NEWS RELEASE

The Walt Disney Company Board Decides To Forgo Next Semi-Annual Cash Dividend

2020-05-05

BURBANK, Calif., May 5, 2020 – The Walt Disney Company (NYSE: DIS) Board of Directors today announced that it will forgo payment of a semi-annual cash dividend for the first half of fiscal 2020, given the significant operational and financial disruption caused by COVID-19.

The Board's action is one of several measures the Company has taken in the wake of the pandemic, including reducing capital spending, cutting salaries for senior management, and making the difficult decision to furlough employees. By not issuing a semi-annual dividend, the Company will preserve about $1.6 billion in cash, based on the 88 cents a share previously paid to shareholders in January.

Forward-Looking Statements

Certain statements and information in this communication may be deemed to be "forward-looking statements" within the meaning of the Federal Private Securities Litigation Reform Act of 1995, including statements identified by the word "will" or similar words 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 (including capital investments, asset acquisitions or dispositions, integration initiatives and timing of synergy realization) or other business decisions, as well as from developments beyond the Company's control, including:

- changes in domestic and global economic conditions, competitive conditions and consumer preferences;
- adverse weather conditions or natural disasters;
- health concerns;
- international, regulatory, political, or military developments;
- technological developments; and
- labor markets and activities;

each such risk includes the impacts of, and is amplified by, COVID-19 and related mitigation efforts.

Such developments may affect entertainment, travel and leisure businesses generally and may, among other things, affect:

- the performance of the Company's theatrical and home entertainment releases;
- the advertising market for broadcast and cable television programming;
- demand for our products and services;
- construction;
- 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 TFCF transaction.

Additional factors are set forth in the Company's Annual Report on Form 10-K for the year ended September 28, 2019 under Item 1A, "Risk Factors," Item 7, "Management's Discussion and Analysis," Item 1, "Business," and subsequent reports, including, among others, quarterly reports on Form 10-Q and Current Reports on Forms 8-K.

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