NEWS RELEASE

Statement From The Walt Disney Company

2023-11-30

BURBANK, Calif., November 30, 2023 – The Walt Disney Company (NYSE: DIS) issued the following statement today in response to the statement released by Nelson Peltz, founding partner of Trian, relating to Disney and its Board of Directors:

The Walt Disney Company has a proven track record of delivering long-term value to our shareholders and is in the midst of a significant transformation to reinforce our position as the world's preeminent entertainment company. Over the past twelve months, we restructured the company to restore creativity to the center of all our businesses as we significantly reduce costs and drive efficiencies, and we are on track to achieve about $7.5 billion in cost savings – $2 billion more than our original target.

Disney is moving from a period of fixing to a new era of building, as the entire media sector navigates the crosscurrents of the competitive landscape for streaming. We are executing on four key building opportunities that will be central to our success: achieving significant and sustained profitability in our streaming business; building ESPN into the preeminent digital sports platform; improving the output and economics of our film studios; and turbocharging growth in our Experiences business. Our extraordinary portfolio of businesses, brands and assets—and the key synergies between them—are the foundation to developing the popular franchises that will continue to drive our strategic success. With one of the strongest balance sheets in the media sector, Disney expects free cash flow to approach pre-COVID levels in fiscal 2024, and the Board and management are steadfast in our commitment to ensuring The Walt Disney Company's long-term success for the benefit of all our shareholders.

Disney also continues to refresh its Board of Directors, including the appointments of James P. Gorman, Chairman and Chief Executive Officer of Morgan Stanley, and Sir Jeremy Darroch, a veteran media executive and former Group Chief Executive of Sky, as new directors, as the result of a lengthy and comprehensive search that began in April of this year.

Their appointments reflect Disney's commitment to a strong board focused on the long-term performance of the company, strategic growth initiatives, the succession planning process, and increasing shareholder value. As also announced yesterday, Disney board member Francis A. deSouza has decided not to stand for reelection at the annual meeting.

Mr. Peltz, in partnership with Isaac Perlmutter, a former Disney executive, intends to take its case to shareholders. Mr. Perlmutter owns 78% of the shares that Mr. Peltz claims beneficial ownership of, or more than 25 million of the 33 million shares. This dynamic is relevant to assessing Mr. Peltz and any other nominees he may put forth as directors, as Mr. Perlmutter was terminated from his employment by Disney earlier this year and has voiced his longstanding personal agenda against Disney's CEO, Robert A. Iger, which may be different than that of all other shareholders.

The Disney Board will recommend to shareholders its slate of director nominees in the company's proxy statement to be filed with the Securities and Exchange Commission and distributed to all shareholders eligible to vote at the annual meeting.

Disney shareholders are not required to take any action at this time.

Forward-Looking Statements

Certain statements in this communication may constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995, including statements regarding the Company's expectations, beliefs, plans, and continuation of commitments and focus; expected growth and drivers of performance or growth; our business or financial prospects, trends or outlook; business plans or opportunities; future performance and growth; organizational structure and leadership decisions; plans or expectations for direct-to-consumer profitability, product acceptance and enhancements and subscription offerings; consumer behavior or demand; cost reductions and efficiencies; strategies and strategic priorities and opportunities; value of our intellectual property, content offerings, businesses and assets, including franchises and brands; future free cash flow; and other statements that are not historical in nature. These statements are made on the basis of management's views and assumptions regarding future events and business performance as of the time the statements are made. Management does not undertake any obligation to update these statements.

Actual results may differ materially from those expressed or implied. Such differences may result from actions taken by the Company, including restructuring or strategic initiatives or other business decisions, as well as from developments beyond the Company's control, including: the occurrence of subsequent events; further deterioration in domestic or global economic conditions or failure of conditions to improve as anticipated; deterioration or pressures from competitive conditions, including competition to create or acquire content, competition for talent and competition for advertising revenue; consumer preferences and acceptance of our content, offerings, pricing model and price increases, and corresponding subscriber additions and churn, and the market for advertising sales on our direct-to-consumer services and linear networks; health concerns and their impact on our businesses and productions; international, political or military

developments; regulatory or legal developments; technological developments; labor markets and activities, including work stoppages; adverse weather conditions or natural disasters; and availability of content. Such developments may further affect entertainment, travel and leisure businesses generally and may, among other things, affect (or further affect, as applicable): our operations, business plans or profitability, including direct-to-consumer profitability; our expected benefits of the composition of the Board; demand for our products and services; the performance of the Company's content; our ability to create or obtain desirable content at or under the value we assign the content; the advertising market for programming; income tax expense; and performance of some or all Company businesses either directly or through their impact on those who distribute our products.

Additional factors are set forth in the Company's Annual Report on Form 10-K for the year ended September 30, 2023 under the captions "Risk Factors," "Management's Discussion and Analysis of Financial Condition and Results of Operations," and "Business," and subsequent filings with the Securities and Exchange Commission, including, among others, quarterly reports on Form 10-Q.

Contacts:

David Jefferson
Corporate Communications
David.J.Jefferson@disney.com
818-560-4832

Mike Long
Corporate Communications
Mike.P.Long@disney.com
818-560-4588