

The **WALT DISNEY** Company

INVESTOR DAY



DECEMBER 10, 2020

Disney Speakers:

Bob Chapek

Chief Executive Officer

Kareem Daniel

Chairman, Media and Entertainment Distribution

Rebecca Campbell

Chairman, International Operations and Direct-to-Consumer

Michael Paull

President of Disney+ and ESPN+

Jerrell Jimerson

Executive Vice President, Product and Design

Kelly Campbell

President, Hulu

Jimmy Pitaro

Chairman, ESPN and Sports Content



Disney Speakers (continued):

Bob Iger

Executive Chairman and Chairman of the Board

Dana Walden

Chairman, Entertainment, Walt Disney Television

John Landgraf

Chairman, FX

Kathleen Kennedy

President, Lucasfilm

Courteney Monroe

President, National Geographic Content

Sean Bailey

President, Walt Disney Studios Motion Pictures Productions

Jennifer Lee

Chief Creative Officer, Walt Disney Animation Studios

Pete Docter

Chief Creative Officer, Pixar

Kevin Feige

President, Marvel Studios and Chief Creative Officer, Marvel

Christine McCarthy

Senior Executive Vice President and Chief Financial Officer

Lowell Singer

Senior Vice President, Investor Relations



PRESENTATION

Lowell Singer – *Senior Vice President, Investor Relations, The Walt Disney Company*

Good afternoon. I'm Lowell Singer, Senior Vice President of Investor Relations at The Walt Disney Company, and it's my pleasure to welcome you to Disney Investor Day 2020. We truly appreciate you taking the time to join us here today.

Now at today's Investor Day, we intend to convey why we are so excited about our direct-to-consumer opportunity and also to answer many of the questions you've asked us since our first direct-to-consumer investor day in April of 2019.

So let me provide some details for the day. In a moment, you will hear from Bob Chapek, Disney's Chief Executive Officer. Next, Kareem Daniel, who heads our media and entertainment distribution business, will discuss our commercialization strategy. You will then hear more detail about our direct-to-consumer businesses, including Disney+, Star, Hulu and ESPN+.

We will then take a 10-minute break. And following the break, our Executive Chairman, Bob Iger will kick off a presentation of our incredible content pipeline during which you will hear from many of our company's amazing, creative executives.

Later, our Chief Financial Officer, Christine McCarthy, will provide a financial update. And then, after Bob Chapek wraps up the day, we will move to an analyst question-and-answer session.

We are joining you today from Stage 2 here on our lot in Burbank, which is the same stage on which we hosted many of you last year. And while much has changed over the past 20 months, including our direct-to-consumer ambition, some things haven't changed at all...including our legal team.



So before we move on, I must mention that statements made in today's presentation may contain forward-looking information. Actual results may differ materially from what we are presenting today. The information you now see identifies and gives you details about some of the risks regarding those forward looking statements, as well as where to go to get more information about our risk factors.

Now, a couple of logistical notes about today. Due to some rights issues, we will only be able to stream some of the videos that we are showing today. We apologize that we can't share all of them. However, we do have a lot we can show you. And we also hope you can view today's presentation on a large screen. Shortly after the conclusion of today's presentation, we will be making a replay of the event available. We will also be posting downloadable slides to our website.

Finally, and most importantly, thanks for taking the time to join us today.

And now it is my pleasure to introduce the Chief Executive Officer of The Walt Disney Company, Bob Chapek.

Bob Chapek – *Chief Executive Officer, The Walt Disney Company*

Thank you, Lowell – I also want to welcome you all to our virtual Investor Day. While I wish we could be together for this, I think you'll find the presentation we have for you is truly spectacular.

It's hard to believe it's only been a year since we first introduced you and the world to a whole new way of enjoying the magic of Disney in the comfort and convenience of your own homes.

We knew this one-of-a-kind service featuring content only Disney can create would resonate with consumers and stand out in the marketplace. And needless to say, Disney+ has exceeded our wildest expectations, with 86.8 million subscribers as of December 2nd.



That's quite an achievement!

