Information in this presentation, including financial estimates and statements such as those regarding expected results, profitability, losses and performance metrics; expectations about general markets, markets we may serve and our potential consumer base, including size, growth, composition, geography, consumption and other information; statements regarding the future of our products including content, launch dates, availability, investment, expense, pricing, technical performance and capabilities and other expectations and plans regarding our products; the expected benefits of recent transactions; and other statements that are not historical facts may constitute “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. These statements are made on the basis of management’s views and assumptions regarding future events and business performance as of the time the statements are made. We are not under any obligation, and we expressly disclaim any obligation, to update, alter, or otherwise revise any forward-looking statements, whether as a result of new information, future events, or otherwise. You are cautioned not to place undue reliance on these forward-looking statements which speak only as of the date hereof.

These forward-looking statements are subject to risks and uncertainties, and actual results might differ materially from those discussed in, or implied by, the forward-looking statements. Such differences may result from actions taken by the Company, including restructuring or strategic initiatives (including capital investments or asset acquisitions or dispositions), from execution risk in technology, service promotion, or creative development as well as from developments beyond the Company’s control, including: changes in competitive conditions; consumer preferences and willingness to pay for an expanding set of direct-to-consumer services; changes in domestic and global economic conditions; government regulation, including revised foreign content and ownership regulations; poor quality broadband infrastructure in certain markets; international, political, or military developments; technological developments; adverse weather conditions or natural disasters; and health concerns.

Such developments may affect entertainment, travel and leisure businesses generally and may, among other things, affect: demand for our products and services; performance of our direct-to-consumer technology platforms; performance of the Company’s theatrical and original direct-to-consumer releases; the advertising market for entertainment programming and services; expenses of providing medical and pension benefits; income tax expense; performance of some or all company businesses either directly or through their impact on those who distribute our products; and achievement of anticipated benefits of the recent transaction with 21st Century Fox.

Additional factors are set forth in the Company’s Annual Report on Form 10-K for the year ended September 29, 2018 under Item 1A, “Risk Factors” and subsequent reports.
We have previously announced that we will report earnings in just a few weeks. During this presentation we will not be making comments about the recently completed quarter or the current quarter, except as explicitly noted.
LOWELL SINGER
 SENIOR VICE PRESIDENT, INVESTOR RELATIONS

The Walt Disney Company
BOB IGER
CHAIRMAN & CHIEF EXECUTIVE OFFICER
The Walt Disney Company
The Walt Disney Company
KEVIN MAYER
CHAIRMAN, DIRECT-TO-CONSUMER & INTERNATIONAL
GLOBAL BROADBAND CONNECTED HOUSEHOLDS

WIRED & WIRELESS

0.5B
2010

0.7B
2015

1.1B
2020

9% CAGR

SOURCE: IHS, EIU, INTERNAL ESTIMATES
GLOBAL DTC PAID VIDEO SUBSCRIPTIONS

37% CAGR

SOURCE: IHS, KAGAN
GLOBAL DTC PAID VIDEO SUBSCRIPTIONS

TOTAL HOURS / PER DAY

SOURCE: EMARKETER, IHS, INTERNAL ESTIMATES
MICHAEL PAULL
PRESIDENT
DISNEY STREAMING SERVICES
The Walt Disney Company
QUALITY OF SERVICE

HIGH QUALITY VIDEO

CONCURRENCY

HIGH TRANSACTIONAL VELOCITY

ELEGANT & FUNCTIONAL UI

SCALE & DEVICE FOOTPRINT

PERSONALIZATION
RANDY FREER
CHIEF EXECUTIVE OFFICER
hulu
THE STREAMING MOVEMENT IS HERE
Hulu is the fastest growing video service in the US.
Customers are spending more time with Hulu.

+75%  
Total Increase in Engagement

+20%  
Hours Per Subscriber
Anytime.
Everywhere.
Choice, Value & Control.

**hulu NO ADS**
$5.99

**hulu + LIVE TV**
$11.99

**hulu + LIVE TV & Control.**
$44.99
Digital video ad market projection: $50B+ by 2022

More subs, plus more hours, means more revenue.

SOURCE: HULU INTERNAL DATA, AMPERE ANALYSIS (JAN 2019)
Brands are Better with Hulu.

Partnering with us puts brands on the leading edge of tech and entertainment.
More of the best content.

Over 85,000 episodes — more than any SVOD service.

TV, movies, sports and news on your terms.

SOURCE: EMARKETER (SEPT 2018)
We dare to be Original.

