on Form 8-K of the Company filed March 3, 2026
10.72	Five-Year Credit Agreement dated as of February 27, 2026, among The Walt Disney Company, TWDC Enterprises 18 Corp., the Lenders party thereto, and JPMorgan Chase Bank, N.A., as designated agent	Exhibit 10.2 to the Current Report on Form 8-K of the Company filed March 3, 2026
10.73	364-Day Credit Agreement dated as of February 27, 2026, among The Walt Disney Company, TWDC Enterprises 18 Corp., the Lenders party thereto, and Citibank, N.A. as designated agent	Exhibit 10.1 to the Current Report on Form 8-K of the Company filed March 3, 2026
19	The Walt Disney Company and Associated Companies Insider Trading Compliance Policy and Program	Exhibit 19 to the Form 10-K of the Company for the fiscal year ended September 28, 2024
21	Subsidiaries of the Company	Filed herewith
22	List of Guarantor Subsidiaries	Filed herewith
23	Consent of PricewaterhouseCoopers LLP	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 herewith
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 herewith
97	The Walt Disney Company Clawback Policy	Exhibit 97 to the Form 10-K of the Company for the fiscal year ended September 28, 2024
101	The following materials from the Company's Annual Report on Form 10-K for the year ended October 3, 2026 formatted in Inline Extensible Business Reporting Language (iXBRL): (i) the Consolidated Statements of Income, (ii) the Consolidated Statements of Comprehensive Income, (iii) the Consolidated Balance Sheets, (iv) the Consolidated Statements of Cash Flows, (v) the Consolidated Statements of Shareholders' Equity and (vi) related notes	Filed herewith
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)	Filed herewith

* Certain schedules and exhibits have been omitted pursuant to Item 601(b)(2) of Regulation S-K. A copy of any omitted schedule or exhibit will be furnished supplementally to the SEC upon request.

** A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the SEC or its staff upon request.

† Management contract or compensatory plan or arrangement.

ITEM 16. Form 10-K Summary

None.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) 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)
Date:	November 17, 2026	By:	/s/ JOSHUA W. D'AMARO (Joshua W. D'Amaro Chief Executive Officer and Director)

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

Signature	Title	Date
Principal Executive Officer		
/s/ JOSHUA W. D'AMARO (Joshua W. D'Amaro)	Chief Executive Officer and Director	November 17, 2026
Principal Financial and Accounting Officers		
/s/ HUGH F. JOHNSTON (Hugh F. Johnston)	Senior Executive Vice President and Chief Financial Officer	November 17, 2026
/s/ BRENT A. WOODFORD (Brent A. Woodford)	Executive Vice President-Controllership, Financial Planning and Tax	November 17, 2026
Directors		
/s/ MARY T. BARRA (Mary T. Barra)	Director	November 17, 2026
/s/ AMY L. CHANG (Amy L. Chang)	Director	November 17, 2026
/s/ D. JEREMY DARROCH (D. Jeremy Darroch)	Director	November 17, 2026
/s/ CAROLYN N. EVERSON (Carolyn N. Everson)	Director	November 17, 2026
/s/ MICHAEL B.G. FROMAN (Michael B.G. Froman)	Director	November 17, 2026
/s/ JAMES P. GORMAN (James P. Gorman)	Chairman of the Board and Director	November 17, 2026
/s/ ROBERT A. IGER (Robert A. Iger)	Director	November 17, 2026
/s/ MARIA ELENA LAGOMASINO (Maria Elena Lagomasino)	Director	November 17, 2026
/s/ CALVIN R. MCDONALD (Calvin R. McDonald)	Director	November 17, 2026
/s/ DERICA W. RICE (Derica W. Rice)	Director	November 17, 2026
/s/ JEFFREY E. WILLIAMS (Jeffrey E. Williams)	Director	November 17, 2026

THE WALT DISNEY COMPANY AND SUBSIDIARIES
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All schedules are omitted for the reason that they are not applicable or the required information is included in the financial statements or notes.

MANAGEMENT'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

Management is responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined in Exchange Act Rule 13a-15(f). The Company's internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Internal control over financial reporting is designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements prepared for external purposes in accordance with generally accepted accounting principles. Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Under the supervision and with the participation of management, including our principal executive officer and principal financial officer, we conducted an evaluation of the effectiveness of our internal control over financial reporting based on the framework in *Internal Control - Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission in 2013. Based on our evaluation under the framework in *Internal Control - Integrated Framework,* management concluded that our internal control over financial reporting was effective as of October 3, 2026.

The effectiveness of our internal control over financial reporting as of October 3, 2026 has been audited by PricewaterhouseCoopers LLP, an independent registered public accounting firm, as stated in their report, which is included herein.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Shareholders of The Walt Disney Company

Opinions on the Financial Statements and Internal Control over Financial Reporting

We have audited the accompanying consolidated balance sheets of The Walt Disney Company and its subsidiaries (the "Company") as of October 3, 2026 and September 27, 2025, and the related consolidated statements of income, of comprehensive income, of shareholders' equity and of cash flows for each of the three years in the period ended October 3, 2026, including the related notes (collectively referred to as the "consolidated financial statements"). We also have audited the Company's internal control over financial reporting as of October 3, 2026, based on criteria established in Internal Control - Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Company as of October 3, 2026 and September 27, 2025, and the results of its operations and its cash flows for each of the three years in the period ended October 3, 2026 in conformity with accounting principles generally accepted in the United States of America. Also in our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of October 3, 2026, based on criteria established in Internal Control - Integrated Framework (2013) issued by the COSO.

Basis for Opinions

The Company's management is responsible for these consolidated financial statements, for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's Report on Internal Control over Financial Reporting. Our responsibility is to express opinions on the Company's consolidated financial statements and on the Company's internal control over financial reporting based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud, and whether effective internal control over financial reporting was maintained in all material respects.

Our audits of the consolidated financial statements included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audits also included performing such other procedures as we considered necessary in the circumstances. We believe that our audits provide a reasonable basis for our opinions.

Definition and Limitations of Internal Control over Financial Reporting

A company's internal control over financial reporting is a process designed 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. A company's internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Critical Audit Matters

The critical audit matter communicated below is a matter arising from the current period audit of the consolidated financial statements that was communicated or required to be communicated to the audit committee and that (i) relates to accounts or disclosures that are material to the consolidated financial statements and (ii) involved our especially challenging,

subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Amortization of Production Costs Predominantly Monetized as a Group

As described in Notes 2 and 7 to the consolidated financial statements, production costs that are predominantly monetized as a group (hereinafter referred to as "production costs") are amortized based on projected usage. For the year ended October 3, 2026, the Company recognized $6,625 million of amortization expense related to produced content that is predominantly monetized as a group.

The principal consideration for our determination that performing procedures relating to the amortization of production costs predominantly monetized as a group is a critical audit matter is a high degree of auditor effort in performing procedures related to the Company's amortization of production costs. Addressing the matter involved performing procedures and evaluating audit evidence in connection with forming our overall opinion on the consolidated financial statements. These procedures included testing the effectiveness of controls relating to the amortization of production costs, including controls over projected usage. These procedures also included, among others, (i) recalculating, on a sample basis, the amortization of production costs; (ii) evaluating, on a test basis, whether the amortization pattern for production costs is reasonable by considering historical viewership data for comparable groups; and (iii) testing the completeness and accuracy of the historical viewership data used to determine the projected usage for production costs.

/s/ PricewaterhouseCoopers LLP
Los Angeles, California
November 17, 2026

We have served as the Company's auditor since 1938.

CONSOLIDATED STATEMENTS OF INCOME
(in millions, except per share data)

	2026	2025	2024
Revenues:			
Services	**$ 91,854**	$ 84,588	$ 81,841
Products	**10,490**	9,837	9,520
Total revenues	**102,344**	94,425	91,361
Costs and expenses:			
Cost of services (exclusive of depreciation and amortization)	**(57,187)**	(52,677)	(52,509)
Cost of products (exclusive of depreciation and amortization)	**(6,243)**	(6,089)	(6,189)
Selling, general, administrative and other	**(16,812)**	(16,501)	(15,759)
Depreciation and amortization	**(5,605)**	(5,326)	(4,990)
Total costs and expenses	**(85,847)**	(80,593)	(79,447)
Restructuring and impairment charges	**(1,456)**	(819)	(3,595)
Other expense, net	**—**	—	(65)
Interest expense, net	**(1,157)**	(1,305)	(1,260)
Equity in the income of investees	**328**	295	575
Income before income taxes	**14,212**	12,003	7,569
Income taxes	**(3,564)**	1,428	(1,796)
Net income	**10,648**	13,431	5,773
Net income attributable to noncontrolling and redeemable noncontrolling interests	**(749)**	(1,027)	(801)
Net income attributable to The Walt Disney Company (Disney)	**$ 9,899**	$ 12,404	$ 4,972
Earnings per share attributable to Disney:			
Diluted	**$ 5.63**	$ 6.85	$ 2.72
Basic	**$ 5.64**	$ 6.88	$ 2.72
Weighted average number of common and common equivalent shares outstanding:			
Diluted	**1,759**	1,811	1,831
Basic	**1,754**	1,804	1,825

See Notes to Consolidated Financial Statements

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(in millions)

	2026	2025	2024
Net income	**$ 10,648**	$ 13,431	$ 5,773
Other comprehensive income (loss), net of tax:			
Market value adjustments, primarily for hedges	**298**	(181)	(443)
Pension and postretirement medical plan adjustments	**375**	257	(57)
Foreign currency translation and other	**(263)**	672	177
Other comprehensive income (loss)	**410**	748	(323)
Comprehensive income	**11,058**	14,179	5,450
Net income attributable to noncontrolling interests	**(749)**	(1,027)	(801)
Other comprehensive income (loss) attributable to noncontrolling interests	**(77)**	37	(84)
Comprehensive income attributable to Disney	**$ 10,232**	$ 13,189	$ 4,565

See Notes to Consolidated Financial Statements

CONSOLIDATED BALANCE SHEETS
(in millions, except share data)

	October 3, 2026	September 27, 2025
ASSETS		
Current assets		
Cash and cash equivalents	**$ 6,679**	$ 5,695
Receivables, net	**13,389**	13,217
Inventories	**2,190**	2,134
Content advances	**2,199**	2,063
Other current assets	**1,402**	1,158
Total current assets	**25,859**	24,267
Produced and licensed content costs	**30,537**	31,327
Investments	**6,266**	8,097
Parks, resorts and other property		
Attractions, buildings and equipment	**86,151**	82,041
Accumulated depreciation	**(47,921)**	(48,889)
	38,230	33,152
Projects in progress	**6,266**	6,911
Land	**1,214**	1,192
	45,710	41,255
Intangible assets, net	**9,473**	9,272
Goodwill	**74,700**	73,294
Other assets	**13,593**	10,002
Total assets	**$ 206,138**	$ 197,514
LIABILITIES AND EQUITY		
Current liabilities		
Accounts payable and other accrued liabilities	**$ 20,347**	$ 21,203
Current portion of borrowings	**7,331**	6,711
Deferred revenue and other	**7,229**	6,248
Total current liabilities	**34,907**	34,162
Borrowings	**37,142**	35,315
Deferred income taxes	**5,146**	3,524
Other long-term liabilities	**10,238**	9,901
Commitments and contingencies (Note 14)		
Equity		
Preferred stock	**—**	—
Common stock, $0.01 par value, Authorized – 4.6 billion shares, Issued – 1.9 billion shares	**63,049**	59,814
Retained earnings	**67,651**	60,410
Accumulated other comprehensive loss	**(2,581)**	(2,914)
Treasury stock, at cost, 165 million shares at October 3, 2026 and 79 million shares at September 27, 2025	**(16,519)**	(7,441)
Total Disney Shareholders' equity	**111,600**	109,869
Noncontrolling interests	**7,105**	4,743
Total equity	**118,705**	114,612
Total liabilities and equity	**$ 206,138**	$ 197,514

See Notes to Consolidated Financial Statements

CONSOLIDATED STATEMENTS OF CASH FLOWS
(in millions)

	2026	2025	2024
OPERATING ACTIVITIES			
Net income	**$ 10,648**	$ 13,431	$ 5,773
Depreciation and amortization	**5,605**	5,326	4,990
Impairments of goodwill, produced and licensed content and other assets	**1,012**	871	3,511
Deferred income taxes	**872**	(2,739)	(821)
Equity in the income of investees	**(328)**	(295)	(575)
Cash distributions received from equity investees	**206**	145	437
Net change in produced and licensed content costs and advances	**781**	577	1,046
Equity-based compensation	**1,645**	1,363	1,366
Other, net	**(27)**	(148)	(143)
Changes in operating assets and liabilities			
Receivables	**163**	(283)	(565)
Inventories	**(111)**	(114)	(42)
Other assets	**(891)**	(42)	265
Accounts payable and other liabilities	**972**	237	156
Income taxes	**(1,277)**	(228)	(1,427)
Cash provided by operations	**19,270**	18,101	13,971
INVESTING ACTIVITIES			
Investments in parks, resorts and other property	**(8,698)**	(8,024)	(5,412)
Proceeds from sales of investments	**1,280**	4	105
Acquisitions and purchase of investments, net	**(548)**	(98)	(1,506)
Other, net	**73**	75	(68)
Cash used in investing activities	**(7,893)**	(8,043)	(6,881)
FINANCING ACTIVITIES			
Commercial paper borrowings (payments), net	**2,164**	(943)	1,532
Borrowings	**5,075**	1,057	132
Reduction of borrowings	**(4,861)**	(3,735)	(3,064)
Dividends	**(2,634)**	(1,803)	(1,366)
Repurchases of common stock	**(9,000)**	(3,500)	(2,992)
Acquisition of redeemable noncontrolling interests	**—**	(439)	(8,610)
Other, net	**(1,043)**	(1,003)	(920)
Cash used in financing activities	**(10,299)**	(10,366)	(15,288)
Impact of exchange rates on cash, cash equivalents and restricted cash	**(34)**	5	65
Change in cash, cash equivalents and restricted cash	**1,044**	(303)	(8,133)
Cash, cash equivalents and restricted cash, beginning of year	**5,799**	6,102	14,235
Cash, cash equivalents and restricted cash, end of year	**$ 6,843**	$ 5,799	$ 6,102

See Notes to Consolidated Financial Statements

CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY
(in millions)

	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 30, 2023	1,830	$ 57,383	$ 46,093	$ (3,292)	$ (907)	$ 99,277	$ 4,680	$ 103,957
Comprehensive income (loss)	—	—	4,972	(407)	—	4,565	730	5,295
Equity compensation activity	10	1,195	—	—	—	1,195	—	1,195
Dividends	—	13	(1,379)	—	—	(1,366)	—	(1,366)
Common stock repurchases	(28)	—	—	—	(2,992)	(2,992)	—	(2,992)
Contributions	—	—	—	—	—	—	9	9
Distributions and other	—	1	36	—	(20)	17	(593)	(576)
Balance at September 28, 2024	1,812	$ 58,592	$ 49,722	$ (3,699)	$ (3,919)	$ 100,696	$ 4,826	$ 105,522
Comprehensive income	—	—	12,404	785	—	13,189	528	13,717
Equity compensation activity	12	1,200	—	—	—	1,200	—	1,200
Dividends	—	17	(1,820)	—	—	(1,803)	—	(1,803)
Common stock repurchases	(32)	—	—	—	(3,500)	(3,500)	—	(3,500)
Distributions and other	(1)	5	104	—	(22)	87	(611)	(524)
Balance at September 27, 2025	1,791	$ 59,814	$ 60,410	$ (2,914)	$ (7,441)	$ 109,869	$ 4,743	$ 114,612
Comprehensive income	—	—	9,899	333	—	10,232	826	11,058
Equity compensation activity	11	1,307	—	—	—	1,307	14	1,321
Dividends	—	32	(2,666)	—	—	(2,634)	—	(2,634)
Common stock repurchases	(86)	—	—	—	(9,000)	(9,000)	—	(9,000)
Fubo and NFL Transactions	—	1,922	—	—	—	1,922	1,954	3,876
Distributions and other	—	(26)	8	—	(78)	(96)	(432)	(528)
Balance at October 3, 2026	**1,716**	**$ 63,049**	**$ 67,651**	**$ (2,581)**	**$ (16,519)**	**$ 111,600**	**$ 7,105**	**$ 118,705**

(1) Shares are net of treasury shares.

(2) Excludes redeemable noncontrolling interest.