This success has bolstered our confidence in our continued acceleration towards a DTC-first business model, and more importantly, it's launched The Walt Disney Company into a new era of delivering consumers truly exceptional entertainment built around our world-renowned brands and franchises.

Given that storytelling is at the heart of everything we do at Disney, we're incredibly proud of how much our stories have been embraced by people around the world. Ninety-five percent of the population in twelve of our top global markets engaged with our content over the past year alone. And more than 1 billion people have identified themselves as true fans with a deep emotional connection to our brands.

Since the launch of Disney+, we have been working hard to meet the growing demand for our entertainment. And now, with our recent reorganization, we've separated content creation from distribution, and put in place a new structure that will allow us to be even more nimble, responsive and effective in the delivery of our unparalleled programming.

This will enable us to tell great stories, inspired by the perfect mix of creative excellence enhanced by data-driven audience insights, delivered in ways that consumers want.

Our unique access to an incredible number of consumer touch points across our businesses gives us a clear advantage. Based on insights gained from this wealth of data, our distribution and commercialization team is able to better inform our creatives of consumer preferences. And the creative teams are empowered to make the high-quality branded entertainment they believe will resonate with audiences.



This new organization also gives us maximum flexibility in determining when - and on which platform - content will be available. And this is especially important now given consumers' rapidly changing consumption behaviors, and the prolonged uncertainty due to the pandemic.

As circumstances change, we will continue to consider these and other critical factors when determining what steps we may take to most effectively distribute our programming. Our goal is always to serve consumers in the best way possible. Our new head of Media and Entertainment Distribution, Kareem Daniel, will talk more about our long-term plans in just a moment.

While this has been a very tough year for all of us, here at Disney, we continue to take deliberate and innovative steps in running our businesses to best position them for future growth.

Walt Disney founded this company nearly 100 years ago with the belief that we should always be evolving, growing, and reinventing ourselves. In his words, "We keep moving forward, opening new doors, and doing new things, because we're curious and curiosity keeps leading us down new paths." And I strongly believe it is this perpetual willingness to constantly challenge the status quo, to be visionary in our thinking, to take smart bold risks, and to make strategic investments in our future that allows our company to continue to thrive in increasingly dynamic environments.

Another thing that really sets us apart is the ecosystem that's comprised of our various lines of business and portfolio of great brands and franchises.

Some of you may be familiar with this 1957 schematic that shows how Walt envisioned the company, with everything centered around storytelling. There was an incredible amount of synergy between segments that powered the company's success.



And what you see today is a modern incarnation of this same synergy, still rooted in the tremendous strength of our storytelling across our unrivaled collection of brands and franchises.

Our unique ecosystem connects us with consumers in ways that no other company can.

For example, let's consider the outstanding success of Marvel - with its record-breaking collection of films from the Marvel Cinematic Universe loved by fans around the world, including the number 1 movie of all time, *Avengers: Endgame*.

And we're incredibly excited to show you what the amazing team at Marvel has in store for you later in the presentation, including feature films, along with cinematic-quality episodic shows headed to Disney+, such as the highly anticipated new series *WandaVision*, *The Falcon and the Winter Soldier* and *Loki*.

We also can't wait for you to experience the all new Avengers Campus being built at Disney California Adventure, and the vast selection of new superhero consumer products available around the world.

And as you'll see later, our other studios, with their own prolific collection of intellectual property, are developing new storylines and characters that will expand our popular franchises well into the future - and all of it will inevitably become part of Disney+, further enriching the unmatched offering of content available on the service.

Of course, our excitement in the DTC space goes well beyond just Disney+. We're incredibly pleased with the success of all of our streaming services: Disney+, ESPN+ and Hulu. And now, with the upcoming launch of our Star-branded General Entertainment offering outside the U.S. - fueled by our amazing creatives and the incredible array of high-quality movies and series from



our acquisition of 21st Century Fox - our DTC business will be even more robust and have a greater global reach than ever before.

