

**Reconciliation of Non-GAAP Financial Measures
To Corresponding GAAP Financial Measures
March 29, 2025**

Diluted earnings per share (EPS) excluding certain items (also referred to as adjusted EPS), total segment operating income and free cash flow are not measures of performance defined by, or calculated in accordance with, generally accepted accounting principles (GAAP).

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

Our definitions and calculations of diluted EPS excluding certain items, total segment operating income and free cash flow, as well as quantitative reconciliations of each of these measures to the most directly comparable GAAP financial measures are provided below.

The Company is not providing the forward-looking measure for diluted EPS, which is the most directly comparable GAAP measure to diluted EPS excluding certain items, or a quantitative reconciliation of forward-looking diluted EPS excluding certain items to that most directly comparable GAAP measure. The Company is unable to predict or estimate with reasonable certainty the ultimate outcome of certain significant items required for such GAAP measure without unreasonable effort. Information about other adjusting items that is currently not available to the Company could have a potentially unpredictable and significant impact on future GAAP financial results.

Diluted EPS excluding certain items

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

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

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

The following table reconciles reported diluted EPS to diluted EPS excluding certain items for the second quarter:

(\$ in millions except EPS)	Pre-Tax Income/ Loss	Tax Benefit/ Expense ⁽¹⁾	After-Tax Income/ Loss ⁽²⁾	Diluted EPS ⁽³⁾	Change vs. prior-year period
Quarter Ended March 29, 2025					
As reported	\$ 3,087	\$ 314	\$ 3,401	\$ 1.81	nm
Exclude:					
Resolution of a prior-year tax matter	—	(1,016)	(1,016)	(0.56)	
Amortization of TFCF and Hulu intangible assets and fair value step-up on film and television costs ⁽⁴⁾	396	(92)	304	0.16	
Restructuring and impairment charges ⁽⁵⁾	109	(25)	84	0.05	
Excluding certain items	<u>\$ 3,592</u>	<u>\$ (819)</u>	<u>\$ 2,773</u>	<u>\$ 1.45</u>	20 %
Quarter Ended March 30, 2024					
As reported	\$ 657	\$ (441)	\$ 216	\$ (0.01)	
Exclude:					
Restructuring and impairment charges ⁽⁵⁾	2,052	(121)	1,931	1.06	
Amortization of TFCF and Hulu intangible assets and fair value step-up on film and television costs ⁽⁴⁾	434	(101)	333	0.17	
Excluding certain items	<u>\$ 3,143</u>	<u>\$ (663)</u>	<u>\$ 2,480</u>	<u>\$ 1.21</u>	

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

⁽²⁾ Before noncontrolling interest share.

⁽³⁾ Net of noncontrolling interest share, where applicable. Total may not equal the sum of the column due to rounding.

⁽⁴⁾ For the current quarter, intangible asset amortization was \$327 million, step-up amortization was \$66 million and amortization of intangible assets related to a TFCF equity investee was \$3 million. For the prior-year quarter, intangible asset amortization was \$362 million, step-up amortization was \$69 million and amortization of intangible assets related to a TFCF equity investee was \$3 million.

⁽⁵⁾ Amounts for the current quarter reflect content impairments (\$109 million). Amounts for the prior-year quarter include impairments of goodwill (\$2,038 million).

The following table reconciles reported diluted EPS to diluted EPS excluding certain items for the six-month period:

(\$ in millions except EPS)	Pre-Tax Income/ Loss	Tax Benefit/ Expense ⁽¹⁾	After-Tax Income/ Loss ⁽²⁾	Diluted EPS ⁽³⁾	Change vs. prior year
Six Months Ended March 29, 2025:					
As reported	\$ 6,747	\$ (702)	\$ 6,045	\$ 3.21	>100 %
Exclude:					
Amortization of TFCF and Hulu intangible assets and fair value step-up on film and television costs ⁽⁴⁾	793	(184)	609	0.32	
Restructuring and impairment charges ⁽⁵⁾	252	188	440	0.25	
Resolution of a prior-year tax matter	—	(1,016)	(1,016)	(0.56)	
Excluding certain items	<u>\$ 7,792</u>	<u>\$ (1,714)</u>	<u>\$ 6,078</u>	<u>\$ 3.22</u>	32 %
Six Months Ended March 30, 2024:					
As reported	\$ 3,528	\$ (1,161)	\$ 2,367	\$ 1.03	
Exclude:					
Restructuring and impairment charges ⁽⁵⁾	2,052	(121)	1,931	1.06	
Amortization of TFCF and Hulu intangible assets and fair value step-up on film and television costs ⁽⁴⁾	885	(206)	679	0.36	
Excluding certain items	<u>\$ 6,465</u>	<u>\$ (1,488)</u>	<u>\$ 4,977</u>	<u>\$ 2.44</u>	