See Notes to Consolidated Financial Statements

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Tabular dollars in millions, except where noted and per share amounts)

1 *Description of the Business and Segment Information*

The Walt Disney Company, together with the subsidiaries through which businesses are conducted (the Company), is a diversified worldwide entertainment company with operations in three segments: Entertainment, Sports and Experiences.

The terms "Company", "we", "our" and "us" are used in this report to refer collectively to the parent company and the subsidiaries through which businesses are conducted.

DESCRIPTION OF THE BUSINESS

Entertainment

The Entertainment segment generally encompasses the Company's non-sports focused global film and episodic content production and distribution businesses.

Significant activities include the following:

- Streaming services
  - Subscription-video-on-demand (SVOD) services
    - Disney+: a global direct-to-consumer (DTC) service that primarily offers general entertainment and family programming
    - Hulu: a U.S. DTC service that primarily offers general entertainment programming
  - Virtual multi-channel video programming distributor (vMVPD) services
    - Hulu Live TV and Fubo: U.S. DTC services that include live linear streams of various cable and broadcast networks. FuboTV Inc. (FuboTV) is a U.S. publicly-traded company that operates Fubo and Hulu Live and in which the Company has an approximate 70% interest (see Note 4).
- Content sales
  - Television and video-on-demand (TV/VOD) distribution through the licensing of film and episodic content to third-party television networks, television stations and other video service providers, including other DTC services
  - Theatrical distribution
  - Home entertainment distribution through electronic home video licenses, video-on-demand rentals and licensing of physical (DVD/Blu-ray discs) distribution rights
- Linear networks
  - Domestic: ABC Television Network (ABC Network); Disney, Freeform, FX and National Geographic (owned 73% by the Company) branded television channels; and eight owned ABC television stations
  - International: Disney, FX and National Geographic (owned 73% by the Company) branded television channels

Entertainment also includes the following activities:

- Development, production and licensing of live entertainment events on Broadway and around the world (Stage Plays)
- Distribution of music in both digital and physical formats, as well as licensing of music in various forms of media, including: television, print, gaming and consumer products
- Post-production services by Industrial Light & Magic and Skywalker Sound
- National Geographic magazine (owned 73% by the Company)
- Intersegment allocation of revenues from the Experiences segment, which is meant to reflect royalties on consumer products merchandise licensing revenues generated on intellectual property (IP) created by the Entertainment segment
- A 50% equity investment in A+E Global Media (A+E), which develops and distributes content globally. On September 30, 2026, the Company sold its interest in A+E to an affiliate of Hearst Corporation for approximately $1.3 billion in cash. See Note 4.

The revenues of Entertainment are as follows:

- Subscription and affiliate fees - Fees charged to subscribers of our DTC streaming services and fees charged to multi-channel video programming distributors (i.e. cable, satellite and telecommunications providers and vMVPDs) (MVPDs) and other distributors for the right to deliver our programming to their customers. ABC Network also generates revenue from fees charged to affiliated television stations.
- Advertising - Sales of advertising time/space

- TV/VOD and home entertainment distribution
  - Licensing fees charged to third-party television networks, television stations and other video service providers, including other DTC services, for the right to distribute our film and episodic content
  - Electronic sales and rentals of film and episodic content through distributors
  - Fees from the licensing of physical (DVD/Blu-ray discs) distribution rights
- Theatrical distribution - Rentals from licensing our films to theaters
- Other revenue - Primarily consists of revenues from licensing our music, ticket sales from stage play performances, fees from licensing our IP for use in stage plays, sales of post-production services and the intersegment allocation of revenues from the Experiences segment, which is meant to reflect royalties on consumer products merchandise licensing revenues generated on IP created by the Entertainment segment

The expenses of Entertainment are as follows:

- Operating expenses, consisting of the following:
  - Programming and production costs, which include:
    - Amortization of capitalized production costs
    - Amortization of the costs of licensed programming rights
    - Subscriber-based fees for programming our vMVPD services, including fees paid by the Entertainment vMVPD services to the Sports and Entertainment linear networks for the right to air the networks on the Hulu Live TV and Fubo services
    - Production costs related to live programming (primarily news)
    - Participation and residual expenses
    - Fees paid to the Sports segment to program sports content on ABC Network and Disney+
  - Other operating expenses, which include technology support costs and distribution costs
- Selling, general and administrative costs, including marketing costs
- Depreciation and amortization

Sports

The Sports segment generally encompasses the Company's global sports-focused content production and distribution businesses.

Significant activities include the following:

- Domestic:
  - ESPN-branded television channels
  - ESPN DTC streaming service
  - ESPN on ABC (sports programmed on the ABC Network by ESPN)
  - NFL Network and the linear feed of NFL RedZone (See Note 4)
  - MLB.tv streaming service
- International: ESPN-branded channels outside of the U.S.
- Certain Sports content can be accessed through the Disney+ platform

The entities within the Sports segment are generally owned 72% by the Company (See Note 4).

The revenues of Sports are as follows:

- Subscription and affiliate fees
- Advertising
- Other revenue - Primarily consists of fees for programming ESPN on ABC and sports content on Disney+ and from sub-licensing of sports rights

The expenses of Sports are as follows:

- Operating expenses, consisting of programming and production costs and other operating expenses. Programming and production costs include amortization of licensed sports rights and production costs related to live sports and other sports-related programming. Other operating expenses include technology support costs and distribution costs.
- Selling, general and administrative costs, including marketing costs
- Depreciation and amortization

Experiences

Significant activities of the Experiences segment include:

Significant activities include the following:

- Parks & Experiences:
  - Domestic:
    - Theme parks and resorts:
      - Walt Disney World Resort in Florida
      - Disneyland Resort in California
    - Experiences:
      - Disney Cruise Line
      - Disney Vacation Club, including Aulani, a Disney Resort & Spa in Hawaii
      - National Geographic Expeditions (owned 73% by the Company) and Adventures by Disney
  - International:
    - Theme parks and resorts:
      - Disneyland Paris
      - Hong Kong Disneyland Resort (48% ownership interest and consolidated in our financial results)
      - Shanghai Disney Resort (43% ownership interest and consolidated in our financial results)
      - In addition, the Company licenses its IP to a third party that owns and operates Tokyo Disney Resort
- Consumer Products:
  - Merchandise Licensing, which includes the licensing of our trade names, characters, visual, literary and other IP to various manufacturers, game developers, publishers and retailers throughout the world, for use on merchandise, published materials and games
  - Branded Retail, which includes the direct sale of branded merchandise through online and retail locations
  - Publishing, which includes the development and publishing of books, comic books and magazines primarily sold through wholesalers (except National Geographic magazine, which is reported in Entertainment)

The revenues of Experiences are as follows:

- Theme park admissions - Sales of tickets for admission to our theme parks and for premium access to certain attractions
- Resorts and vacations - Sales of room nights at hotels, sales of cruise and other vacations and sales and rentals of vacation club properties
- Parks & Experiences merchandise, food and beverage - Sales of merchandise, food and beverages at our theme parks and resorts and cruise ships
- Merchandise licensing, branded retail and publishing:
  - Merchandise Licensing - Royalties from licensing our IP for use on consumer goods
  - Branded Retail - Sales of merchandise through internet shopping sites and at The Disney Store
  - Publishing - Sales of branded books, comic books and magazines to wholesalers
- Parks licensing and other - Primarily consists of revenues from sponsorships and co-branding opportunities, real estate rentals and sales and royalties earned on Tokyo Disney Resort revenues

The expenses of Experiences are as follows:

- Operating expenses, consisting of operating labor, infrastructure costs, costs of goods sold and distribution costs and other operating expenses. Infrastructure costs include technology support costs, repairs and maintenance, utilities and fuel, property taxes, retail occupancy costs, insurance and transportation. Other operating expenses include costs for such items as supplies, processing fees and entertainment offerings.
- Selling, general and administrative costs, including marketing costs

- Depreciation and amortization

India Joint Venture

The Company has a 37% interest in JioStar India Private Limited (JioStar), which operates branded general entertainment and sports channels and DTC services primarily in India (see Note 4 for discussion of the Star India Transaction). The Company's share of JioStar's results are reported in "Equity in the income of investees" in the Company's Consolidated Statement of Income.

SEGMENT INFORMATION

Our operating segments report separate financial information, including segment revenues and operating income, which is evaluated regularly by the Chief Executive Officer, the Chief Operating Decision Maker (CODM), to allocate resources and to assess performance by monitoring results against those set out in our planning processes. We do not present a measure of total assets for our reportable segments as this information is not used by the CODM to allocate resources and assess performance.

Beginning with our fiscal 2027 reporting, Merchandise Licensing and Publishing, currently reported within Experiences, will be reported within Entertainment.

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.

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:

	2026	2025	2024
Revenues			
Entertainment			
Third parties	**$ 45,904**	$ 42,018	$ 40,775
Amounts eliminated in consolidation	**658**	448	411
	46,562	42,466	41,186
Sports			
Third parties	**16,874**	16,251	16,435
Amounts eliminated in consolidation	**1,758**	1,421	1,184
	18,632	17,672	17,619
Experiences	**39,566**	36,156	34,151
Eliminations	**(2,416)**	(1,869)	(1,595)
Total revenues	**$ 102,344**	$ 94,425	$ 91,361
Segment operating income			
Entertainment	**$ 5,443**	$ 4,674	$ 3,923
Sports	**3,094**	2,882	2,406
Experiences	**11,191**	9,995	9,272
Total segment operating income[1]	**$ 19,728**	$ 17,551	$ 15,601

(1) Equity in the income of investees included in segment operating income and a reconciliation to total equity in the income of investees are as follows:

	2026	2025	2024
Entertainment	**$ 408**	$ 439	$ 529
Sports	**78**	67	58
Equity in the income of investees included in segment operating income	**486**	506	587
Equity in the loss of India joint venture	**(158)**	(202)	—
Acquisition Amortization related to an equity investee	**—**	(9)	(12)
Equity in the income of investees	**$ 328**	$ 295	$ 575

Supplemental information about significant segment expenses	**2026**	2025	2024
Entertainment			
Programming and production costs[4]	**$ 24,821**	$ 22,273	$ 22,385
Other segment operating expenses[1]	**5,889**	5,400	5,347
Selling, general, administrative and other	**9,900**	9,733	9,326
Depreciation and amortization	**917**	825	734
Total Entertainment costs and expenses	**41,527**	38,231	37,792
Sports			
Programming and production costs[4]	**13,091**	12,492	12,983
Other segment operating expenses[2]	**1,035**	986	951
Selling, general, administrative and other	**1,375**	1,331	1,298
Depreciation and amortization	**115**	48	39
Total Sports costs and expenses	**15,616**	14,857	15,271
Experiences			
Operating labor	**9,586**	8,948	8,392
Infrastructure costs	**3,742**	3,511	3,363
Costs of goods sold and distribution costs	**3,360**	3,253	3,319
Other segment operating expenses[3]	**4,064**	3,512	3,282
Selling, general, administrative and other	**4,403**	4,114	3,944
Depreciation and amortization	**3,220**	2,823	2,579
Total Experiences costs and expenses	**28,375**	26,161	24,879
Eliminations[4]	**(2,416)**	(1,869)	(1,595)
Corporate and unallocated shared expenses	**1,461**	1,646	1,435
Acquisition Amortization[5]	**1,284**	1,567	1,665
Total costs and expenses	**$ 85,847**	$ 80,593	$ 79,447

(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, commissions and entertainment offerings.

(4) Includes fees paid by (a) the Entertainment vMVPD services to the Sports and Entertainment linear networks for the right to air the networks on Hulu Live TV and Fubo services and (b) the Entertainment segment to the Sports segment to program sports content on ABC Network and Disney+, both of which are eliminated in total costs and expenses.

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

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

	2026	2025	2024
Segment operating income	**$ 19,728**	$ 17,551	$ 15,601
Corporate and unallocated shared expenses	**(1,461)**	(1,646)	(1,435)
Equity in the loss of India joint venture	**(158)**	(202)	—
Restructuring and impairment charges[1]	**(1,456)**	(819)	(3,595)
Other expense, net[2]	**—**	—	(65)
Interest expense, net	**(1,157)**	(1,305)	(1,260)
Acquisition Amortization[3]	**(1,284)**	(1,576)	(1,677)
Income before income taxes	**$ 14,212**	$ 12,003	$ 7,569

(1) See Note 18 for a discussion of amounts in restructuring and impairment charges

(2) "Other expense, net" for fiscal 2024 includes charges related to a legal ruling.

(3) Acquisition Amortization is as follows:

	2026	2025	2024
Amortization of intangible assets	**$ 1,026**	$ 1,307	$ 1,394
Step-up of film and television costs	**258**	260	271
Intangibles related to an equity invest investee	**—**	9	12
	$ 1,284	$ 1,576	$ 1,677

Capital expenditures, depreciation expense and amortization of intangible assets are as follows:

Capital expenditures	2026	2025	2024
Entertainment and Sports[1]	**$ 1,300**	$ 1,158	$ 987
Experiences			
Domestic	**5,657**	5,271	2,710
International	**1,431**	1,158	949
Corporate	**310**	437	766
Total capital expenditures	**$ 8,698**	$ 8,024	$ 5,412
Depreciation expense			
Entertainment	**$ 865**	$ 773	$ 681
Sports	**115**	48	39
Experiences			
Domestic	**2,236**	1,933	1,744
International	**876**	782	726
Amounts included in segment operating income	**3,112**	2,715	2,470
Corporate	**327**	323	244
Total depreciation expense	**$ 4,419**	$ 3,859	$ 3,434
Amortization of intangible assets			
Entertainment	**$ 52**	$ 52	$ 53
Experiences	**108**	108	109
Amounts included in segment operating income	**160**	160	162
Acquisition Amortization - intangible assets	**1,026**	1,307	1,394
Total amortization of intangible assets	**$ 1,186**	$ 1,467	$ 1,556

(1) In general, spend benefits both the Entertainment and Sports segments.

Long-lived assets[1] by geographical markets are as follows:

	October 3, 2026	September 27, 2025
Americas[2]	**$ 63,474**	$ 61,888
Europe	**15,638**	13,227
Asia Pacific	**11,018**	10,799
	$ 90,130	$ 85,914

(1) Long-lived assets are primarily parks, resorts and other property, produced and licensed content costs, right-of-use lease assets, equity method investments and benefit plans in a net asset position.

(2) Almost entirely U.S. assets at both October 3, 2026 and September 27, 2025.

2 *Summary of Significant Accounting Policies*

Principles of Consolidation

The consolidated financial statements of the Company include the accounts of The Walt Disney Company and its majority-owned or controlled subsidiaries. Intercompany accounts and transactions have been eliminated in consolidation.

The Company enters into relationships with or makes investments in other entities that may be variable interest entities (VIE). A VIE is consolidated in the 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) 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.

Reporting Period

The Company's fiscal year ends on the Saturday closest to September 30 and consists of fifty-two weeks with the exception that approximately every six years, we have a fifty-three week year. When a fifty-three week year occurs, the Company reports the additional week in the fourth quarter. Fiscal 2025 and 2024 were fifty-two week years. Fiscal 2026 is a fifty-three week year, which began on September 28, 2025 and ended on October 3, 2026.

Reclassifications

Certain reclassifications have been made in the fiscal 2025 and fiscal 2024 financial statements and notes to conform to the fiscal 2026 presentation.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles 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.

Revenues and Costs from Services and Products

The Company generates revenue from the sale of both services and tangible products and revenues and operating costs are classified under these two categories in the Consolidated Statements of Income. Certain costs related to both the sale of services and tangible products are not specifically allocated between the service or tangible product revenue streams but are instead attributed to the principal revenue stream. The cost of services and tangible products exclude depreciation and amortization.