We're confident the future of The Walt Disney Company is a bright one. We have the best and most respected brands in the world, and the most talented people in the industry. And we're taking bold, transformative steps and making the right investments to accelerate our growth.

Before I turn it over to Kareem, let me just say how proud I am to be leading this extraordinary company during this pivotal time. And like everyone, we are facing some tough short-term challenges. But, just as we've done countless times over our nearly 100-year history, we are finding new and innovative ways to entertain and inspire people, which you'll see throughout this presentation.

Now, let's welcome Kareem.

Kareem Daniel – *Chairman, Media and Entertainment Distribution, The Walt Disney Company*

Thanks, Bob and good afternoon, everyone.

I am thrilled to be here representing Disney's new Media and Entertainment Distribution organization, where we have the privilege of sharing the unparalleled stories created across The Walt Disney Company with fans and families around the world.

We have the very best creative minds in the industry here at Disney, and I am excited to share with you our plans for how we intend to accelerate our growth in the critical direct-to-consumer space, in partnership with the creative teams in the Studios, General Entertainment and Sports organizations.

As a company, we are set up to achieve success in an increasingly dynamic environment. And as Bob mentioned, consumer behavior really does drive our decision-making. While we have



always valued the data gained through our numerous consumer touchpoints, the rapid growth of our portfolio of DTC services provides us with an even greater opportunity to understand their preferences, and we are using these insights to help determine how to optimally engage with our audiences.

In fact, our team uses all of the information available to us when determining how best to allocate our annual creative content budgets across platforms, with the goal to maximize both audience engagement and commercial impact.

And we share this budgetary framework and critical insights with our creative partners, as part of a truly collaborative planning process that delivers high-quality, branded entertainment, to achieve our established growth objectives for all of our platforms: from direct-to-consumer, to linear networks, to theatrical exhibition.

This exchange of information is a key pillar of our organization's overall strategy, which also relies on the increased flexibility provided by our mix of distribution options, including, in no particular order:

- Releasing content through traditional windows - such as theaters and linear networks before it is made available on our direct-to-consumer services, particularly recognizing theatrical exhibition's ability to help establish major franchises that are at the heart of our Disney flywheel;
- Providing our creative output simultaneously day-and-date on both traditional and DTC platforms, in concert with our Premier Access commercialization strategy for the DTC component;
- And exclusively distributing our content on our streaming services, providing a constant flow of new titles for subscriber acquisition and to minimize churn.



Of course, regardless of where it originates, all of our films and episodic series will inevitably end up as part of our incredibly rich and increasingly robust library of content on our DTC platforms.

Since streaming has quickly become a preferred method of consumption, we are prioritizing our DTC platforms - both in terms of how we distribute our content and also through our increased investment in original programming for Disney+, Hulu, ESPN+ and the upcoming Star-branded international general entertainment offering. By significantly ramping up production for these services, we will not only accelerate the growth of our DTC businesses but also solidify our deep and very personal relationship with consumers globally.

Today, you will see this new strategy clearly reflected, as our creative leaders tell you about the phenomenal stories that they're developing...ranging from blockbusters that will debut first in theaters...to premium series and films that will only be available on Disney+. These Disney+ Originals will carry a special logo, and I can tell you that you'll be seeing it a lot over the course of the next couple of hours.

Just to provide you with a preview, we are happy to announce that over the next few years, we will release roughly 10 Marvel series; 10 Star Wars series; 15 Disney live-action, Disney Animation, and Pixar series; as well as 15 Disney live-action, Disney Animation, and Pixar features...all new, and all directly on Disney+. With these Disney+ Originals - along with theatrical releases and library titles - we will be adding something new to the service every week.

Notably, this month's programming is a great example of how we're able to seamlessly blend long-term planning with the nimbleness required to drive success in a dynamic world, as we are offering both the conclusion of the second season of our hit original series *The Mandalorian*, as well as the recently announced debut of Pixar's next masterpiece *Soul* - which was initially slated for theaters.



