

THE WALT DISNEY COMPANY
Supplemental Entertainment SVOD Detail

The following table provides fiscal 2025 quarterly supplemental Entertainment SVOD detail:

(\$ in millions)	Quarter Ended				Year Ended
	December 28, 2024	March 29, 2025	June 28, 2025	September 27, 2025	September 27, 2025
Revenues					
Subscription fees	\$ 3,928	\$ 4,057	\$ 4,116	\$ 4,201	\$ 16,302
Advertising and other revenue	888	805	856	880	3,429
Total revenues	4,816	4,862	4,972	5,081	19,731
Programming and production costs	(2,473)	(2,378)	(2,481)	(2,392)	(9,724)
Other expenses ⁽¹⁾	(2,082)	(2,174)	(2,162)	(2,287)	(8,705)
Entertainment SVOD operating income ⁽²⁾	\$ 261	\$ 310	\$ 329	\$ 402	\$ 1,302

⁽¹⁾ Includes other operating expenses, selling, general and administrative expenses and depreciation and amortization.

⁽²⁾ Entertainment SVOD operating income is a non-GAAP financial measure. The most comparable GAAP measure is Entertainment segment operating income. See the discussion on page 2 for how we define and calculate this measure and a reconciliation thereof to the most directly comparable GAAP measure.

NON-GAAP FINANCIAL MEASURES

This document presents Entertainment SVOD operating income and SVOD operating margin, which are important financial measures for the Company but are not financial measures defined by GAAP.

These measures should be reviewed in conjunction with the most comparable GAAP financial measures and are not presented as alternative measures of Entertainment segment operating income or Entertainment segment operating margin as determined in accordance with GAAP. Entertainment SVOD operating income and SVOD operating margin as we have calculated them may not be comparable to similarly titled measures reported by other companies.

Our definitions and calculations of Entertainment SVOD operating income and SVOD operating margin, as well as reconciliations of each of these measures to the most directly comparable GAAP financial measure, are provided below.

Entertainment SVOD operating income consists of operating income for the Disney+, Hulu subscription video-on-demand and Disney+ Hotstar (through November 14, 2024) streaming services (collectively, “Entertainment SVOD” or “SVOD”), which excludes results for the Hulu Live TV vMVPD service.

The Company uses Entertainment SVOD operating income (and related SVOD operating margin) as a measure of the performance of Entertainment SVOD, and we believe Entertainment SVOD operating income (and related SVOD operating margin) assists investors by allowing them to evaluate the performance of Entertainment SVOD separately from our other Entertainment businesses.

The following table reconciles Entertainment SVOD operating income to Entertainment segment operating income:

(\$ in millions)	Quarter Ended				Year Ended
	December 28, 2024	March 29, 2025	June 28, 2025	September 27, 2025	September 27, 2025
Entertainment segment operating income	\$ 1,703	\$ 1,258	\$ 1,022	\$ 691	\$ 4,674
Subtract: Other Entertainment businesses operating income	1,442	948	693	289	3,372
Entertainment SVOD operating income	<u>\$ 261</u>	<u>\$ 310</u>	<u>\$ 329</u>	<u>\$ 402</u>	<u>\$ 1,302</u>
Entertainment segment operating margin ⁽¹⁾	<u>15.7 %</u>	<u>11.8 %</u>	<u>9.5 %</u>	<u>6.8 %</u>	<u>11.0 %</u>
Entertainment SVOD operating margin ⁽¹⁾	<u>5.4 %</u>	<u>6.4 %</u>	<u>6.6 %</u>	<u>7.9 %</u>	<u>6.6 %</u>

⁽¹⁾ Entertainment segment operating margin is calculated as Entertainment segment operating income divided by Entertainment segment revenue, and SVOD operating margin is calculated as Entertainment SVOD operating income divided by Entertainment SVOD revenue.