Significant service revenues include:

- Subscription and affiliate fees
- Advertising revenues
- Admissions to our theme parks, charges for room nights at hotels and sales of cruise vacation packages
- Revenue from the licensing and distribution of film and television properties
- Royalties from licensing our IP for use on consumer goods, published materials and in multi-platform games

Significant operating costs related to the sale of services include:

- Programming and production costs
- Distribution costs
- Operating labor
- Facilities and infrastructure costs

Significant tangible product revenues include:

- The sale of food, beverages and merchandise
- The sale of books, comic books and magazines

Significant operating costs related to the sale of tangible products include:

- Costs of goods sold
- Operating labor
- Distribution costs
- Retail occupancy costs

Revenue Recognition

The Company's revenue recognition policies are as follows:

- Subscription fees are recognized ratably over the term of the subscription.
- Affiliate fees are recognized as the programming is provided based on contractually specified per subscriber rates and the actual number of the affiliate's customers receiving the programming. For affiliate contracts with fixed license fees, the fees are recognized ratably over the contract term. If an affiliate contract includes a minimum guaranteed license fee, the guaranteed license fee is recognized ratably over the guaranteed period and any fees earned in excess of the guarantee are recognized as earned once the minimum guarantee has been exceeded. Affiliate agreements may also include a license to use the network programming for on demand viewing. As the fees charged under these contracts are generally based on a contractually specified per subscriber rate for the number of underlying subscribers of the affiliate, revenues are recognized as earned.
- Advertising sales are recognized as revenue, net of agency commissions, when commercials are aired. For contracts that contain a guaranteed number of impressions, revenue is recognized based on impressions delivered. When the guaranteed number of impressions is not met ("ratings shortfall"), revenue is not recognized for the ratings shortfall until the additional impressions are delivered.
- Theme park admissions are recognized when the tickets are used. Sales of annual passes are recognized ratably over the period for which the pass is available for use.
- Resorts and vacations sales are recognized as revenue as the services are provided. Sales of vacation club properties are recognized as revenue upon the later of when title transfers to the customer or when construction activity is deemed complete.
- Merchandise, food and beverage sales are recognized at the time of sale. Sales from our branded internet shopping sites and to wholesalers are recognized upon delivery. We estimate returns and customer incentives based upon historical return experience, current economic trends and projections of consumer demand for our products.
- Merchandise licensing fees are recognized as revenue as earned based on the contractual royalty rate applied to the licensee's underlying product sales. For licenses with minimum guaranteed license fees, the excess of the minimum guaranteed amount over actual royalties earned ("shortfall") is recognized straight-line over the remaining license period once an expected shortfall is probable.
- TV/VOD distribution fixed license fees are recognized as revenue when the content is available for use by the licensee. License fees based on the underlying sales of the licensee are recognized as revenue based on the contractual royalty rate applied to the licensee sales.

  For TV/VOD licenses that include multiple titles with a fixed license fee across all titles, each title is considered a separate performance obligation. The fixed license fee is allocated to each title at contract inception and the allocated license fee is recognized as revenue when the title is available for use by the licensee.

  When the license contains a minimum guaranteed license fee across all titles, the license fees earned by titles in excess of their allocated amount are deferred until the minimum guaranteed license fee across all titles is exceeded. Once the minimum guaranteed license fee is exceeded, revenue is recognized as earned based on the licensee's underlying sales.

  TV/VOD distribution contracts may limit the licensee's use of a title to certain defined periods of time during the contract term. In these instances, each period of availability is generally considered a separate performance obligation. For these contracts, the fixed license fee is allocated to each period of availability at contract inception based on

relative standalone selling price using management's best estimate. Revenue is recognized at the start of each availability period when the content is made available for use by the licensee.

When the term of an existing agreement is renewed or extended, revenues related to the renewal period or extension are recognized when the licensed content becomes available under the renewal or extension.

- Theatrical distribution licensing fees are recognized as revenue based on the contractual royalty rate applied to the distributor's underlying sales from exhibition of the film.
- Home entertainment sales in electronic formats are recognized as revenue when the content is available for use by the consumer. Fees from the licensing of physical home entertainment distribution rights are recognized as revenue as earned based on the contractual royalty rate applied to the licensee's underlying product sales.
- Taxes collected from customers and remitted to governmental authorities are excluded from revenue.
- Shipping and handling fees collected from customers are recorded as revenue and the related shipping expenses are recorded in cost of products upon delivery of the product to the consumer.

Allowance for Credit Losses

We evaluate our allowance for credit losses and estimate collectability of current and non-current accounts receivable based on historical bad debt experience, our assessment of the financial condition of individual companies with which we do business, current market conditions and reasonable supportable forecasts of future economic conditions.

Advertising Expense

Advertising costs are expensed as incurred. Advertising expense for fiscal 2026, 2025 and 2024 was $6.8 billion, $6.5 billion and $6.1 billion, respectively. The increase in advertising expense for fiscal 2026 compared to fiscal 2025 was due to an increase in theatrical marketing costs and the Fubo Transaction. The increase in advertising expense for fiscal 2025 compared to fiscal 2024 was due to an increase in theatrical marketing costs.

Cash and Cash Equivalents

Cash and cash equivalents consist of cash on hand and marketable securities with original maturities of three months or less. Cash and cash equivalents subject to contractual restrictions and not readily available are classified as restricted cash.

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

	October 3, 2026	September 27, 2025	September 28, 2024
Cash and cash equivalents	**$ 6,679**	$ 5,695	$ 6,002
Restricted cash included in:			
Other current assets	**55**	—	—
Other assets	**109**	104	100
Total cash, cash equivalents and restricted cash in the statement of cash flows	**$ 6,843**	$ 5,799	$ 6,102

Investments

Investments in equity securities with a readily determinable fair value, not accounted for under the equity method, are recorded at that value with unrealized gains and losses included in earnings. For equity securities without a readily determinable fair value, the investment is recorded at cost, less any impairment, plus or minus adjustments related to observable transactions for the same or similar securities, with unrealized gains and losses included in earnings.

For equity method investments, the Company regularly reviews its investments to determine whether there is a decline in fair value below book value. If there is a decline that is other-than-temporary, the investment is written down to fair value.

Translation Policy

Generally, the U.S. dollar is the functional currency for our international film and episodic content distribution and licensing businesses and the branded international channels and DTC streaming services. Generally, the local currency is the functional currency for the Asia Theme Parks, Disneyland Paris, international sports channels and international locations of The Disney Store.

For U.S. dollar functional currency locations, foreign currency assets and liabilities are remeasured into U.S. dollars at end-of-period exchange rates, except for non-monetary balance sheet accounts, which are remeasured at historical exchange rates. Revenue and expenses are remeasured at average exchange rates in effect during each period, except for those revenues and expenses related to the non-monetary balance sheet amounts, which are remeasured at historical exchange rates. Gains or losses from foreign currency remeasurement are included in income.

For local currency functional locations, assets and liabilities are translated at end-of-period rates while revenues and expenses are translated at average rates in effect during the period. Equity is translated at historical rates and the resulting cumulative translation adjustments are included as a component of accumulated other comprehensive income (loss) (AOCI).

Inventories

Inventory primarily includes vacation timeshare units, merchandise, food, materials and supplies. Carrying amounts of vacation ownership units are recorded at the lower of cost or net realizable value. Carrying amounts of merchandise, food, materials and supplies inventories are generally determined on a moving average cost basis and are recorded at the lower of cost or net realizable value.

Film and Television Content Costs

The Company classifies its capitalized produced and acquired/licensed content costs as long-term assets ("Produced and licensed content costs" in the Consolidated Balance Sheet) and classifies advances for live programming rights made prior to the live event as short-term assets ("Content advances" in the Consolidated Balance Sheet). For produced content, we capitalize all direct costs incurred in the physical production of a film, as well as allocations of production overhead and capitalized interest. For licensed and acquired content, we capitalize the license fee or acquisition cost, respectively. For purposes of amortization and impairment, the capitalized content costs are classified based on their predominant monetization strategy as follows:

- Individual - lifetime value is predominantly derived from third-party revenues that are directly attributable to the specific film or television title (e.g. theatrical revenues or sales to third-party television programmers)
- Group - lifetime value is predominantly derived from third-party revenues that are attributable only to a bundle of titles (e.g. subscription revenue for a DTC service or affiliate fees for a cable television network)

The determination of the predominant monetization strategy is made at commencement of production based on the means by which we derive third-party revenues from use of the content. Imputed title by title license fees that may be necessary for other purposes are established as required for those purposes.

We generally classify content that is initially intended for use on our DTC streaming services or linear networks as group assets. We generally classify content initially intended for theatrical release or for sale to third-party licensees as individual assets. The classification of content as individual or group only changes if there is a significant change to the title's monetization strategy relative to its initial assessment (e.g. content that was initially intended for license to a third party is instead used on an owned DTC service). When there is a significant change in monetization strategy, the title's capitalized content costs are tested for impairment.

Production costs for content that is predominantly monetized individually are amortized based upon the ratio of the current period's revenues to the estimated remaining total revenues (Ultimate Revenues). For film productions, Ultimate Revenues include revenues from all sources that will be earned within ten years from the date of the initial theatrical release, including imputed license fees for content that is used on our DTC streaming services. For episodic series that are classified as individual, Ultimate Revenues include revenues that will be earned within ten years, including imputed license fees for content that is used on our DTC streaming services, from delivery of the first episode, or if still in production, five years from delivery of the most recent episode, if later. Participations and residuals are expensed over the applicable product life cycle based upon the ratio of the current period's revenues to the estimated remaining total revenues for each production.

Production costs that are predominantly monetized as a group are amortized based on projected usage, generally resulting in an accelerated or straight-line amortization pattern. Adjustments to projected usage are applied prospectively in the period of the change. Participations and residuals are generally expensed in line with the pattern of usage.

Licensed rights to film and television content and other programs are expensed on an accelerated or straight-line basis over their useful life or over the number of times the program is expected to be aired, as appropriate. We amortize rights costs for multi-year sports programming arrangements during the applicable seasons based on the estimated relative value of each year in the arrangement. If annual contractual payments related to each season approximate each season's estimated relative value, we expense the related contractual payments during the applicable season.

Acquired film and television libraries are generally amortized on a straight-line basis over 20 years from the date of acquisition. Acquired film and television libraries include content that was initially released three or more years prior to its acquisition, except it excludes the prior seasons of episodic programming still in production at the date of its acquisition.

Amortization of capitalized costs for produced content begins in the month the content is first released, while amortization of capitalized costs for licensed content commences when the license period begins and the content is first aired or available for use on our DTC services. Amortization of content assets is primarily included in "Cost of services" in the Consolidated Statements of Income.

The costs of produced and licensed film and television content are subject to regular recoverability assessments. Production costs for content that is predominantly monetized individually are tested for impairment at the individual title level by comparing that title's unamortized costs to the estimated present value of discounted cash flows directly attributable to the title. To the extent the title's unamortized costs exceed the present value of discounted cash flows, an impairment charge is recorded for the excess. Cost of content that is predominantly monetized as a group is tested for impairment by comparing the present value of the discounted cash flows of the group to the aggregate unamortized costs of the group. The group is established by identifying the lowest level for which cash flows are independent of the cash flows of other produced and licensed content. If the unamortized costs exceed the present value of discounted cash flows, an impairment charge is recorded for the excess and allocated to individual titles based on the relative carrying value of each title in the group. If there are no plans to continue to use an individual film or television program that is part of a group, the unamortized cost of the individual title is written down to its estimated fair value. Licensed content is included as part of the group within which it is monetized for purposes of impairment testing.

Content Production Incentives

The Company receives tax incentives from U.S. (state and local) and foreign government agencies to encourage the production of film, episodic and streaming content. The incentives are largely received as tax credits, which are recognized as a reduction to produced and licensed content costs when there is reasonable assurance of collection (presented as "Produced and licensed content costs" in the Consolidated Balance Sheets), resulting in a reduction to programming and production costs (presented as "Cost of services" in the Consolidated Statements of Income) over the asset's amortization period.

Internal-Use Software Costs

The Company expenses costs incurred in the preliminary project stage of developing or acquiring internal use software, such as research and feasibility studies as well as costs incurred in the post-implementation/operational stage, such as maintenance and training. Capitalization of software development costs occurs only after the preliminary-project stage is complete, management authorizes the project and it is probable that the project will be completed and the software will be used for the function intended. As of October 3, 2026 and September 27, 2025, capitalized software costs, net of accumulated amortization, totaled $1.7 billion and $1.2 billion, respectively. The capitalized costs are amortized on a straight-line basis over the estimated useful life of the software, generally up to 5 years.

Parks, Resorts and Other Property

Parks, resorts and other property are carried at historical cost. Depreciation is computed on the straight-line method, generally over the following estimated useful lives:

Attractions, buildings and improvements	20 – 40 years
Furniture, fixtures and equipment	3 – 25 years
Land improvements	20 – 40 years
Leasehold improvements	Life of lease or asset life if less

Leases

The Company determines whether a contract is a lease at contract inception or for a modified contract at the modification date. At inception or modification, the Company calculates the present value of operating lease payments using the Company's incremental borrowing rate applicable to the lease, which is determined by estimating what it would cost the Company to borrow a collateralized amount equal to the total lease payments over the lease term based on the contractual terms of the lease and the location of the leased asset. Our leases may require us to make fixed rental payments, variable lease payments based on usage or sales and fixed non-lease costs relating to the leased asset. Variable lease payments are generally not included in the measurement of the right-of-use asset and lease liability. Fixed non-lease costs, for example common-area maintenance costs, are included in the measurement of the right-of-use asset and lease liability as the Company does not separate lease and non-lease components.

Goodwill, Other Intangible Assets and Long-Lived Assets

The Company is required to test goodwill and other indefinite-lived intangible assets for impairment on an annual basis and if current events or circumstances require, on an interim basis. The Company performs its annual test of goodwill and indefinite-lived intangible assets for impairment in its fiscal fourth quarter.

Goodwill is allocated to various reporting units, which are an operating segment or one level below the operating segment. To test goodwill for impairment, the Company first performs a qualitative assessment to determine if it is more likely than not that the carrying amount of a reporting unit exceeds its fair value. If it is, a quantitative assessment is required. Alternatively, the Company may bypass the qualitative assessment and perform a quantitative impairment test.

The qualitative assessment requires the consideration of factors such as recent market transactions, macroeconomic conditions and changes in projected future cash flows of the reporting unit.

The quantitative assessment compares the fair value of each goodwill reporting unit to its carrying amount, and to the extent the carrying amount exceeds the fair value, an impairment of goodwill is recognized for the excess up to the amount of goodwill allocated to the reporting unit.

The impairment test for goodwill requires judgment related to the identification of reporting units, the assignment of assets and liabilities to reporting units including goodwill and the determination of fair value of the reporting units.

When performing a quantitative assessment, we generally use a present value technique (discounted cash flows) corroborated by market multiples when available and as appropriate to determine the fair value of our reporting units. The discounted cash flow analyses are sensitive to our estimated projected future cash flows as well as the discount rates used to calculate their present value. Our future cash flows are based on internal forecasts for each reporting unit, which consider projected inflation and other economic indicators, as well as industry growth projections. Significant judgments and assumptions in the discounted cash flow model relate to projections of future revenues and certain operating expenses, operating margins, terminal growth rates and discount rates. Discount rates for each reporting unit are determined based on the inherent risks of each reporting unit's underlying operations. We believe our estimates are consistent with how a marketplace participant would value our reporting units. If we had established different reporting units or utilized different valuation methodologies or assumptions, the impairment test results could differ.

In fiscal 2026, the Company performed a qualitative assessment of goodwill for impairment for all reporting units. Based on these assessments, we concluded that it was more likely than not that the estimated fair values of our reporting units were higher than their carrying values and that the performance of a quantitative impairment test was not required.

To test other indefinite-lived intangible assets for impairment, the Company first performs a qualitative assessment to determine if it is more likely than not that the carrying amount of each of its indefinite-lived intangible assets exceeds its fair value. If it is, a quantitative assessment is required. Alternatively, the Company may bypass the qualitative assessment and perform a quantitative impairment test.

The qualitative assessment requires the consideration of factors such as recent market transactions, macroeconomic conditions and changes in projected future cash flows.

The quantitative assessment compares the fair value of an indefinite-lived intangible asset to its carrying amount. If the carrying amount of an indefinite-lived intangible asset exceeds its fair value, an impairment loss is recognized for the excess. Fair values of indefinite-lived intangible assets are determined based on discounted cash flows or appraised values, as appropriate. The Company has determined that there are currently no legal, competitive, economic or other factors that materially limit the useful life of our trademarks and FCC licenses, which are our most significant indefinite-lived intangible assets. Also see Note 14 regarding the FCC's early license renewal order and the Company's lawsuit against the FCC.

In fiscal 2026, the Company performed a qualitative assessment of indefinite-lived intangibles for impairment. Based on this assessment, we concluded that it was more likely than not that the estimated fair values of our intangible assets were higher than their carrying values and that the performance of a quantitative impairment test was not required.

Finite-lived intangible assets are generally amortized on a straight-line basis over periods of 5 to 40 years. The costs to periodically renew our intangible assets are expensed as incurred.