In a similar way, the wealth of Disney+ content that we'll preview for you today also reflects a mix of stories developed specifically for the service, along with content originally intended for theatrical release. In particular, a number of Disney and Pixar films heading to Disney+ were previously planned as theatrical releases - but as a perfect illustration of our strategic pivot to a DTC-first business model, we have decided they will now be Disney+ originals.

Further, in light of continued COVID-related challenges in the marketplace and our commitment to providing consumers greater choice than ever before, we are pleased to announce that we will release Walt Disney Animation Studios' epic adventure story, *Raya and The Last Dragon*, through Disney+ Premier Access at the same time that we debut the film in theaters in March. You'll have a chance to hear more about this highly anticipated film from Jennifer Lee, Chief Creative Officer of Walt Disney Animation, in just a little while.

It is important to note that all of these distribution plans reflect our current view of the media and entertainment landscape. One of the primary benefits of our new organizational structure is our ability to quickly re-evaluate and adjust our plans in light of any changes in the marketplace. And we will continue to shift and optimize our mix of windowed theatrical, day-and-date, and DTC exclusive offerings according to what is best for the consumer and our businesses.

The Walt Disney Company is uniquely positioned to execute this consumer-centric strategy. We have brands and franchises that are beloved globally. We have teams of brilliant storytellers powering our best-in-class creative engines. And we have a strong and diverse portfolio of streaming services. All of these factors yield distinct competitive advantages - enabling us to deliver the compelling stories that audiences worldwide have come to expect from Disney, in the ever-evolving ways that they prefer to view them.

And now, here to share a business update on our direct-to-consumer services... please welcome Rebecca Campbell, Chairman, International Operations and Direct-to-Consumer. Thank you.



Rebecca Campbell – *Chairman, International Operations and Direct-to-Consumer, The Walt Disney Company*

Thanks, Kareem.

Today, I'm going to start by updating you on the incredible growth that our streaming services have experienced to date, and then I'm going to give you a preview of the exciting things that we have in store for our global direct-to-consumer offerings.

Now, when you heard from us in April of 2019, we shared our guidance for fiscal year 2024: 60-90 million Disney+ subscribers; 40-60 million Hulu subscribers; and 8-12 million ESPN+ subscribers.

I'm thrilled to say that our performance against those goals has been spectacular.

As of December 2nd, we now have over 137 million subscriptions across our direct-to-consumer portfolio; including 86.8 million Disney+ subscribers, of which approximately 30% are Disney+ Hotstar subscribers; 38.8 million Hulu subscribers; and 11.5 million ESPN+ subscribers.

Due to this exceptional performance out of the gate, our aspirations have grown since we last met and our CFO Christine McCarthy will provide updated guidance for our direct-to-consumer business later today.

But first, I want to talk about Disney+, and by the way, our amazing storytellers could not have scripted this any better.

In just over a year, Disney+ has cemented its reputation as a singular destination for premium branded content. Our subscriber growth demonstrates the incredible consumer response as we've rolled the service out around the world.



Our initial launch in the United States, Canada, Australia, New Zealand and the Netherlands yielded an immediate response - 10 million sign-ups as of day one. And then we quickly expanded across EMEA to the UK, Germany, Italy, Spain, France, and in more than 10 other countries.

And then in Asia, we launched Disney+ Hotstar in India and Indonesia, and executed a limited Disney+ launch in Japan, and that will actually expand to the full market next year.

And just last month, we launched in Latin America including Argentina, Brazil, Mexico, Chile, Colombia and Peru and more than 15 additional countries in South and Central America.

And we're not done yet, as we will be launching in more markets in 2021, including Eastern Europe, South Korea and Hong Kong to name a few.

Now, to speak more about our global distribution strategy for Disney+, I'd like to turn it over to Michael Paull, President of Disney+ and ESPN+.

Michael Paull – *President of Disney+ and ESPN+, The Walt Disney Company*

Thanks, Rebecca. That's a perfect set-up.

Across the globe, we have built early momentum by meeting customers wherever they are on the devices they prefer. The availability of our app on mobile and connected TV devices has helped us amplify our reach into more streaming households and deepen subscriber engagement.