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

⁽²⁾ Before noncontrolling interest share.

⁽³⁾ Net of noncontrolling interest share, where applicable. Total may not equal the sum of the column due to rounding.

⁽⁴⁾ For the current period, intangible asset amortization was \$654 million, step-up amortization was \$133 million and amortization of intangible assets related to a TFCF equity investee was \$6 million. For the prior-year period, intangible asset amortization was \$742 million, step-up amortization was \$137 million and amortization of intangible assets related to a TFCF equity investee was \$6 million.

⁽⁵⁾ Amounts for the current period include impairment charges related to the Star India Transaction (\$143 million) and content (\$109 million). Tax expense in the current period includes the estimated tax impact of these charges and a non-cash tax charge of \$244 million related to the Star India Transaction. Amounts for the prior-year period include impairments of goodwill (\$2,038 million).

Total segment operating income

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

The following table reconciles income before income taxes to total segment operating income:

(\$ in millions)	Quarter Ended			Six Months Ended		
	March 29, 2025	March 30, 2024	Change	March 29, 2025	March 30, 2024	Change
Income before income taxes	\$ 3,087	\$ 657	>100 %	\$ 6,747	\$ 3,528	91 %
Add (subtract):						
Corporate and unallocated shared expenses	395	391	(1) %	855	699	(22) %
Equity in the loss of India joint venture	103	—	nm	136	—	nm
Restructuring and impairment charges	109	2,052	95 %	252	2,052	88 %
Interest expense, net	346	311	(11) %	713	557	(28) %
Amortization of TFCF and Hulu intangible assets and fair value step-up on film and television costs	396	434	9 %	793	885	10 %
Total segment operating income	<u>\$ 4,436</u>	<u>\$ 3,845</u>	15 %	<u>\$ 9,496</u>	<u>\$ 7,721</u>	23 %

Free cash flow

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

The following table presents a summary of the Company's consolidated cash flows:

(\$ in millions)	Quarter Ended		Six Months Ended	
	March 29, 2025	March 30, 2024	March 29, 2025	March 30, 2024
Cash provided by operations	\$ 6,753	\$ 3,666	\$ 9,958	\$ 5,851
Cash used in investing activities	(1,898)	(1,307)	(4,473)	(2,553)
Cash used in financing activities	(4,556)	(2,818)	(5,553)	(10,824)
Impact of exchange rates on cash, cash equivalents and restricted cash	77	(62)	(76)	17
Change in cash, cash equivalents and restricted cash	376	(521)	(144)	(7,509)
Cash, cash equivalents and restricted cash, beginning of period	5,582	7,247	6,102	14,235
Cash, cash equivalents and restricted cash, end of period	<u>\$ 5,958</u>	<u>\$ 6,726</u>	<u>\$ 5,958</u>	<u>\$ 6,726</u>

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

(\$ in millions)	Quarter Ended			Six Months Ended		
	March 29, 2025	March 30, 2024	Change	March 29, 2025	March 30, 2024	Change
Cash provided by operations	\$ 6,753	\$ 3,666	\$ 3,087	\$ 9,958	\$ 5,851	\$ 4,107
Investments in parks, resorts and other property	(1,862)	(1,259)	(603)	(4,328)	(2,558)	(1,770)
Free cash flow	\$ 4,891	\$ 2,407	\$ 2,484	\$ 5,630	\$ 3,293	\$ 2,337