The Company expects its aggregate annual amortization expense for finite-lived intangible assets for fiscal 2027 through 2031 to be as follows:

2027	$	1,172
2028		1,030
2029		961
2030		689
2031		454

The Company tests long-lived assets, including amortizable intangible assets, for impairment whenever events or changes in circumstances (triggering events) indicate that the carrying amount may not be recoverable. Once a triggering event has occurred, the impairment test employed is based on whether the Company's intent is to hold the asset for continued use or to hold the asset for sale. The impairment test for assets held for use requires a comparison of the estimated undiscounted future cash flows expected to be generated over the useful life of the significant assets of an asset group to the carrying amount of the asset group. An asset group is generally established by identifying the lowest level of cash flows generated by a group of assets that are largely independent of the cash flows of other assets and could include assets used across multiple businesses. If the

carrying amount of an asset group exceeds the estimated undiscounted future cash flows, an impairment would be measured as the difference between the fair value of the asset group and the carrying amount of the asset group. For assets held for sale, to the extent the carrying amount is greater than the asset's fair value less costs to sell, an impairment loss is recognized for the difference.

The Company recorded non-cash impairment charges in fiscal 2026, 2025 and 2024 that are further described in Note 18.

Financial Risk Management Contracts

In the normal course of business, the Company employs a variety of financial instruments (derivatives) including interest rate and cross-currency swap agreements and forward and option contracts to manage its exposure to fluctuations in interest rates, foreign currency exchange rates and commodity prices.

The Company formally documents all relationships between hedges and hedged items as well as its risk management objectives and strategies for undertaking various hedge transactions. The Company primarily enters into two types of derivatives: hedges of fair value exposure and hedges of cash flow exposure. Hedges of fair value exposure are entered into in order to hedge the fair value of a recognized asset, liability, or a firm commitment. Hedges of cash flow exposure are entered into in order to hedge a forecasted transaction (e.g. forecasted revenue) or the variability of cash flows to be paid or received, related to a recognized liability or asset (e.g. floating-rate debt).

The Company designates and assigns the derivatives as hedges of forecasted transactions, specific assets or specific liabilities. When hedged assets or liabilities are sold or extinguished or the forecasted transactions being hedged impact earnings or are no longer expected to occur, the Company recognizes the gain or loss on the designated derivatives.

The Company's hedge positions are measured at fair value on the balance sheet. Realized gains and losses from hedges are classified in the income statement consistent with the accounting treatment of the items being hedged. The Company accrues the differential for interest rate swaps to be paid or received under the agreements as interest rates change as adjustments to interest expense over the lives of the swaps. Gains and losses on the termination of effective swap agreements, prior to their original maturity, are deferred and amortized to interest expense over the remaining term of the underlying hedged transactions.

The Company enters into derivatives that are not designated as hedges and do not qualify for hedge accounting. These derivatives are intended to offset certain economic exposures of the Company and are carried at fair value with changes in value recorded in earnings. Cash flows from hedging activities are classified in the Consolidated Statements of Cash Flows under the same category as the cash flows from the related assets, liabilities or forecasted transactions (see Notes 8 and 17).

Income Taxes

Deferred income tax assets and liabilities are recorded with respect to temporary differences in the accounting treatment of items for financial reporting purposes and for income tax purposes. Where, based on the weight of available evidence, it is more likely than not that some amount of recorded deferred tax assets will not be realized, a valuation allowance is established for the amount that, in management's judgment, is sufficient to reduce the deferred tax asset to an amount that is more likely than not to be realized.

A tax position must meet a minimum probability threshold before a financial statement benefit is recognized. The minimum threshold is defined as a tax position that is more likely than not to be sustained upon examination by the applicable taxing authority, including resolution of any related appeals or litigation processes, based on the technical merits of the position. The tax benefit to be recognized is measured as the largest amount of benefit that is greater than fifty percent likely of being realized upon ultimate settlement.

Earnings Per Share

The Company presents both basic and diluted earnings per share (EPS) amounts. Basic EPS is calculated by dividing net income attributable to Disney by the weighted average number of common shares outstanding during the year. Diluted EPS is based upon the weighted average number of common and common equivalent shares outstanding during the year, which is calculated using the treasury-stock method for equity-based awards (Awards). Common equivalent shares are excluded from the computation in periods for which they have an anti-dilutive effect. Stock options for which the exercise price exceeds the average market price over the period are anti-dilutive and, accordingly, are excluded from the calculation.

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:

	2026	2025	2024
Weighted average number of common and common equivalent shares outstanding (basic)	**1,754**	1,804	1,825
Weighted average dilutive impact of Awards	**5**	7	6
Weighted average number of common and common equivalent shares outstanding (diluted)	**1,759**	1,811	1,831
Awards excluded from diluted earnings per share	**14**	13	24

3 *Revenues*

The following table presents our revenues by segment and source:

	2026				
	Entertainment	Sports	Experiences	Eliminations	Total
Subscription and affiliate fees	$ 30,680	$ 12,798	$ —	$ (1,789)	**$ 41,689**
Theme park admissions	—	—	12,709	—	**12,709**
Advertising	6,761	4,768	—	—	**11,529**
Resort and vacations	—	—	10,544	—	**10,544**
Retail and wholesale sales of merchandise, food and beverage	—	—	10,329	—	**10,329**
Content sales	6,735	60	—	—	**6,795**
Merchandise licensing	678	—	3,440	—	**4,118**
Other	1,708	1,006	2,544	(627)	**4,631**
	$ 46,562	$ 18,632	$ 39,566	$ (2,416)	**$ 102,344**

	2025				
	Entertainment	Sports	Experiences	Eliminations	Total
Subscription and affiliate fees	$ 27,120	$ 11,944	$ —	$ (1,285)	$ 37,779
Theme park admissions	—	—	11,707	—	11,707
Advertising	6,679	4,444	—	—	11,123
Resort and vacations	—	—	9,210	—	9,210
Retail and wholesale sales of merchandise, food and beverage	—	—	9,642	—	9,642
Content sales	6,099	267	—	—	6,366
Merchandise licensing	643	—	3,236	—	3,879
Other	1,925	1,017	2,361	(584)	4,719
	$ 42,466	$ 17,672	$ 36,156	$ (1,869)	$ 94,425

	2024				
	Entertainment	Sports	Experiences	Eliminations	Total
Subscription and affiliate fees	$ 25,668	$ 12,068	$ —	$ (1,183)	$ 36,553
Theme park admissions	—	—	11,171	—	11,171
Advertising	7,506	4,388	—	—	11,894
Resort and vacations	—	—	8,375	—	8,375
Retail and wholesale sales of merchandise, food and beverage	—	—	9,204	—	9,204
Content sales	5,317	305	—	—	5,622
Merchandise licensing	642	—	3,142	—	3,784
Other	2,053	858	2,259	(412)	4,758
	$ 41,186	$ 17,619	$ 34,151	$ (1,595)	$ 91,361

The following table presents our revenues by segment and primary geographical markets, which is generally based on where rights have been granted for exploitation or the physical location of the revenue-generating activity, as applicable:

	2026				
	Entertainment	Sports	Experiences	Eliminations	Total
Americas[1]	$ 36,526	$ 18,253	$ 29,708	$ (2,416)	$ 82,071
Europe	7,236	301	4,951	—	12,488
Asia Pacific	2,800	78	4,907	—	7,785
	$ 46,562	$ 18,632	$ 39,566	$ (2,416)	$ 102,344

	2025				
	Entertainment	Sports	Experiences	Eliminations	Total
Americas[1]	$ 33,815	$ 17,266	$ 27,218	$ (1,869)	$ 76,430
Europe	6,317	292	4,481	—	11,090
Asia Pacific	2,334	114	4,457	—	6,905
	$ 42,466	$ 17,672	$ 36,156	$ (1,869)	$ 94,425

	2024				
	Entertainment	Sports	Experiences	Eliminations	Total
Americas[1]	$ 31,722	$ 16,432	$ 25,603	$ (1,595)	$ 72,162
Europe	5,805	396	4,078	—	10,279
Asia Pacific	3,659	791	4,470	—	8,920
	$ 41,186	$ 17,619	$ 34,151	$ (1,595)	$ 91,361

(1) Over 90% of total Americas revenues are from the United States for all fiscal years presented.

Revenues recognized in the current and prior year 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 fiscal 2026, $1.0 billion was recognized related to performance obligations satisfied prior to September 27, 2025. For fiscal 2025, $1.0 billion was recognized related to performance obligations satisfied prior to September 28, 2024. For fiscal 2024, $1.0 billion was recognized related to performance obligations satisfied prior to September 30, 2023.

As of October 3, 2026, revenues for unsatisfied performance obligations expected to be recognized in the future are $18 billion, primarily for IP to be made available in the future under existing agreements with merchandise and co-branding licensees and sponsors, DTC wholesalers, television station affiliates and sports sublicensees. Of this amount, we expect to recognize approximately $7 billion in fiscal 2027, $5 billion in fiscal 2028, $4 billion in fiscal 2029 and $2 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.

When the timing of the Company's revenue recognition is different from the timing of customer payments, the Company recognizes either a contract asset (customer payment is subsequent to revenue recognition and subject to the Company satisfying additional performance obligations) or deferred revenue (customer payment precedes the Company satisfying the performance obligations). Consideration due under contracts with payment in arrears is recognized as accounts receivable. Deferred revenue is recognized as (or when) the Company performs under the contract. The Company's contract assets and activity for the current and prior-year periods were not material.

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

	October 3, 2026	September 27, 2025
Accounts Receivable		
Current	**$ 10,756**	$ 10,544
Non-current	**1,088**	985
Allowance for credit losses	**(136)**	(126)
Deferred revenues		
Current	**6,762**	5,689
Non-current	**660**	785

For fiscal 2026, 2025 and 2024, the Company recognized revenues of $5.3 billion, $5.3 billion and $5.2 billion, respectively, that was included in the deferred revenue balance at September 27, 2025, September 28, 2024 and September 30, 2023, respectively. Amounts deferred generally relate to theme park admissions and vacation packages, DTC subscriptions and advances related to merchandise and TV/VOD licenses.

4 *Acquisitions and Dispositions*

A+E

On September 30, 2026, the Company sold its 50% interest in A+E to an affiliate of co-owner Hearst Corporation for approximately $1.3 billion in cash. The Company recorded impairment charges related to its investment in A+E of $1.0 billion and $0.5 billion in "Restructuring and impairment charges" in fiscal 2026 and fiscal 2025 respectively.

NFL media assets

On January 31, 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 in 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. Following the NFL Transaction, the Company has an effective 72% interest in ESPN and Hearst Corporation has an 18% interest. After July 2034, based on the performance of the Specified Assets, the Company may have the right to reacquire 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 (the Exchange Right). Alternatively, on a similar time frame, based on the performance of the Specified Assets, 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 the additional interest in ESPN.

The estimated fair value of the NFL Transaction was approximately $3 billion. A significant portion of the transaction value was deferred in other assets and will be amortized as an expense starting in 2033, or, in the case that the Company exercises its Exchange Right, would be charged to equity. The remaining transaction value was primarily allocated to identifiable intangible assets.

As of January 31, 2026, the Company has included the financial results attributable to the Specified Assets in the Consolidated Financial Statements. Revenue included in the twelve months ended October 3, 2026 was approximately $0.4 billion. Net income included in the twelve months ended October 3, 2026 was not significant. Because the NFL Transaction was the exchange of equity interests, the $3 billion fair value is a non-cash transaction and is not reflected in the Consolidated Statements of Cash Flows.

FuboTV Inc.

On October 29, 2025, the Company and FuboTV, a publicly traded vMVPD company, combined certain of 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 the FuboTV business (the Fubo Transaction). The Company acquired approximately 70% of FuboTV to enhance and expand our vMVPD offering and provide consumers with more high-quality offerings, choice and increased flexibility.

Based on the closing price of FuboTV common stock on October 29, 2025, the estimated fair value of FuboTV is $1.3 billion, which was primarily allocated to goodwill of $1.4 billion and identifiable intangible assets of $0.4 billion, partially offset by debt of $0.3 billion. Goodwill reflects the synergies expected from enhancing the Company's vMVPD offerings with more high-quality offerings, choice and increased flexibility.

As of October 29, 2025, the Company has included the financial results attributable to Fubo in the Consolidated Financial Statements. Revenue included in the twelve months ended October 3, 2026 was approximately $1.4 billion. Net loss included in the twelve months ended October 3, 2026 were 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 the Hulu Live TV service and sells advertising for the Hulu Live TV and Fubo services for a fee.

Star India

On November 14, 2024, the Company and RIL formed the India Joint Venture by combining the Company's Star India business with certain media and entertainment businesses controlled by RIL. RIL has an effective 56% controlling interest in the joint venture with 37% held by the Company and 7% by Bodhi Tree Systems, a third party investment company.

The Company deconsolidated Star India's assets and liabilities on November 14, 2024, and recognized the fair value of its interest in the India Joint Venture as an equity method investment. We recorded non-cash impairment charges of $0.1 billion and $1.5 billion in "Restructuring and impairment charges" in fiscal 2025 and 2024, respectively, to reflect Star India at its fair value less costs to sell. In addition, we recognized a non-cash tax charge of approximately $0.2 billion in fiscal 2025 in connection with the close of the transaction.

Hulu LLC

In November 2023, NBC Universal (NBCU) exercised its right to require the Company to purchase NBCU's 33% interest in Hulu at a redemption value based on NBCU's equity ownership percentage of the greater of Hulu's equity fair value or a guaranteed floor value of $27.5 billion. In December 2023, the Company paid NBCU $8.6 billion, which reflected the guaranteed floor value less NBCU's unpaid capital call contributions.

In fiscal 2025, following the completion of an appraisal process to determine Hulu's equity fair value, the Company paid NBCU an incremental $0.4 billion, reflecting NBCU's share of Hulu's equity fair value above the guaranteed floor, giving the Company 100% ownership of Hulu. The additional amount was recognized in "Net income attributable to noncontrolling interests" in the Consolidated Statements of Income.

The Company will also pay NBCU 50% of the future tax benefits from the amortization of the purchase of NBCU's interest in Hulu as the Company's cash tax benefits are realized, generally over a 15-year period starting in fiscal 2026.

At the close of the transaction in fiscal 2025, Hulu's U.S. income tax classification changed, which resulted in the recognition of a non-cash tax benefit of approximately $3.3 billion in "Income taxes" in the Consolidated Statements of Income.

Goodwill

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

	Entertainment	Sports	Experiences	Total
Balance at Sep. 28, 2024	$ 51,290	$ 16,486	$ 5,550	$ 73,326
Currency translation adjustments and other, net	(32)	—	—	(32)
Balance at Sep. 27, 2025	$ 51,258	$ 16,486	$ 5,550	$ 73,294
Fubo and NFL Transactions	1,380	53	—	1,433
Currency translation adjustments and other, net	(27)	—	—	(27)
Balance at Oct. 3, 2026	**$ 52,611**	**$ 16,539**	**$ 5,550**	**$ 74,700**

5 *Investments*

Investments consist of the following:

	October 3, 2026	September 27, 2025
Investments, equity basis	**$ 3,815**	$ 6,319
Investments, other	**2,451**	1,778
	$ 6,266	$ 8,097

Investments, Equity Basis

The Company's significant equity investments include the India joint venture (37% ownership) and CTV Specialty Television, Inc. (30% ownership). The Company sold its 50% interest in A+E on September 30, 2026 as further described in Note 4.

As of October 3, 2026 and September 27, 2025, the book value of the Company's equity method investments exceeded our share of the book value of the investees' underlying net assets by approximately $1.3 billion and $1.6 billion, respectively, which represent amortizable intangible assets and goodwill arising from acquisitions. See Note 18 for impairments recorded on equity investments.

Investments, Other

As of October 3, 2026 and September 27, 2025, the Company had securities without a readily determinable fair value of $2.4 billion and $1.7 billion, respectively, of which Epic Games, Inc. is $2.2 billion and $1.6 billion, respectively. Our ownership in Epic Games, Inc. increased from 8% to 10% during fiscal 2026.

Gains, losses and impairments on securities are generally recorded in "Interest expense, net" in the Consolidated Statements of Income; these amounts were not material for fiscal 2026, 2025 and 2024.