We have an extensive device footprint globally which provides subscribers with a variety of ways to access Disney+. This was made possible by launching deals with Apple, Amazon's Fire TV, Google and Roku, to name a few.



I'm excited to announce today our new agreement with Comcast which will make available a fully integrated Disney+ and ESPN+ experience to over 20 million Comcast X1 set-top boxes and Flex platforms, joining Hulu in the first quarter of 2021.

While we have acquired the majority of our subscribers directly or through third-party app stores, our launch strategy also included wholesale agreements with a variety of distributors to further expand our reach and amplify our marketing.

In the US we have been pleased with Verizon's "Disney+ On Us" promotion and this past August, we extended our agreement to offer the Disney Bundle to their premium tier of Unlimited customers. Verizon is providing a seamless experience for customers rolling off their initial promotion and upgrading to the Disney Bundle.

The Disney Bundle combines Disney+, Hulu and ESPN+ in one, for the low monthly price of \$12.99. And in January, based on feedback from our customers, we'll make a version of the Disney Bundle that includes Hulu with no ads for \$6 more per month widely available, providing even greater choice and flexibility to our consumers.

In Europe, we have distribution deals with leading Pay TV and mobile network operators including: Canal Plus in France, Deutsche Telekom in Germany, Movistar in Spain, O2 in the UK and TIM in Italy.

In Asia-Pacific, we teamed with Jio, India's largest telecom network and the third largest mobile network operator in the world, serving nearly 400 million customers. Together with Jio, we made it simple and convenient for prepaid mobile customers to access Disney+ Hotstar, helping drive rapid growth in India.



And in Latin America, we collaborated with Mercado Libre, the region's leading e-commerce company with over 76 million active shoppers, for distribution of Disney+. In addition, we are working with market leaders across the region with both a la carte and bundled offers.

We have also been ambitious in experimenting with reaching new audience segments. Take for example our recently launched global offer with Epic Games that bundles Disney+ with Fortnite purchases. By combining our incredible IP with authentic in-game tie-ins, we're able to market Disney+ to millions of Fortnite players around the world.

Now I'll turn it back to you Rebecca to speak to our Disney+ engagement strategy.

Rebecca Campbell – *Chairman, International Operations and Direct-to-Consumer, The Walt Disney Company*

Thanks, Michael.

Disney+ has provided us the platform to bring more incredible content directly to consumers, at the same time as the world adapted to challenges brought on by the pandemic. And looking ahead, the content slated for Disney+ over this coming year is truly extraordinary, and I can't wait for you to hear more from our amazing content creators later today.

But before we get there, I'd love to tell you about how we're approaching the expansion of Disney+ internationally.

So as I mentioned earlier, our launches around the world have been a key driver of our subscriber growth to date. And what we've done in India will help illustrate how we have adapted our approach. With a rapidly growing middle class and expanding discretionary spending, India is a promising market opportunity. And we are uniquely positioned to succeed in India due to our existing presence with Star TV and Hotstar digital brands.



This is why we decided to launch Disney+ in conjunction with Hotstar, to create a truly integrated entertainment experience for consumers in that market. Disney+ Hotstar offers a massive collection of local content, from Bollywood films to TV series in 7 local languages, adding over 17,000 hours of original local programming every year. And, importantly, Disney+ Hotstar is the exclusive home for the most significant cricket events in the world: the Indian Premier League, the Asia Cup, the Cricket World Cup and BCCI's India cricket rights. On top of that, offering all the best that The Walt Disney Company has in one place, has made Disney+ Hotstar the ultimate streaming destination in India, all at an accessible and an affordable price.

Now, this strategy is our template for other South Asian markets - with Indonesia being the first - that are also driven by local content and mobile consumption. We know Disney+ Hotstar can lead the region as the top streaming service for all of our consumers.

So building on the success of Disney+ Hotstar in India and Indonesia, we will be launching Star and Star+ as our general entertainment content brand outside of the United States. And we will be offering these brands in two different ways, depending on the market.

Now I know that this may be a lot to digest, so let me walk you through it and I'd like to explain each strategy.