Emmys® to Oscars® nominations, our content and marketing continue to drive more people to the service.
Producing Power

Combined production entities bring depth of creative resources.
The future of TV is here and Hulu is leading the way.
JIMMY PITARO
CO-CHAIRMAN
DISNEY MEDIA NETWORKS GROUP & PRESIDENT
THE MOST WELL KNOWN AND TRUSTED BRAND IN SPORTS

200M PEOPLE REACHED PER MONTH / TV & DIGITAL IN THE US

#1 TOP RATED CABLE NETWORK AMONG MEN / 13 YEARS IN A ROW

SOURCE: NIelsen Media Research
20M

U.S. USERS

PER MONTH
UNIQUE VISITORS
YOE GROWTH
+18%
+29%

TOTAL MINUTES

YOY GROWTH
UNIQUE USERS & MINUTES
GLOBAL DIGITAL SPORTS CATEGORY
SOURCE: COMSCORE MEDIA METRIX
24,000 LIVE EVENTS IN 2019
VIEWERSHIP & SUBSCRIPTIONS
RUSSELL WOLFF
EXECUTIVE VICE PRESIDENT & GENERAL MANAGER

ESPN+
10,000 LIVE EVENTS & ORIGINALS
UNRIVALLED ACCESS
~600K SUBSCRIPTIONS IN 48 HOURS
1.8M
UNIQUE VISITORS
MMA CONTENT
ON DIGITAL
2M VIEWERS
SUBSCRIBERS

1M
5 MONTHS

2M
10 MONTHS
UDAY SHANKAR
PRESIDENT, THE WALT DISNEY COMPANY ASIA PACIFIC

The Walt Disney Company
CHAIRMAN, STAR & DISNEY INDIA
hotstar
SOURCE: WORLD BANK, BANK OF AMERICA MERRILL LYNCH
600M+

POPULATION BELOW 25 YEARS OF AGE
OUT OF 1.3B TOTAL IN INDIA

SOURCE: WORLD ECONOMIC FORUM
INDIAN HOUSEHOLDS EARNING $8,500+ / YEAR

SOURCE: WORLD ECONOMIC FORUM; INTERNAL PROJECTIONS

CAGR 10%

2008 2018 2023 2028

24 70 108 166
VIDEO SCREENS IN INDIA

- 2013:
  - 145M TV Screens
  - 125M Video Active Smartphones

- 2018:
  - 550M TV Screens
  - 350M Video Active Smartphones

- 2023:
  - 1B TV Screens
  - 750M Video Active Smartphones

SOURCE: EY FICCI INDIAN M&E SECTOR REPORT; INTERNAL PROJECTIONS; BCG
VIDEO SCREENS IN INDIA
BY 2023

SOURCE: EY FICCI INDIAN M&E SECTOR REPORT; INTERNAL PROJECTIONS
MINIMUM $ / GB COSTS FOR WIRELESS DATA

U.S: $1.50
Philippines: $0.95
China: $0.87
India: $0.02

SOURCE: CABLE.CO.UK
AVERAGE INDIAN PER CAPITA DATA USAGE / MONTH (MB)

- **2015**: 800 MB
- **2016**: 2,750 MB
- **2017**: 5,720 MB
- **2018**: 9,650 MB

**129% CAGR**

SOURCE: NOKIA INDIA MOBILE BROADBAND INDEX 2019
AVERAGE INDIAN HOURS OF VIDEO CONTENT / PERSON / DAY

SOURCE: BROADCAST AUDIENCE RESEARCH COUNCIL; INTERNAL PROJECTIONS

2018: 2.5
2023: 5.0

15% CAGR
ADVERTISING AND CONSUMER PAYMENTS FOR VIDEO IN INDIA

CONSUMER PAYMENTS
(pay TV)

$12B
$14B
$26B

ADVERTISING
(TV and digital)

$7B
$5B
$12B

21% CAGR
12% CAGR

2018
2023

SOURCE: KPMG MEDIA REPORT 2018; INTERNAL PROJECTIONS
8 LANGUAGES CONTENT
1 OUT OF 4 HOURS OF TV WATCHED
250 DAYS OF LIVE SPORTS PER YEAR
300M MONTHLY ACTIVE USERS

SOURCE: BROADCAST AUDIENCE RESEARCH COUNCIL
MOBILE FIRST
SINGLE APP
BUILT FOR SCALE
AD-DRIVEN
40% OF LONGFORM VIDEO CONSUMPTION