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 (together, the Asia Theme Parks), which are both VIEs consolidated in the Company's financial statements. See Note 2 for the Company's policy on consolidating VIEs. In addition, the Company has 100% ownership of Disneyland Paris. 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 Consolidated Balance Sheet:

	October 3, 2026	September 27, 2025
Cash and cash equivalents	**$ 501**	$ 428
Other current assets	**175**	184
Total current assets	**676**	612
Parks, resorts and other property	**6,634**	6,060
Other assets	**282**	287
Total assets	**$ 7,592**	$ 6,959
Current liabilities	**$ 770**	$ 734
Long-term borrowings	**1,150**	1,075
Other long-term liabilities	**508**	489
Total liabilities	**$ 2,428**	$ 2,298

The following table summarizes the International Theme Parks' revenues and costs and expenses included in the Company's Consolidated Statements of Income for fiscal 2026:

Revenues	**$ 6,536**
Costs and expenses	**(5,430)**

Asia Theme Parks' royalty and management fees of $335 million for fiscal 2026 are eliminated in consolidation, but are considered in calculating earnings attributable to noncontrolling interests.

International Theme Parks' cash flows included in the Company's fiscal 2026 Consolidated Statements of Cash Flows were $1.8 billion provided by operating activities, $1.4 billion used in investing activities. Net financing activities were not significant.

Hong Kong Disneyland Resort

The Government of the Hong Kong Special Administrative Region (HKSAR) and the Company have a 52% and a 48% equity interest in Hong Kong Disneyland Resort, respectively.

The Company has provided Hong Kong Disneyland Resort with a revolving credit facility of HK $2.7 billion ($344 million), which bears interest at a rate of three month HIBOR plus 1.25% and matures in 2028. The line of credit does not have a balance outstanding.

Hong Kong Disneyland Resort is undergoing a multi-year expansion estimated to cost HK $10.9 billion ($1.4 billion). The Company and HKSAR have agreed to fund the expansion on an equal basis through equity contributions, which were not significant in fiscal 2026 and 2025. To date, the Company and HKSAR have funded a total of $873 million.

HKSAR has the right to receive additional shares over time to the extent Hong Kong Disneyland Resort exceeds certain return on asset performance targets. The amount of additional shares HKSAR can receive is capped on an annual basis and could decrease the Company's equity interest by up to 6 percentage points over a period no shorter than 10 years.

Shanghai Disney Resort

Shanghai Shendi (Group) Co., Ltd (Shendi) and the Company have 57% and 43% equity interests in Shanghai Disney Resort, respectively. A management company, in which the Company has a 70% interest and Shendi a 30% interest, operates Shanghai Disney Resort.

The Company has provided Shanghai Disney Resort with loans totaling $0.9 billion bearing interest at 8% and are scheduled to mature in 2036 with earlier payments required based on available cash flows. In addition, early repayment is permitted. The Company has also provided Shanghai Disney Resort with a 1.9 billion yuan (approximately $0.3 billion) line of credit bearing interest at 8% and maturing in 2033. As of October 3, 2026, the total amount outstanding under the line of credit was not significant. These balances are eliminated in consolidation.

Shendi has provided Shanghai Disney Resort with loans totaling 7.7 billion yuan (approximately $1.2 billion) bearing interest at 8% and scheduled to mature in 2036 with earlier payments required based on available cash flows. In addition, early repayment is permitted. Shendi has also provided Shanghai Disney Resort with a 2.6 billion yuan (approximately $0.4 billion) line of credit bearing interest at 8% and maturing in 2033. As of October 3, 2026, the total amount outstanding under the line of credit was not significant.

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

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

	As of October 3, 2026			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	$ 4,865	$ 13,963	$ 18,828	$ 4,624	$ 14,288	$ 18,912
Completed, not released	174	1,425	1,599	313	1,061	1,374
In-process	2,397	3,956	6,353	4,082	3,633	7,715
In development or pre-production	282	87	369	386	182	568
	$ 7,718	$ 19,431	27,149	$ 9,405	$ 19,164	28,569
Licensed content - Television Programming rights and advances			5,587			4,821
Total produced and licensed content			$ 32,736			$ 33,390
Current portion			$ 2,199			$ 2,063
Non-current portion			$ 30,537			$ 31,327

Amortization of produced and licensed content is as follows:

	2026	2025	2024
Produced content			
Predominantly monetized individually	**$ 4,322**	$ 3,338	$ 3,311
Predominantly monetized as a group	**6,625**	7,072	7,143
	10,947	10,410	10,454
Licensed programming rights and advances	**13,643**	12,876	14,027
Total produced and licensed content costs[1]	**$ 24,590**	$ 23,286	$ 24,481

(1) Primarily included in “Costs of services” in the Consolidated Statements of Income.

Total expected amortization by fiscal year of completed (released and not released) produced, licensed and acquired film and television library content on the balance sheet as of October 3, 2026 is as follows:

	Predominantly Monetized Individually	Predominantly Monetized as a Group	Total
Produced content			
Released			
2027	$ 1,009	$ 3,063	$ 4,072
2028	637	2,324	2,961
2029	550	1,954	2,504
Completed, not released			
2027	106	724	830
Licensed content - Programming rights and advances			
2027			$ 3,570
2028			847
2029			453

Approximately $2.1 billion of accrued participations and residual liabilities will be paid in fiscal 2027.

At October 3, 2026, released content (less amortization) includes acquired film and television library content with a carrying value of $2.8 billion and is generally being amortized straight-line over a weighted-average remaining period of approximately 12 years.

Content Production Incentives

Programming and production costs were reduced by $0.9 billion for fiscal 2026 related to the amortization of production tax incentives. We have production tax credit receivables of $2.5 billion as of October 3, 2026, which, based on the expected timing of collection, are reflected in “Receivables, net” or “Other Assets” in our Consolidated Balance Sheet.

8 *Borrowings*

The Company's borrowings, including the impact of interest rate and cross-currency swaps, are summarized as follows:

			October 3, 2026			
	Oct. 3, 2026	Sep. 27, 2025	Stated Interest Rate[1]	Pay Floating Interest rate and Cross-Currency Swaps[2]	Effective Interest Rate[3]	Swap Maturities
Commercial paper	**$ 4,269**	$ 2,062	—	$ —	4.10%	
U.S. dollar denominated borrowings with maturities of 5 years or less[4]	**13,518**	12,032	3.39%	9,125	5.01%	2027-2031
U.S. dollar denominated borrowings with maturities between 5 and 10 years[4]	**5,311**	5,248	5.68%	1,000	4.57%	2036
U.S. dollar denominated borrowings with maturities greater than 10 years[4]	**20,183**	21,378	4.45%	—	3.93%	
Foreign currency denominated debt	**914**	931	3.06%	912	4.82%	2027
Other[5]	**(900)**	(700)		—		
	43,295	40,951		11,037		
Asia Theme Parks borrowings	**1,178**	1,075	8.00%	—	6.79%	
Total borrowings	**44,473**	42,026		11,037		
Less current portion	**7,331**	6,711		1,537		
Total long-term borrowings	**$ 37,142**	$ 35,315		$ 9,500		

(1) The stated interest rate represents the weighted-average coupon rate for each category of borrowings. For floating-rate borrowings, interest rates are the rates in effect at October 3, 2026; these rates are not necessarily an indication of future interest rates.

(2) Amounts represent notional values of interest rate and cross-currency swaps outstanding as of October 3, 2026.

(3) The effective interest rate includes the impact of purchase accounting adjustments, existing and terminated interest rate and cross-currency swaps, and debt issuance costs and discounts.

(4) Includes purchase accounting adjustments and net debt issuance costs and discounts totaling a net premium of $1.3 billion and $1.5 billion at October 3, 2026 and September 27, 2025, respectively.

(5) Primarily market value adjustments for debt with qualifying hedges.

Bank Facilities and Commercial Paper

At October 3, 2026, 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 2027	$ 5,250	$ —	$ 5,250
Facility expiring March 2029	3,000	—	3,000
Facility expiring February 2031	4,000	—	4,000
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 1.1%. 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 October 3, 2026, the Company met this covenant by a significant margin. The bank facilities specifically exclude certain entities, including the Asia Theme Parks and Fubo, from any representations, covenants or events of default. The Company also has the ability to issue up to $0.5 billion of letters of credit under the facility expiring in February 2031, which if utilized, reduces available borrowings under this facility. As of October 3, 2026, the Company has $0.4 billion of outstanding letters of credit, of which none were issued under this facility.

Commercial paper activity is as follows:

	Commercial paper with original maturities less than three months, net[1]	Commercial paper with original maturities greater than three months	Total
Balance at Sep. 28, 2024	$ 727	$ 2,313	$ 3,040
Additions	1,232	1,129	2,361
Payments	—	(3,304)	(3,304)
Other Activity	4	(39)	(35)
Balance at Sep. 27, 2025	$ 1,963	$ 99	$ 2,062
Additions	—	10,311	10,311
Payments	(1,593)	(6,554)	(8,147)
Other Activity	(6)	49	43
Balance at Oct. 3, 2026	**$ 364**	**$ 3,905**	**$ 4,269**

[1] Borrowings and reductions of borrowings are reported net.

U.S. Dollar Denominated Borrowings

At October 3, 2026, the Company had $38.5 billion of fixed rate U.S. dollar denominated borrowings with maturities ranging from 1 to 70 years and stated interest rates that range from 2.00% to 8.45% and $0.5 billion of floating rate U.S. dollar denominated borrowings. The Company's borrowings are primarily senior unsecured obligations, and the Company generally has the option to repay the borrowings early, in whole or in part, at specified redemption prices or subject to prepayment fees.

In October 2025, in connection with the delivery of the *Disney Destiny*, the Company borrowed $1.1 billion with a fixed rate of 3.74% that will be payable semi-annually over a 12-year term.

In February 2026, the Company borrowed $3.5 billion of fixed rate U.S. dollar denominated borrowings with maturities ranging from 3 to 10 years and stated interest rates that range from 3.75% to 4.63% and $0.5 billion of floating rate U.S. dollar denominated borrowings that mature in 3 years and are indexed to SOFR.

Foreign Currency Denominated Debt

At October 3, 2026, the Company had a fixed rate senior note of Canadian $1.3 billion ($0.9 billion) with a stated interest rate of 3.06% that matures in March 2027. The Company has entered into pay-floating interest rate and cross-currency swaps that effectively convert the borrowing to a variable-rate U.S. dollar denominated borrowing indexed to SOFR.

Asia Theme Parks Borrowings

Shendi has provided Shanghai Disney Resort with loans totaling 7.7 billion yuan (approximately $1.2 billion) that bear interest at 8% and are scheduled to mature in 2036 with earlier payments required based on available cash flows and early repayment permitted. Shendi has also provided Shanghai Disney Resort with a 2.6 billion yuan (approximately $0.4 billion) line of credit bearing interest at 8%. As of October 3, 2026, the balance outstanding on the line of credit was not significant.

Maturities

The following table provides total borrowings, excluding market value adjustments and debt issuance premiums, discounts and costs, by scheduled maturity date as of October 3, 2026. The table also provides the estimated interest payments on these borrowings as of October 3, 2026 although actual future payments will differ for floating-rate borrowings:

	Borrowings				
Fiscal Year:	Before Asia Theme Parks Consolidation	Asia Theme Parks	Total Borrowings	Interest	Total Borrowings and Interest
2027	$ 7,369	$ 30	$ 7,399	$ 1,614	$ 9,013
2028	1,775	—	1,775	1,520	3,295
2029	4,050	17	4,067	1,457	5,524
2030	1,427	59	1,486	1,404	2,890
2031	4,177	81	4,258	1,344	5,602
Thereafter	24,133	991	25,124	13,783	38,907
	$ 42,931	$ 1,178	$ 44,109	$ 21,122	$ 65,231

Interest

The Company paid interest, net of amounts capitalized, of $1,941 million, $2,050 million and $2,134 million during the fiscal years ended October 3, 2026, September 27, 2025 and September 28, 2024, respectively.

The Company capitalizes interest on assets constructed for its parks and resorts and on certain film and television productions. In fiscal 2026, 2025 and 2024, total interest capitalized was $312 million, $322 million and $386 million, respectively.

Interest expense (net of amounts capitalized), interest and investment income, and net periodic pension and postretirement benefit costs (other than service costs) (see Note 10) are reported net in the Consolidated Statements of Income and consist of the following:

	2026	2025	2024
Interest expense	**$ (1,906)**	$ (1,812)	$ (2,070)
Interest and investment income	**293**	246	406
Net periodic pension and postretirement benefit costs (other than service costs)	**456**	261	404
Interest expense, net	**$ (1,157)**	$ (1,305)	$ (1,260)

9 *Income Taxes*

Income Before Income Taxes by Domestic and Foreign Subsidiaries

	2026	2025	2024
Income Before Income Taxes			
Domestic subsidiaries (including U.S. exports)	**$ 10,909**	$ 9,535	$ 5,754
Foreign subsidiaries	**3,303**	2,468	1,815
	$ 14,212	$ 12,003	$ 7,569

Provision for Income Taxes: Current and Deferred

	2026	2025	2024
Income Tax Expense (Benefit)			
Current			
Federal	**$ 1,619**	$ (130)	$ 1,393
State	**398**	413	237
Foreign, including foreign withholding taxes	**692**	906	973
	2,709	1,189	2,603
Deferred			
Federal	**711**	(2,171)	(764)
State	**113**	(527)	54
Foreign	**31**	81	(97)
	855	(2,617)	(807)
Income tax expense (benefit)	**$ 3,564**	$ (1,428)	$ 1,796

Deferred Tax Assets and Liabilities

Components of Deferred Tax (Assets) and Liabilities	October 3, 2026	September 27, 2025
Deferred tax assets		
Net operating losses and tax credit carryforwards[1]	**$ (3,665)**	$ (3,629)
Accrued liabilities	**(683)**	(1,011)
Licensing revenues	**(626)**	(807)
Lease liabilities	**(663)**	(786)
Other	**(546)**	(413)
Total deferred tax assets	**(6,183)**	(6,646)
Deferred tax liabilities		
Depreciable, amortizable and other property	**4,245**	3,998
Investment in U.S. entities	**1,936**	916
Investment in foreign entities	**1,031**	879
Right-of-use lease assets	**544**	628
Other	**82**	89
Total deferred tax liabilities	**7,838**	6,510
Net deferred tax (asset) liability before valuation allowance	**1,655**	(136)
Valuation allowance	**3,002**	2,931
Net deferred tax liability	**$ 4,657**	$ 2,795

(1) Further details on our net operating losses and tax credit carryforwards are as follows:

	October 3, 2026
International Theme Park net operating losses	**$ (1,337)**
U.S. foreign tax credits	**(1,048)**
State net operating losses and tax credit carryforwards	**(528)**
Federal net operating losses	**(535)**
Other	**(217)**
Total net operating losses and tax credit carryforwards[a]	**$ (3,665)**

(a) Approximately $2.2 billion of these carryforwards do not expire, including approximately $1 billion of loss carryforwards at Disneyland Paris. Approximately $1.3 billion expire between fiscal 2027 and fiscal 2036 primarily attributable to U.S. foreign tax credits.

Valuation Allowance

The following table details the change in valuation allowance for fiscal 2026, 2025 and 2024 (in billions):

	Balance at Beginning of Period	Increases (Decreases) to Tax Expense	Other Changes	Balance at End of Period
Year ended October 3, 2026	$ 2.9	$ (0.1)	$ 0.2	$ 3.0
Year ended September 27, 2025	3.0	(0.1)	—	2.9
Year ended September 28, 2024	3.2	(0.3)	0.1	3.0

The Company currently has a valuation allowance on the deferred tax assets related to net operating loss carryforwards at Disneyland Paris. We regularly assess the need for valuation allowances based on factors such as a history of losses, recent operating results, future projections, and economic conditions in local markets, to conclude whether deferred tax assets are more likely than not to be realized. We believe it is reasonably possible that Disneyland Paris's valuation allowance will no longer be required in fiscal 2027. The timing and amount of any valuation allowance release will be based on available evidence, including fiscal 2027 results and updated projections. A full release of Disneyland Paris's valuation allowance during fiscal 2027 would result in an approximately $1 billion non-cash income tax benefit.