Let's start with Star. In Europe, Canada, Australia and New Zealand, and then a few other markets... Star will be fully integrated into Disney+. It will be accessible as the sixth brand tile in the app.

Star will add a robust collection of our best original and library general entertainment films and series to exceptional content already available on Disney+. Star will include global hit series from Disney Television Studios and FX to blockbuster films and significant library content from the Disney library and our 21st Century Fox acquisition to an array of exclusive local original content, specifically programmed to appeal to our subscribers within each market.



We will be launching Star in many markets on February 23, 2021, and we'll also be raising the price of Disney+ to reflect the value of all of this remarkable content; for example, in continental Europe we'll be raising the price by two euros to 8.99 with a similar adjustment in other markets. And then, we'll use this approach as we launch Disney+ with Star already included in additional markets, including Japan and South Korea later in 2021.

Now, to give us a first look at the Disney+ service with Star integrated, please welcome our head of product for Disney+, Jerrell Jimerson.

Jerrell Jimerson – *Executive Vice President, Product and Design, The Walt Disney Company*

It's great to be with all of you this afternoon. Rebecca's given me a wonderful set-up to walk everyone through the Star experience on a connected TV.

So, what is Star on Disney+? Star will bring a wide range of new content for families, older teens and adults to Disney+.

Now, when subscribers first encounter the new collection, they'll be greeted with an animation that highlights the new Star tile, as well as the new movies and shows available.

Since we'll be adding entertainment with more mature ratings, it's important that we take the time to set expectations with our subscribers - and make sure the titles they see are appropriate, even for the youngest members of the family. We've worked hard to make sure our parental controls are second to none.

To that end, we'll ask subscribers to opt in for full access to the expanded catalog. We've created a simple process for them to change their settings, in order to view titles with higher ratings. When a subscriber chooses to access the full Star catalog, we'll ask them for their password to confirm that they are the account owner. And we make it crystal clear that by clicking Confirm, they're opting in to view content rated 18 and above. And with their settings



updated, subscribers arrive back at the Disney+ home screen...where all-new content now joins the core family-friendly content of Disney+.

Joining the other amazing brands that make up Disney+... is the new Star tile. Like our other five brands, you'll find a dedicated Star landing screen to browse our general entertainment movies and series. Under the Star brand, you'll see newer movies like *Kingsman*; alongside classics like *Die Hard* and *Alien*; plus great series like *Atlanta*, *Modern Family*, *Homeland*, and *The Americans*.

Returning to home, let's also check out the Marvel brand landing screen.

We're now able to include even more movies like *Logan* and series like *Agents of Shield*. And for those with young children, our best-in-class parental controls ensure your family only sees the titles you want them to.

With the addition of Star, we're making a service that tens of millions of subscribers already love, even more compelling for older teens and adults. All while taking great care to ensure Disney+ remains a secure family-friendly place for all our fans.

I'll turn it back to Rebecca to dive into the Star+ strategy, and I'll be back in a few to walk you through a first look.

Rebecca Campbell – *Chairman, International Operations and Direct-to-Consumer, The Walt Disney Company*

Thanks, Jerrell.

Now let's shift to our strategy for Latin America, where we are taking a slightly different approach. Unlike Star, which will be embedded in the Disney+ app, our general entertainment content in Latin America will be in a standalone app.



Given the strength of our sports portfolio in this region, we will launch a direct-to-consumer offering called Star+, which will include general entertainment TV series and movies from our studios; and a stunning array of live sports from ESPN, including an all-star portfolio of soccer leagues, grand slam tennis and much more. Star+ will also have an incredible collection of local originals, and will launch in June of 2021, as a stand-alone service but it will also be available as part of an attractively priced bundle with Disney+.

And now back to Jerrell to give you an exclusive first look at the new Star+ streaming service for Latin America.

Jerrell Jimerson – Executive Vice President, Product and Design, The Walt Disney Company

Now that Rebecca has set up the strategy behind Star+, I get to give you a first look at the experience.