SOURCE: APP ANNIE, INTERNAL ESTIMATES
100,000+ HRS
OF DRAMA, MOVIES, SPORTS & NEWS
REVENUE +50%
VIEWERSHIP +30%

IN ONE YEAR ON STAR

SOURCE: BROADCAST AUDIENCE RESEARCH COUNCIL
30% SHARE OF TV ADVERTISING

30% SHARE OF DIGITAL ADVERTISING

40% SHARE OF TV AFFILIATE

SOURCE: EY FICCI INDIAN M&E SECTOR REPORT; INTERNAL ESTIMATES
BRAND AFFINITY

ADULTS

MALE

FEMALE

KIDS

Disney  Pixar  Marvel  Star Wars  National Geographic

SOURCE: INTERNAL RESEARCH
TOP 12 MARKETS

BRAND FAMILIARITY

95%

AWARENESS

HUGE FAN BASE

1B+

FANS

SOURCE: INTERNAL RESEARCH
$7B
BOX OFFICE

SOURCE: TWDC PRESS RELEASE (DEC 2018)
900M TICKETS GLOBALLY

SOURCE: MPAA, NATO, PUBLIC DATA, INTERNAL ESTIMATES
290M TICKETS GLOBALLY

SOURCE: MPAA, NATO, PUBLIC DATA, INTERNAL ESTIMATES
SINCE 2006

22 FILMS

AVERAGE

$690 MILLION BOX OFFICE

SOURCE: PUBLIC DATA, TWDC STUDIO SEGMENT
SINCE 2009

18 FILMS

AVERAGE

$960 MILLION
BOX OFFICE

SOURCE: PUBLIC DATA, TWDC STUDIO SEGMENT
SINCE 2012

AVERAGE

$1.2 BILLION
BOX OFFICE

SOURCE: PUBLIC DATA, TWDC STUDIO SEGMENT
SINCE 2006

44 FILMS
SINCE 2006

44 FILMS

$37+ BILLION CUMULATIVE BOX

$850 MILLION BOX OFFICE

SOURCE: PUBLIC DATA, TWDC STUDIO SEGMENT
2019 THEATRICAL SLATE
ALL CONTENT DOWNLOADABLE
MICHAEL PAULL

PRESIDENT
DISNEY STREAMING SERVICES

The Walt Disney Company
DISTRIBUTION PARTNERSHIPS

KEY CONTENT AVAILABILITY

CONSUMER DEMAND

TECH PLATFORM/PRODUCT READINESS

DISTRIBUTION PARTNERSHIPS

Disney+
RICKY STRAUSS
PRESIDENT, CONTENT & MARKETING

Disney+
BRAND

CONTENT

PERFORMANCE

AUDIENCE

ENGAGEMENT

OPTIMIZATION

CONVERSION

TARGETING
LAUNCH GOAL

95% AWARENESS AMONG TARGET AUDIENCE
PETE DOCTER

CHIEF CREATIVE OFFICER

PIXAR
PIXAR

21 FILMS

OVER 30 SHORTS
KATHLEEN KENNEDY

PRESIDENT

LUCASFILM
JON FAVREAU
DIRECTOR, PRODUCER, WRITER, ACTOR
2019 THEATRICAL SLATE
COURTENEY MONROE
PRESIDENT
NATIONAL GEOGRAPHIC GLOBAL TELEVISION NETWORKS
NATIONAL GEOGRAPHIC
GARY MARSH
PRESIDENT & CHIEF CREATIVE OFFICER

Disney Channel
EPISODIC SERIES

25+

MOVIES & SPECIALS

10+
THE HAPPIEST SOUND IN ALL THE WORLD

RODERS & HAMMERSTEINS

ROBERT WISE

THE SOUND OF MUSIC
U.S. LAUNCH

Disney+

$6.99/MO
Disney+

U.S. LAUNCH

ANNUAL PRICE

$69.99

(or $5.83/mo)

$6.99/mo
CHRISTINE McCarthy

Senior Executive Vice President & Chief Financial Officer

The Walt Disney Company
KEY FINANCIAL DRIVERS

- SUBSCRIPTION REVENUE
- ADVERTISING REVENUE
- CONTENT EXPENSES
- OPERATING EXPENSES
Disney+

$6.99/MO
GLOBAL SUBSCRIBER OUTLOOK

60M - 90M SUBSCRIBERS BY THE END OF FY 2024
LONG-TERM SUBSCRIBER MIX

1/3 DOMESTIC

2/3 INTERNATIONAL
ORIGINAL CONTENT INVESTMENT

FY2020: >$1B
FY2024: MID $2B
Original Content Amortization Expense

- ~$2B
- <$500M

FY2020
FY2024
INTERNALLY LICENSED CONTENT

CONTENT

LICENSE FEE

STUDIO ENTERTAINMENT — AND — MEDIA NETWORKS

Disney+
LICENSED CONTENT EXPENSE

FY2020 < $1.5B

FY2024 MID $2B
FINANCIAL OUTLOOK

OPERATING EXPENSES
< $1B FOR FY2020

PEAK OPERATING LOSSES
FY2020 - FY2022

PROFITABILITY
FY 2024
FINANCIAL OUTLOOK

OPERATING LOSSES

~$650M IN FY2019 & FY2020

PROFITABILITY

FY2023
FINANCIAL OUTLOOK

PEAK OPERATING LOSS

$1.5B IN FY2019

PROFITABILITY

FY2023 OR FY2024

EXCLUDES THE IMPACT OF PURCHASE ACCOUNTING
Thank you for joining us!