Reconciliation of the effective income tax rate for continuing operations to the federal rate

The reconciliation of fiscal 2026 U.S. federal statutory income tax to the effective income tax pursuant to the disclosure requirements adopted under ASU 2023-09 is as follows:

	2026	
	Amount	**Rate**
Federal income tax rate	**$ 2,985**	**21.0 %**
State taxes, net of federal benefit[1]	**401**	**2.8**
Foreign tax effects	**557**	**3.9**
Effects of cross-border tax laws		
Foreign-derived intangible income	**(367)**	**(2.6)**
Other	**21**	**0.2**
Tax credits		
Foreign tax credit, general	**(550)**	**(3.9)**
Research & development credit	**(168)**	**(1.2)**
Other	**(33)**	**(0.2)**
Changes in unrecognized tax benefits	**155**	**1.1**
Other adjustments		
Change in entity tax classification	**374**	**2.7**
Other adjustments[2]	**189**	**1.3**
Full Year Effective Tax	**3,564**	**25.1 %**

(1) The states that contribute to the majority of the tax effect in this category include California, Florida and New York state.
(2) Includes the tax impacts of changes in valuation allowances and nontaxable or nondeductible items.

The reconciliation of fiscal 2025 and fiscal 2024 U.S. federal statutory income tax rates to the effective income tax rates pursuant to the disclosure requirements prior to the adoption of ASU 2023-09 is as follows:

	2025	2024
Federal income tax rate	21.0 %	21.0 %
State taxes, net of federal benefit	2.4	2.2
Change in Hulu income tax classification[1]	(27.3)	—
Non-tax deductible impairments	0.9	8.8
Foreign derived intangible income	(2.2)	(3.6)
Income tax audits and reserves	(8.4)	(2.4)
Tax rate differential on foreign income	3.4	(1.6)
U.S. research and development credits	(0.9)	(1.1)
Tax impact of equity awards	(0.3)	0.8
Valuation allowance	(1.3)	(0.6)
Other	0.8	0.2
	(11.9 %)	23.7 %

(1) In fiscal 2025, the Company completed the acquisition of NBCU's interest in Hulu. At the close of the transaction, Hulu's U.S. income tax classification changed, and the Company recognized a non-cash tax benefit of approximately $3.3 billion.

Unrecognized tax benefits

A reconciliation of the beginning and ending amount of gross unrecognized tax benefits, excluding the related accrual for interest and penalties, is as follows:

	2026	2025	2024
Balance at the beginning of the year	**$ 1,133**	$ 1,952	$ 2,517
Increases for current year tax positions	**74**	105	82
Increases for prior year tax positions	**370**	116	209
Decreases in prior year tax positions	**(176)**	(164)	(423)
Settlements with taxing authorities	**(218)**	(256)	(239)
Lapse in statute of limitations	**(2)**	(620)	(194)
Balance at the end of the year	**$ 1,181**	$ 1,133	$ 1,952

Balances at October 3, 2026, September 27, 2025 and September 28, 2024 include $0.7 billion, $0.8 billion and $1.4 billion, respectively, that if recognized, would reduce our income tax expense. These amounts are net of the offsetting benefits from other tax jurisdictions.

At October 3, 2026, September 27, 2025 and September 28, 2024 accrued interest and penalties related to unrecognized tax benefits were $0.3 billion, $0.3 billion and $0.9 billion, respectively. During fiscal 2026, 2025 and 2024, the Company recorded additional interest and penalties of $0.1 billion, $0.2 billion and $0.2 billion, respectively, and recorded reductions in accrued interest and penalties of $0.1 billion, $0.8 billion and $0.2 billion, respectively. The Company's policy is to report interest and penalties as a component of income tax expense.

The Company is generally no longer subject to U.S. federal examination for years prior to 2018. The Company is no longer subject to examination in any of its major state or foreign tax jurisdictions for years prior to 2009.

Income Taxes Paid

Cash paid for income taxes, net of refunds received, by jurisdiction is as follows:

	2026
U.S. federal	$ 2,262
U.S. state and local	
California	207
Other	315
Foreign	
United Kingdom	315
Other	817
Cash paid for income taxes, net of refunds received	$ 3,916

The amount of cash income taxes paid by the Company during the fiscal years ended September 27, 2025 and September 28, 2024 was $1.2 billion and $4.0 billion, respectively. Cash taxes paid during fiscal 2026 include $1.8 billion payment of U.S. federal and California state income tax liabilities for fiscal 2025 and a portion of fiscal 2024, which were deferred until fiscal year 2026 pursuant to relief related to the 2025 wildfires in California. Cash taxes paid during fiscal 2024 included $1.6 billion for U.S. federal income tax that was deferred primarily from fiscal 2023 pursuant to relief related to the 2023 California winter storms.

10 *Pension and Other Benefit Programs*

The Company maintains pension and postretirement medical benefit plans covering certain of its employees not covered by union or industry-wide plans. The Company has defined benefit pension plans that cover employees hired prior to January 1, 2012. For employees hired after this date, the Company has a defined contribution plan. Benefits under these pension plans are generally based on years of service and/or compensation and generally require 3 years of vesting service. Employees generally hired after January 1, 1987 for certain of our media businesses and other employees generally hired after January 1, 1994 are not eligible for postretirement medical benefits.

Defined Benefit Plans

The Company measures the actuarial value of its benefit obligations and plan assets for its defined benefit pension and postretirement medical benefit plans at September 30 and adjusts for any plan contributions or significant events between September 30 and our fiscal year end.

The following chart summarizes the benefit obligations, assets, funded status and balance sheet impacts associated with the defined benefit pension and postretirement medical benefit plans:

	Pension Plans		Postretirement Medical Plans	
	October 3, 2026	September 27, 2025	**October 3, 2026**	September 27, 2025
Projected benefit obligations				
Beginning obligations	**$ (16,330)**	$ (16,734)	**$ (937)**	$ (968)
Service cost	**(245)**	(264)	**—**	(1)
Interest cost	**(797)**	(783)	**(45)**	(45)
Actuarial gain (loss)[1]	**1,771**	716	**(46)**	30
Benefits paid	**769**	716	**63**	56
Other	**(2)**	19	**(12)**	(9)
Ending obligations	**$ (14,834)**	$ (16,330)	**$ (977)**	$ (937)
Fair value of plans' assets				
Beginning fair value	**$ 17,544**	$ 17,557	**$ 897**	$ 892
Actual return on plan assets	**160**	699	**8**	36
Contributions	**80**	71	**32**	27
Benefits paid	**(769)**	(716)	**(63)**	(56)
Expenses and other	**(40)**	(67)	**(2)**	(2)
Ending fair value	**$ 16,975**	$ 17,544	**$ 872**	$ 897
Overfunded (Underfunded) status of the plans	**$ 2,141**	$ 1,214	**$ (105)**	$ (40)
Amounts recognized in the balance sheet				
Non-current assets	**$ 3,383**	$ 2,565	**$ 297**	$ 324
Current liabilities	**(84)**	(79)	**(1)**	(1)
Non-current liabilities	**(1,158)**	(1,272)	**(401)**	(363)
	$ 2,141	$ 1,214	**$ (105)**	$ (40)

[1] Primarily reflects the impact of a higher discount rate used to determine the fiscal year-end benefit obligation compared to the rate that was used at the end of the preceding fiscal year.

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

	Pension Plans			Postretirement Medical Plans		
	2026	2025	2024	**2026**	2025	2024
Service cost	**$ 245**	$ 264	$ 248	**$ —**	$ 1	$ 1
Other costs (benefits):						
Interest cost	**797**	783	834	**45**	45	55
Expected return on plan assets	**(1,225)**	(1,161)	(1,138)	**(63)**	(59)	(58)
Amortization of prior-year service costs (credits)	**4**	3	8	**(90)**	(90)	(90)
Recognized net actuarial loss/(gain)	**103**	247	21	**(27)**	(29)	(36)
Total other costs (benefit)	**(321)**	(128)	(275)	**(135)**	(133)	(129)
Net periodic benefit cost (benefit)	**$ (76)**	$ 136	$ (27)	**$ (135)**	$ (132)	$ (128)

Key assumptions are as follows:

	Pension Plans			Postretirement Medical Plans		
	2026	2025	2024	**2026**	2025	2024
Discount rate used to determine the fiscal year-end benefit obligation	**6.56%**	5.46%	5.06%	**6.49%**	5.36%	5.00%
Discount rate used to determine the interest cost component of net periodic benefit cost	**5.03%**	4.81%	5.86%	**4.91%**	4.73%	5.84%
Rate used to determine the expected return on plan assets component of net period benefit cost	**7.25%**	7.25%	7.00%	**7.25%**	7.25%	7.00%
Weighted average rate of compensation increase to determine the fiscal year-end benefit obligation	**2.60%**	2.70%	2.70%	n/a	n/a	n/a
Year 1 increase in cost of benefits	n/a	n/a	n/a	**8.00%**	7.50%	7.00%
Rate of increase to which the cost of benefits is assumed to decline (the ultimate trend rate)	n/a	n/a	n/a	**4.00%**	4.00%	4.00%
Year that the rate reaches the ultimate trend rate	n/a	n/a	n/a	**2045**	2044	2043

AOCI, before tax, as of October 3, 2026 consists of the following amounts that have not yet been recognized in net periodic benefit cost:

	Pension Plans	Postretirement Medical Plans	Total
Prior service costs (benefits)	$ 19	$ (287)	$ (268)
Net actuarial loss (gain)	1,726	(37)	1,689
Total amounts included in AOCI	$ 1,745	$ (324)	$ 1,421

Plan Funded Status

As of October 3, 2026, the projected benefit obligation and accumulated benefit obligation for pension plans with accumulated benefit obligations in excess of plan assets were each $1.2 billion and the aggregate fair value of plan assets was not material. As of September 27, 2025, the projected benefit obligation and accumulated benefit obligation for pension plans with accumulated benefit obligations in excess of plan assets were each $1.3 billion and the aggregate fair value of plan assets was not material.

As of October 3, 2026 and September 27, 2025, the projected benefit obligation for pension plans with projected benefit obligations in excess of plan assets was $1.2 billion and $1.4 billion, respectively, and the aggregate fair value of plan assets was not material.

The Company's total accumulated pension benefit obligations at October 3, 2026 and September 27, 2025 were $14.2 billion and $15.5 billion, respectively. Approximately 99% were vested at both October 3, 2026 and September 27, 2025.

As of October 3, 2026, the accumulated postretirement medical benefit obligations and fair value of plan assets for postretirement medical plans with accumulated postretirement medical benefit obligations in excess of plan assets were $0.6 billion and $0.2 billion, respectively. As of September 27, 2025, the accumulated postretirement medical benefit obligations and fair value of plan assets for postretirement medical plans with accumulated postretirement medical benefit obligations in excess of plan assets were each $0.9 billion.

Plan Assets

A significant portion of the assets of the Company's defined benefit plans are managed in a third-party master trust. The investment policy and allocation of the assets in the master trust were approved by the Company's Investment and Administrative Committee, which has oversight responsibility for the Company's retirement plans. The investment policy ranges for the major asset classes are as follows:

Asset Class	Minimum	Maximum
Equity investments	10%	40%
Fixed income investments	40%	60%
Alternative investments	10%	30%
Cash & money market funds	—%	10%

The primary investment objective for the assets within the master trust is the prudent and cost effective management of assets to satisfy benefit obligations to plan participants. Financial risks are managed through diversification of plan assets, selection of investment managers and through the investment guidelines incorporated in investment management agreements. Investments are monitored to assess whether returns are commensurate with risks taken.

The long-term asset allocation policy for the master trust was established taking into consideration a variety of factors that include, but are not limited to, the average age of participants, the number of retirees, the duration of liabilities, the funded status of the plan and the expected payout ratio. Liquidity needs of the master trust are generally managed using cash generated by investments or by liquidating securities.

The master trust investment strategy is structured around two broad categories of assets: growth assets and liability-hedging assets. Growth assets, which generally include public and private equity, real estate and other return-seeking strategies, are intended to generate returns in excess of the growth in plan liabilities over the long term. Liability-hedging assets, which generally include long-duration fixed income securities, including U.S. Treasury securities and investment-grade credit, are intended to reduce the volatility of the plan's funded status by more closely aligning the duration and cash flow characteristics of plan assets with those of the plan liabilities. The allocation between growth assets and liability-hedging assets is reviewed periodically and is generally expected to shift toward a higher allocation of liability-hedging assets as the funded status of the plan improves.

Assets are generally managed by external investment managers pursuant to investment management agreements that establish permitted securities and risk controls commensurate with the account's investment strategy. Some agreements permit the use of derivative securities (futures, options, interest rate swaps, credit default swaps) that enable investment managers to enhance returns and manage exposures within their accounts.

Fair Value Measurements of Plan Assets

Fair value is defined as the amount that would be received for selling an asset or paid to transfer a liability in an orderly transaction between market participants and is generally classified in one of the following categories of the fair value hierarchy:

Level 1 – Quoted prices for identical instruments in active markets

Level 2 – Quoted prices for similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; and model-derived valuations in which all significant inputs and significant value drivers are observable in active markets

Level 3 – Valuations derived from valuation techniques in which one or more significant inputs or significant value drivers are unobservable

Investments that are valued using the net asset value (NAV) (or its equivalent) practical expedient are excluded from the fair value hierarchy disclosure. NAV per share is determined based on the fair value using the underlying assets divided by the number of units outstanding.

The following is a description of the valuation methodologies used for assets reported at fair value. The methodologies used at October 3, 2026 and September 27, 2025 are the same.

Level 1 investments are valued based on reported market prices on the last trading day of the fiscal year. Investments in common and preferred stocks and mutual funds are valued based on the securities' exchange-listed price or a broker's quote in an active market. Investments in U.S. Treasury securities are valued based on a broker's quote in an active market.

Level 2 investments in government and federal agency bonds and notes (excluding U.S. Treasury securities), corporate bonds, mortgage-backed securities (MBS) and asset-backed securities are valued using a broker's quote in a non-active market or an evaluated price based on a compilation of reported market information, such as benchmark yield curves, credit spreads

and estimated default rates. Derivative financial instruments are valued based on models that incorporate observable inputs for the underlying securities, such as interest rates or foreign currency exchange rates.

The Company's defined benefit plan assets are summarized by level in the following tables:

	As of October 3, 2026			
Description	Level 1	Level 2	Total	Investment Mix
Cash	$ 17	$ —	$ 17	— %
Common and preferred stocks[1]	2,436	—	2,436	13 %
Mutual funds	998	—	998	5 %
Government and federal agency bonds, notes and MBS	3,976	2,362	6,338	34 %
Corporate bonds	—	2,969	2,969	16 %
Other mortgage- and asset-backed securities	—	54	54	— %
Derivatives and other, net	57	7	64	— %
Total investments in the fair value hierarchy	$ 7,484	$ 5,392	12,876	
Assets valued at NAV as a practical expedient:				
Common collective funds			1,015	5 %
Alternative investments			4,468	24 %
Money market funds			454	3 %
Investments at fair value			18,813	100 %
Other[2]			(966)	
Total plan assets at fair value			$ 17,847	

	As of September 27, 2025			
Description	Level 1	Level 2	Total	Investment Mix
Cash	$ 34	$ —	$ 34	— %
Common and preferred stocks[1]	2,737	—	2,737	15 %
Mutual funds	979	—	979	5 %
Government and federal agency bonds, notes and MBS	3,767	2,576	6,343	33 %
Corporate bonds	—	2,705	2,705	14 %
Other mortgage- and asset-backed securities	—	139	139	1 %
Derivatives and other, net	15	2	17	— %
Total investments in the fair value hierarchy	$ 7,532	$ 5,422	12,954	
Assets valued at NAV as a practical expedient:				
Common collective funds			1,202	6 %
Alternative investments			4,431	23 %
Money market funds			545	3 %
Investments at fair value			19,132	100 %
Other[2]			(691)	
Total plan assets at fair value			$ 18,441	

(1) Includes 2.9 million shares of Company common stock valued at $327 million at September 27, 2025. At October 3, 2026, the number of shares and value of Company common stock included in the Company's defined benefit plan assets were not material.

(2) Represents net unsettled transactions, relating primarily to purchases and sales of plan assets.

Uncalled Capital Commitments

Alternative investments held by the master trust include interests in funds that have rights to make capital calls to the investors. At October 3, 2026, the master trust had $1.2 billion of committed capital still uncalled and unpaid.

Plan Contributions

During fiscal 2026, the Company made $112 million of contributions to its pension and postretirement medical plans. The Company currently does not expect to make material pension and postretirement medical plan contributions in fiscal 2027. Final minimum funding requirements for fiscal 2027 will be determined based on a January 1, 2027 funding actuarial valuation, which is expected to be received during the fourth quarter of fiscal 2027.

Estimated Future Benefit Payments

The following table presents estimated future benefit payments for the next ten fiscal years:

	Pension Plans	Postretirement Medical Plans
2027	$ 907	$ 59
2028	908	65
2029	949	69
2030	993	73
2031	1,032	76
2032 – 2036	5,679	403

Assumptions

Assumptions, such as discount rates, long-term rate of return on plan assets and the healthcare cost trend rate, have a significant effect on the amounts reported for net periodic benefit cost as well as the related benefit obligations.

Discount Rate — The assumed discount rate for pension and postretirement medical plans reflects the market rates for high-quality corporate bonds currently available. The Company's discount rate was determined by considering yield curves constructed of a large population of high-quality corporate bonds and reflects the matching of the plans' liability cash flows to the yield curves. The Company measures service and interest costs by applying the specific spot rates along that yield curve to the plans' liability cash flows.

Long-term rate of return on plan assets — The long-term rate of return on plan assets represents an estimate of long-term returns on an investment portfolio consisting of a mixture of equities, fixed income and alternative investments. When determining the long-term rate of return on plan assets, the Company considers long-term rates of return on the asset classes (both historical and forecasted) in which the Company expects the pension funds to be invested. The following long-term rates of return by asset class were considered in setting the long-term rate of return on plan assets assumption:

Equity Securities	6%	to	10%
Debt Securities	4%	to	8%
Alternative Investments	6%	to	11%

Healthcare cost trend rate — The Company reviews external data and its own historical trends for healthcare costs to determine the healthcare cost trend rates for the postretirement medical benefit plans. The 2026 actuarial valuation assumed an 8.00% annual rate of increase in the per capita cost of covered healthcare claims with the rate decreasing in even increments over nineteen years until reaching 4.00%.

Multiemployer Benefit Plans

The Company participates in a number of multiemployer pension plans under union and industry-wide collective bargaining agreements that cover our union-represented employees and expenses its contributions to these plans as incurred. These plans generally provide for retirement, death and/or termination benefits for eligible employees within the applicable collective bargaining units, based on specific eligibility/participation requirements, vesting periods and benefit formulas. The risks of participating in these multiemployer plans are different from single-employer plans. For example:

- Assets contributed to the multiemployer plan by one employer may be used to provide benefits to employees of other participating employers.
- If a participating employer stops contributing to the multiemployer plan, the unfunded obligations of the plan may become the obligation of the remaining participating employers.
- If a participating employer chooses to stop participating in these multiemployer plans, the employer may be required to pay those plans an amount based on the underfunded status of the plan.

The Company also participates in several multiemployer health and welfare plans that cover both active and retired employees. Healthcare benefits are provided to participants who meet certain eligibility requirements under the applicable collective bargaining unit.

The following table sets forth our contributions to multiemployer pension and health and welfare benefit plans:

	2026	2025	2024
Pension plans	**$ 325**	$ 314	$ 291
Health & welfare plans	**319**	276	300
Total contributions	**$ 644**	$ 590	$ 591

Defined Contribution Plans

The Company has defined contribution retirement plans for domestic employees who began service after December 31, 2011 and are not eligible to participate in the defined benefit pension plans. In general, the Company contributes from 3% to 9% of an employee's compensation depending on the employee's age and years of service with the Company up to plan limits. The Company also has savings and investment plans for which the Company generally matches 50% of employee contributions up to plan limits. In fiscal 2026, 2025 and 2024, the costs of our defined contribution plans were $488 million, $448 million and $408 million, respectively.

11 *Equity*

The Company declared the following dividends in fiscal 2027 and paid the following dividends in fiscal 2026, 2025 and 2024:

Per Share	Amount	Payment Date
$1.00	$1.7 billion[(1)]	July 13, 2027
$1.00	$1.7 billion[(1)]	January 22, 2027
$0.75	$1.3 billion	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
$0.45	$0.8 billion	July 25, 2024
$0.30	$0.5 billion	January 10, 2024

(1) Amount represents our estimate of the dividends that will be paid on January 22, 2027 and July 13, 2027. 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 year ended October 3, 2026, the Company repurchased 86 million shares of its common stock for $9.0 billion. During the year ended September 27, 2025, the Company repurchased 32 million shares of its common stock for $3.5 billion. The amount of repurchases in both fiscal 2026 and fiscal 2025 exclude the one percent excise tax on stock repurchases imposed by the Inflation Reduction Act of 2022. As of October 3, 2026, the Company had remaining authorization in place to repurchase approximately 254 million additional shares. The repurchase program does not have an expiration date.

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

	October 3, 2026			September 27, 2025			September 28, 2024		
	Before Tax	Tax (Expense) Benefit	Net of Tax	Before Tax	Tax (Expense) Benefit	Net of Tax	Before Tax	Tax (Expense) Benefit	Net of Tax
Market Value Adjustments for Hedges									
Beginning balance	$ (549)	$ 120	$ (429)	$ (319)	$ 71	$ (248)	$ 259	$ (64)	$ 195
Unrealized gains (losses) arising during the period	99	(23)	76	20	(9)	11	(112)	27	(85)
Reclassifications of net (gains) losses to net income	278	(56)	222	(250)	58	(192)	(466)	108	(358)
Ending balance	**$ (172)**	**$ 41**	**$ (131)**	$ (549)	$ 120	$ (429)	$ (319)	$ 71	$ (248)
Unrecognized Pension and Postretirement Medical Expense									
Beginning balance	$ (1,901)	$ 446	$ (1,455)	$ (2,243)	$ 531	$ (1,712)	$ (2,172)	$ 517	$ (1,655)
Unrealized gains (losses) arising during the period	554	(128)	426	210	(53)	157	25	(10)	15
Reclassifications of net (gains) losses to net income	(54)	3	(51)	132	(32)	100	(96)	24	(72)
Ending balance	**$ (1,401)**	**$ 321**	**$ (1,080)**	$ (1,901)	$ 446	$ (1,455)	$ (2,243)	$ 531	$ (1,712)
Foreign Currency Translation and Other									
Beginning balance	$ (1,085)	$ 55	$ (1,030)	$ (1,855)	$ 116	$ (1,739)	$ (1,974)	$ 142	$ (1,832)
Unrealized gains (losses) arising during the period	(432)	92	(340)	(134)	(3)	(137)	119	(26)	93
Star India Transaction	—	—	—	904	(58)	846	—	—	—
Ending balance	**$ (1,517)**	**$ 147**	**$ (1,370)**	$ (1,085)	$ 55	$ (1,030)	$ (1,855)	$ 116	$ (1,739)
AOCI									
Beginning balance	$ (3,535)	$ 621	$ (2,914)	$ (4,417)	$ 718	$ (3,699)	$ (3,887)	$ 595	$ (3,292)
Unrealized gains (losses) arising during the period	221	(59)	162	96	(65)	31	32	(9)	23
Reclassifications of net (gains) losses to net income	224	(53)	171	(118)	26	(92)	(562)	132	(430)
Star India Transaction	—	—	—	904	(58)	846	—	—	—
Ending balance	**$ (3,090)**	**$ 509**	**$ (2,581)**	$ (3,535)	$ 621	$ (2,914)	$ (4,417)	$ 718	$ (3,699)

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

Gains (losses) in net income:	Affected line item in the Consolidated Statements of Operations:	**2026**	2025	2024
Market value adjustments, primarily cash flow hedges	Primarily revenue	**$ (278)**	$ 250	$ 466
Estimated tax	Income taxes	**56**	(58)	(108)
		(222)	192	358
Pension and postretirement medical expense	Interest expense, net	**16**	(132)	96
Estimated tax	Income taxes	**(3)**	32	(24)
		13	(100)	72
Pension and postretirement medical expense	Restructuring and impairment charges	**38**	—	—
Total reclassifications for the period		**$ (171)**	$ 92	$ 430

12 *Equity-Based Compensation*

Under various plans, the Company may grant stock options and other equity-based awards to executive, management, technology and creative personnel. The Company's approach to long-term incentive compensation contemplates awards of stock options and restricted stock units (RSUs). Certain RSUs awarded to senior executives vest based upon the achievement of market or performance conditions (Performance RSUs).

Stock options are generally granted with a 10 year term at exercise prices equal to or exceeding the market price at the date of grant and become exercisable ratably over a three-year period from the grant date. RSUs generally vest ratably over three years and Performance RSUs generally fully vest after three years, subject to achieving market or performance conditions. Equity-based award grants generally provide continued vesting, in the event of termination, for employees that reach age 60 or greater, have at least ten years of service and have held the award for at least one year.

Each share granted subject to a stock option award reduces the number of shares available under the Company's stock incentive plans by one share while each share granted subject to a RSU award reduces the number of shares available by two shares. As of October 3, 2026, the maximum number of shares available for issuance under the Company's stock incentive plans (assuming all awards are in the form of stock options) was approximately 86 million shares and the number available for issuance assuming all awards are in the form of RSUs was approximately 43 million shares. The Company satisfies stock option exercises and vesting of RSUs with newly issued shares. Stock options and RSUs are generally forfeited by employees who terminate prior to vesting.

Each year, generally during the first half of the year, the Company awards stock options and RSUs to a broad-based group of management, technology and creative personnel. The fair value of options is estimated based on the binomial valuation model. The binomial valuation model takes into account variables such as volatility, dividend yield and the risk-free interest rate. The binomial valuation model also considers the expected exercise multiple (the multiple of exercise price to grant price at which exercises are expected to occur on average) and the termination rate (the probability of a vested option being canceled due to the termination of the option holder) in computing the value of the option.

The weighted average assumptions used in the option-valuation model were as follows:

	2026	2025	2024
Risk-free interest rate	4.2%	4.6%	4.0%
Expected volatility	29%	28%	27%
Dividend yield	1.35%	0.97%	0.66%
Termination rate	5.9%	6.1%	6.1%
Exercise multiple	2.06	2.12	2.12

Although the initial fair value of stock options is not adjusted after the grant date, changes in the Company's assumptions may change the value of, and therefore the expense related to, future stock option grants. The assumptions that cause the greatest variation in fair value in the binomial valuation model are the expected volatility and expected exercise multiple. Increases or decreases in either the expected volatility or expected exercise multiple will cause the binomial option value to

increase or decrease, respectively. The volatility assumption considers both historical and implied volatility and may be impacted by the Company's performance as well as changes in economic and market conditions.

Compensation expense for RSUs and stock options is recognized ratably over the service period of the award. Compensation expense for RSUs is based on the market price of the shares underlying the awards on the grant date. Compensation expense for Performance RSUs reflects the estimated probability that the market or performance conditions will be met.

Compensation expense related to stock options and RSUs is as follows:

	2026	2025	2024
Stock options	**$ 88**	$ 70	$ 71
RSUs	**1,557**	1,293	1,295
Total equity-based compensation expense[1]	**1,645**	1,363	1,366
Tax impact	**(336)**	(275)	(285)
Reduction in net income	**$ 1,309**	$ 1,088	$ 1,081
Equity-based compensation expense capitalized during the period	**$ 199**	$ 194	$ 201

(1) Equity-based compensation expense is net of capitalized equity-based compensation and estimated forfeitures and excludes amortization of previously capitalized equity-based compensation costs.

The following table summarizes information about stock option transactions in fiscal 2026 (shares in millions):

	Shares	**Weighted Average Exercise Price**
Outstanding at beginning of year	**18**	**$ 119.08**
Awards granted	**3**	**111.33**
Awards exercised	**(1)**	**99.25**
Awards expired/canceled	**(2)**	**124.06**
Outstanding at end of year	**18**	**$ 118.21**
Exercisable at end of year	**14**	**$ 121.26**

The following tables summarize information about stock options vested and expected to vest at October 3, 2026 (shares in millions):

	Vested		
Range of Exercise Prices	Number of Options	Weighted Average Exercise Price	Weighted Average Remaining Years of Contractual Life
$ 60 — $ 90	1	$ 86.75	6.9
$ 91 — $ 120	9	104.25	4.3
$ 121 — $ 150	2	147.37	3.3
$ 151 — $ 180	2	161.32	4.8
	14		

	Expected to Vest		
Range of Exercise Prices	Number of Options[1]	Weighted Average Exercise Price	Weighted Average Remaining Years of Contractual Life
$ 90 — $ 100	1	$ 93.59	7.3
$ 101 — $ 110	1	107.61	8.5
$ 111 — $ 120	2	112.03	9.1
	4		

(1) Number of options expected to vest is total unvested options less estimated forfeitures.

The following table summarizes information about RSU transactions in fiscal 2026 (shares in millions):

	Units	Weighted Average Grant-Date Fair Value
Unvested at beginning of year	**25**	**$ 100.94**
Granted[1]	**17**	**112.73**
Vested	**(16)**	**100.02**
Forfeited	**(2)**	**105.09**
Unvested at end of year[2]	**24**	**$ 108.71**

(1) Includes 0.6 million Performance RSUs.

(2) Includes 1.3 million Performance RSUs.

The weighted average grant-date fair values of options granted during fiscal 2026, 2025 and 2024 were $37, $38 and $32, respectively, and for RSUs were $112, $109 and $94, respectively. The total intrinsic value (market value on date of exercise less exercise price) of options exercised and RSUs vested during fiscal 2026, 2025 and 2024 totaled $1.7 billion, $1.7 billion and $1.3 billion, respectively. The aggregate intrinsic values of stock options vested and expected to vest at October 3, 2026 were not significant.

As of October 3, 2026, unrecognized compensation cost related to unvested stock options and RSUs was $0.1 billion and $1.9 billion, respectively. That cost is expected to be recognized over a weighted-average period of 1.1 years for stock options and 1.2 years for RSUs.

Cash received from option exercises for fiscal 2026, 2025 and 2024 was $0.1 billion, $0.2 billion and $0.1 billion, respectively. Tax benefits realized from tax deductions associated with option exercises and RSU vestings for fiscal 2026, 2025 and 2024 were approximately $0.3 billion, $0.3 billion and $0.3 billion, respectively.

13 *Detail of Certain Balance Sheet Accounts*

Current receivables	**October 3, 2026**	September 27, 2025
Accounts receivable	**$ 10,664**	$ 10,434
Production tax credit receivables	**1,478**	1,313
Other	**1,347**	1,560
Allowance for credit losses	**(100)**	(90)
	$ 13,389	$ 13,217

Parks, resorts and other property	**October 3, 2026**	September 27, 2025
Attractions, buildings and improvements	**$ 46,989**	$ 41,457
Furniture, fixtures and equipment	**29,135**	30,854
Land improvements	**9,012**	8,627
Leasehold improvements	**1,015**	1,103
	86,151	82,041
Accumulated depreciation	**(47,921)**	(48,889)
Projects in progress	**6,266**	6,911
Land	**1,214**	1,192
	$ 45,710	$ 41,255

Intangible assets	October 3, 2026 Gross	Accumulated Amortization	Net
Character/franchise intangibles, copyrights and trademarks	$ 9,729	$ (4,488)	$ 5,241
MVPD agreements	7,213	(5,915)	1,298
Other amortizable intangible assets	4,658	(3,516)	1,142
Total intangible assets subject to amortization	21,600	(13,919)	7,681
Indefinite lived intangible assets[1]	1,792	—	1,792
Total intangible assets	$ 23,392	$ (13,919)	$ 9,473

	September 27, 2025 Gross	Accumulated Amortization	Net
Character/franchise intangibles, copyrights and trademarks	$ 9,507	$ (4,034)	$ 5,473
MVPD agreements	7,213	(5,543)	1,670
Other amortizable intangible assets	3,493	(3,156)	337
Total intangible assets subject to amortization	20,213	(12,733)	7,480
Indefinite lived intangible assets[1]	1,792	—	1,792
Total intangible assets	$ 22,005	$ (12,733)	$ 9,272

(1) Indefinite lived intangible assets consist of ESPN, Pixar and Marvel trademarks and television FCC licenses.

Accounts payable and other accrued liabilities	**October 3, 2026**	September 27, 2025
Accounts and accrued payables	**$ 15,491**	$ 15,055
Payroll and employee benefits	**3,499**	3,587
Income taxes payable	**1,072**	2,301
Other	**285**	260
	$ 20,347	$ 21,203

14 *Commitments and Contingencies*

Commitments

The Company has various contractual commitments for rights to sports, films and other programming, totaling approximately $87.1 billion, including approximately $2.6 billion for available programming as of October 3, 2026. The Company also has contractual commitments for the construction of cruise ships, creative talent and employment agreements and unrecognized tax benefits. Creative talent and employment agreements include obligations to actors, producers, sports, television and radio personalities and executives. Contractual commitments for sports programming rights, other programming rights and other commitments including cruise ships and creative talent are as follows:

Fiscal Year:	Sports Programming[1]	Other Programming	Other	Total
2027	$ 11,173	$ 3,292	$ 4,205	$ 18,670
2028	10,772	1,886	2,917	15,575
2029	9,819	987	2,419	13,225
2030	9,789	380	1,281	11,450
2031	9,575	243	405	10,223
Thereafter	28,541	654	892	30,087
	$ 79,669	$ 7,442	$ 12,119	$ 99,230

(1) Primarily relates to rights for NBA, college football (including bowl games and the College Football Playoff) and basketball, NFL, tennis, soccer, WWE, MLB, WNBA, NHL and golf. Certain sports programming rights have payments that are variable based primarily on revenues and are not included in the table above.

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 former 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 filed a motion to dismiss the complaint for failure to state a claim, which was granted in part (dismissing the Section 20A claim against Iger) and otherwise denied. On March 28, 2025, the Company's subsequent motion for judgment on the pleadings and petition for a writ of mandamus to the Ninth Circuit Court of Appeals also were denied. A hearing on plaintiffs' motion for class certification is scheduled for December 8, 2026. The district court has set trial for November 16, 2027, and discovery is currently in progress. The Company intends to defend against the lawsuit vigorously. 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 court granted the stay on March 3, 2026. 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

Ten 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 November 19, 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 currently stayed until November 19, 2026.
- On February 24, 2026, Sean Martinez filed a shareholder derivative complaint in the Delaware Court of Chancery. On April 16, 2026, the Martinez action was stayed until the court in the Securities Class Action rules upon the motion for summary judgment.
- On March 10, 2026, Karen Gioli filed a shareholder derivative complaint in the U.S. District Court for the Central District of California. On May 29, 2026, the Gioli action was stayed until the stay is lifted in the Securities Class Action.
- On May 8, 2026, Donna Hickok filed a shareholder derivative complaint in the Delaware Court of Chancery. On June 8, 2026, the Hickok action was stayed until the court in the Securities Class Action rules upon any motion for summary judgment.
- On July 24, 2026, William Ballard filed a shareholder derivative complaint in the Delaware Court of Chancery. On August 18, 2026, the Ballard action was stayed until the court in the Securities Class Action rules upon any motion for summary judgment.

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.

FCC Action

On April 28, 2026, the FCC ordered the Company to file early license renewal applications for all eight of our owned television stations, which the Company filed on May 28, 2026. On August 18, 2026, The Walt Disney Company, American Broadcasting Companies, Inc. (ABC), and our eight owned television stations (ABC stations) filed a complaint in the U.S. District Court for the District of Columbia against the Federal Communications Commission (FCC), FCC Chairman Brendan Carr, and Commissioners Olivia Trusty and Anna Gomez. The complaint alleges that the defendants have violated, and continue to violate, plaintiffs' rights under the First Amendment of the U.S. Constitution by launching pretextual regulatory investigations and threatening the ABC stations' broadcast licenses through early license renewal proceedings to punish plaintiffs for content and viewpoints the administration dislikes. The plaintiffs seek declaratory relief that the early license renewal order constitutes retaliation in violation of the First Amendment and temporary, preliminary and permanent orders enjoining the FCC's early license renewal process and further coercive or threatening actions in an effort to alter the plaintiffs' exercise of their editorial discretion. On September 4, 2026, the FCC asked the court to dismiss the complaint. The court heard arguments on the motions in October 2026. The Company intends to prosecute its claims and defend its rights with respect to its FCC licenses vigorously. The lawsuit is in its early stages, and at this time we cannot reasonably estimate the outcome of this lawsuit or the related regulatory proceedings.

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, which was granted in part and denied in part 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, which was granted in part and denied in part.

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 was transferred to the Northern District of California as 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 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.

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 subject to contingencies, including court approval for an amount that is not material for the Company. The Court issued an order granting preliminary approval of the settlement on March 31, 2026 and the final approval hearing is scheduled for January 14, 2027.

The Company and the plaintiffs in the Unger Action did not reach a settlement at the October 2025 mediation. On September 8, 2026, the court entered an order granting the Company's motion to compel arbitration of individual claims and dismissed class claims in the Unger Action, staying the Unger Action's individual claims pending arbitration. On October 12, 2026, the Unger plaintiffs moved to certify that order for interlocutory appeal to the Ninth Circuit Court of Appeals, which the Company opposed. The motion is fully briefed and under submission. The Company intends to continue to defend against the lawsuit vigorously. At this time, we expect any loss in the Unger Action would be in an amount that is not material for the Company.

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 filed amended counterclaims against the Company on March 13, 2026. 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 moved to dismiss the antitrust and certain breach-of-contract amended counterclaims on March 27, 2026. That motion remains pending. On July 14, 2026, the Court stayed both sides'

claims pending the resolution of DISH's bankruptcy proceedings. 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.

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.

15 *Leases*

The Company's operating leases primarily consist of real estate and equipment, including office space for general and administrative purposes, production facilities, land, cruise terminals, retail outlets and distribution centers for consumer products. The Company also has finance leases, primarily for broadcast equipment and land.

Some of our leases include renewal and/or termination options. If it is reasonably certain that a renewal or termination option will be exercised, the exercise of the option is considered in calculating the term of the lease. As of October 3, 2026 and September 27, 2025, our operating leases had a weighted-average remaining lease term of approximately 11 years and 11 years, respectively, and our finance leases had a weighted-average remaining lease term of approximately 33 years and 39 years, respectively. As of October 3, 2026 and September 27, 2025, the weighted-average incremental borrowing rate for our operating leases was 4.2% and 4.1%, respectively, and for our finance leases was 6.6% and 6.8%, respectively. At both October 3, 2026 and September 27, 2025, total estimated future lease payments for non-cancelable lease agreements that have not commenced were not material.

The Company's operating and finance right-of-use assets and lease liabilities are as follows:

	October 3, 2026	September 27, 2025
Right-of-use assets[1]		
Operating leases	**$ 3,164**	$ 3,170
Finance leases	**240**	221
Total right-of-use assets	**$ 3,404**	$ 3,391
Short-term lease liabilities[2]		
Operating leases	**$ 547**	$ 525
Finance leases	**21**	21
	568	546
Long-term lease liabilities[3]		
Operating leases	**2,679**	2,710
Finance leases	**166**	141
	2,845	2,851
Total lease liabilities	**$ 3,413**	$ 3,397

(1) Included in "Other assets" in the Consolidated Balance Sheet.

(2) Included in "Accounts payable and other accrued liabilities" in the Consolidated Balance Sheet.

(3) Included in "Other long-term liabilities" in the Consolidated Balance Sheet.

The components of lease costs are as follows:

	2026	2025	2024
Finance lease cost			
Amortization of right-of-use assets	**$ 33**	$ 23	$ 36
Interest on lease liabilities	**34**	25	13
Operating lease cost	**687**	773	926
Variable fees and other[1]	**584**	527	555
Total lease cost	**$ 1,338**	$ 1,348	$ 1,530

(1) Includes variable lease payments related to our operating and finance leases and costs of leases with initial terms of less than one year.

Cash paid during the year for amounts included in the measurement of lease liabilities is as follows:

	2026	2025	2024
Operating cash flows for operating leases	**$ 736**	$ 903	$ 876
Operating cash flows for finance leases	**34**	25	13
Financing cash flows for finance leases	**32**	46	44
Total	**$ 802**	$ 974	$ 933

Non-cash additions to right-of-use assets for fiscal 2026, 2025 and 2024 were $0.6 billion, $0.4 billion and $0.3 billion, respectively.

Future minimum lease payments, as of October 3, 2026, are as follows:

	Operating	Financing
Fiscal Year:		
2027	$ 650	$ 36
2028	551	35
2029	510	24
2030	452	20
2031	331	19
Thereafter	1,785	316
Total undiscounted future lease payments	4,279	450
Less: Imputed interest	(1,053)	(263)
Total reported lease liability	$ 3,226	$ 187

Lessor Arrangements

The Company leases certain of its land and buildings to third parties, primarily at its parks and experiences businesses. Lessee payments include fixed amounts for the rental of the property although the vast majority of the payments are variable based on a percentage of lessee sales. Revenues recognized on these leases for fiscal 2026, 2025 and 2024 were $0.6 billion, $0.6 billion and $0.6 billion, respectively.

16 *Fair Value Measurements*

The Company's assets and liabilities measured at fair value are summarized in the following tables by fair value measurement Level. See Note 10 for definitions of fair value measures and the Levels within the fair value hierarchy.

	Fair Value Measurement at October 3, 2026			
Description	Level 1	Level 2	Level 3	Total
Assets				
Investments	$ 28	$ 53	$ —	$ 81
Derivatives				
Foreign exchange	—	681	—	681
Other	—	22	—	22
Liabilities				
Derivatives				
Interest rate	—	(940)	—	(940)
Foreign exchange	—	(490)	—	(490)
Other	—	(1)	—	(1)
Other	—	(745)	—	(745)
Total recorded at fair value	$ 28	$ (1,420)	$ —	$ (1,392)
Fair value of borrowings (see carrying value in Note 8)	$ —	$ 36,405	$ 3,038	$ 39,443

	Fair Value Measurement at September 27, 2025			
Description	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 (see carrying value in Note 8)	$ —	$ 36,976	$ 2,111	$ 39,087

The fair value 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 17.

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 are valued based on the current estimated borrowing cost, 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.

Non-recurring Fair Value Measure

The Company also has assets that may be required to be recorded at fair value on a non-recurring basis. These assets are evaluated when certain triggering events occur (including a decrease in estimated future cash flows) that indicate their carrying amounts may not be recoverable. In fiscal 2026, fiscal 2025 and fiscal 2024, the Company recorded impairment charges as disclosed in Notes 4 and 18. These impairment charges were generally determined using estimated discounted future cash flows or estimated sales price, as applicable. The use of estimated discounted future cash flows is a Level 3 valuation technique (see Note 2 for a discussion of the more significant inputs used in our discounted cash flow analysis).

Credit Concentrations

The Company monitors its positions with, and the credit quality of, the financial institutions that are counterparties to its financial instruments on an ongoing basis and does not currently anticipate nonperformance by the counterparties.

The Company does not expect that it would realize a material loss, based on the fair value of its derivative financial instruments as of October 3, 2026, in the event of nonperformance by any single derivative counterparty. The Company generally enters into derivative transactions only with counterparties that have a credit rating of A- or better and requires collateral in the event credit ratings fall below A- or aggregate exposures exceed limits as defined by contract. In addition, the Company limits the amount of investment credit exposure with any one institution.

The Company does not have material cash and cash equivalent balances with financial institutions that have below investment grade credit ratings and maintains short-term liquidity balances in high quality money market funds. At October 3, 2026 and September 27, 2025, the Company's balances (excluding money market funds) with individual financial institutions that exceeded 10% of the Company's total cash and cash equivalents were 11% and 21%, respectively, of total cash and cash equivalents.

The Company's trade receivables and financial investments do not represent a significant concentration of credit risk at October 3, 2026 due to the wide variety of customers and markets in which the Company's products are sold, the dispersion of our customers across geographic areas and the diversification of the Company's portfolio among financial institutions.

17 *Derivative Instruments*

The Company manages its exposure to various risks relating to its ongoing business operations according to a risk management policy. The primary risks managed with derivative instruments are interest rate risk and foreign exchange risk.

The Company's derivative positions measured at fair value (see Note 16) are summarized in the following tables:

	As of October 3, 2026			
	Current Assets	Investments/Other Assets	Other Current Liabilities	Other Long-Term Liabilities
Derivatives designated as hedges				
Foreign exchange	$ 294	$ 264	$ (203)	$ (111)
Interest rate	—	—	(940)	—
Other	20	1	(1)	—
Derivatives not designated as hedges				
Foreign exchange	98	25	(66)	(110)
Other	1	53	—	—
Gross fair value of derivatives	413	343	(1,210)	(221)
Counterparty netting	(355)	(242)	404	193
Cash collateral paid / (received)	(3)	—	609	—
Net derivative positions	$ 55	$ 101	$ (197)	$ (28)

	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 is exposed to the impact of interest rate changes primarily through its borrowing activities. The Company's objective is to mitigate the impact of interest rate changes on earnings and cash flows and on the market value of its borrowings. In accordance with its policy, the Company targets its fixed-rate debt as a percentage of its net debt between a minimum and maximum percentage. The Company primarily uses pay-floating and pay-fixed interest rate swaps to facilitate its interest rate risk management activities.

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 at October 3, 2026 and September 27, 2025, was $11.0 billion and $10.6 billion, respectively.

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

	Carrying Amount of Hedged Borrowings		Fair Value Adjustments Included in Hedged Borrowings	
	October 3, 2026	September 27, 2025	**October 3, 2026**	September 27, 2025
Borrowings:				
Current	**$ 1,517**	$ 2,954	**$ (19)**	$ (44)
Long-term	**9,049**	7,347	**(907)**	(680)
	$ 10,566	$ 10,301	**$ (926)**	$ (724)

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

	2026	2025	2024
Gain (loss) on:			
Pay-floating swaps	**$ (214)**	$ 182	$ 799
Borrowings hedged with pay-floating swaps	**214**	(182)	(799)
Expense associated with interest accruals on pay-floating swaps	**(272)**	(396)	(611)

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 October 3, 2026 and September 27, 2025, the notional amounts of the Company's net foreign exchange cash flow hedges were $12.0 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 gains recorded in AOCI for contracts that will mature in

the next twelve months total $0.1 billion. The following table summarizes the effect of foreign exchange cash flow hedges on AOCI:

	2026	2025	2024
Gain/(loss) recognized in Other Comprehensive Income	**$ 54**	$ 17	$ (97)
Gain/(loss) reclassified from AOCI into the Statement of Operations[1]	**(282)**	261	472

[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 both October 3, 2026 and September 27, 2025, the total notional amount of the Company's designated cross-currency swaps was Canadian $1.3 billion ($0.9 billion). The related gains or losses recognized in earnings for the fiscal years ended 2026, 2025 and 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 October 3, 2026 and September 27, 2025 were $2.8 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 years ended October 3, 2026, September 27, 2025 and September 28, 2024 were not material.

Commodity Price Risk Management

The Company is subject to the volatility of commodities prices, and the Company designates certain commodity forward contracts as cash flow hedges of forecasted commodity purchases. 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 commodity purchases. The notional amount of these commodities contracts at October 3, 2026 and September 27, 2025 and related gains or losses recognized in earnings for fiscal 2026, 2025 and 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 notional amount of these contracts at October 3, 2026 and September 27, 2025 were $0.7 billion and $0.6 billion, respectively. The related gains or losses recognized in earnings for fiscal 2026, 2025 and 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 values of derivative instruments with credit-risk-related contingent features in a net liability position by counterparty were $0.8 billion and $0.9 billion at October 3, 2026 and September 27, 2025, respectively.

18 *Restructuring and Impairment Charges*

A summary of restructuring and impairment charges is as follows:

	2026	2025	2024
Equity investments	**$ 1,012**	$ 635	$ 158
Star India - see Note 4	**—**	75	1,545
Goodwill	**—**	—	1,287
Other	**444**	109	605
Restructuring and impairment charges	**$ 1,456**	$ 819	$ 3,595

Investments

In fiscal 2026, the Company recorded charges of $1.0 billion for impairment of A+E. In fiscal 2025, the Company recorded charges of $0.6 billion for impairments of A+E and Tata Play Limited.

Goodwill

In fiscal 2024, the Company recorded goodwill impairment charges of $1.3 billion related to the entertainment linear networks reporting unit.

Other

In fiscal 2026, the Company recorded charges of $0.4 billion for severance and exiting a facility. In fiscal 2025, the Company recorded charges of $0.1 billion as a result of strategic changes in our approach to content curation, primarily for streaming. In fiscal 2024, the Company recorded charges of $0.6 billion for asset impairments at our retail business, content impairments and severance.

19 *New Accounting Pronouncements*

Accounting Pronouncements Adopted in Fiscal 2026

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 Company provided the new disclosures on a prospective basis for fiscal year 2026. See Note 9 for additional information.

Accounting Pronouncements Not Yet Adopted

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 with fiscal year 2028 and for interim periods beginning with 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.