Star+ is a standalone app and will have a world-class mix of great general entertainment movies and series from our studios. In addition, Star+ will also include sports from ESPN, a well-respected and recognized brand across Latin America.

The first thing you'll notice is a more interactive home screen, where we're showcasing some of the most exciting new content front and center.

We've made it easy to find what you love with an updated approach to Continue Watching. Now, in addition to series like *Modern Family* and movies like *Underwater*, you'll also find live event programming, like the US Open on ESPN. Continue Watching is even smart enough to know when a live event is over and will remove it from view unless an on-demand replay is available.

As you scroll down the screen, you'll find blockbuster movies like *Deadpool 2* and *The Devil Wears Prada*. And with new shows and movies from our studios continuously being added to



the service, the “New to Star+” row will help subscribers keep up with the always-growing collection.

Now, moving down the screen, you’ll find a row for live sports from ESPN. From this row, you'll be able to see at a glance who's playing, what the score is and how much time is left - in a way that's much more engaging than a traditional EPG.

We’ve also added the ability to quickly jump to a dedicated ESPN sports landing screen. This screen can do much more than your traditional channel guide. It’s a window into an incredible variety of sports and it’s all included with your Star+ subscription. It will carry not only the ESPN channels loved across Latin America, but also a wide range of exclusive live events, all organized so fans can quickly see what’s on and find exactly what they’re looking for. Helpful features like Live Now, Upcoming, and smart content filters make it easy to zero in on specific sports and leagues from ESPN.

Our teams are still diligently working to create the best possible consumer experience, but I hope you enjoyed this sneak peek of Star+. We’re confident Star+ and Star will become household names for the best in streaming entertainment content outside of the US.

And now bringing it back to our domestic general entertainment strategy, I’d like to welcome Kelly Campbell, President of Hulu.

Kelly Campbell – *President, Hulu, The Walt Disney Company*

Thanks Jerrell.

The year was 2008, and Hulu launched as a disruptor, an innovator and as part of the movement that ushered in a new era of television. Fast forward to today, and Hulu has helped make streaming TV a centerpiece of entertainment for consumers and paved the way for ad-supported streaming.



Today, Hulu is in its strongest position ever, with a rare combination of continued, rapid growth and a clear path toward profitability. In just three years, Hulu has more than doubled its number of paying subscribers and become the largest digital MVPD service in the US.

We've achieved this remarkable growth by providing consumers with the best of TV, film, news and sports... live or on-demand, all in one cohesive experience. It's that unprecedented level of choice and flexibility that differentiates Hulu. Subscribers can choose from the ad-supported SVOD package, SVOD with no ads, or Hulu + Live TV - with the option to add premium networks to any of these plans. And we do this in a way that uniquely allows consumers to seamlessly move between products, depending on their changing habits.

One key component of that consumer experience is Hulu + Live TV. It combines popular live channels across sports, news and entertainment - along with the full Hulu on-demand library of more than 70,000 TV episodes and films - making Hulu the most complete solution for the new generation of streamers.

At the end of the fiscal year, Hulu + Live TV surpassed 4 million paying subscribers, making it the #1 digital MVPD service in the U.S. and the fifth-largest U.S. pay TV provider overall.

Our live TV business offers an incredible value proposition for consumers, as well as positive economics for Hulu. In addition to our new \$65 monthly subscriber fee, Hulu + Live TV also now generates an average of about \$10 per subscriber in ad revenue per month - and therefore drives positive contribution margin.

On the SVOD side, Hulu has built a go-to content offering for people who love TV. It uniquely combines award-winning Hulu Original series and films, with next-day episodes of today's biggest hits, popular feature films and a massive library of fan-favorite series. From *Scrubs* to *Scandal*, and *ER* to *Empire* - Hulu has TV fans covered.



So what does the future look like? We see a tremendous opportunity to create even more innovative, differentiated content experiences around the world-class episodic and feature-length programming being made by the Disney studios and FX.

You'll hear more from Dana Walden and John Landgraf later, but I want to take a moment to call out three content initiatives that exemplify what Hulu uniquely can bring to subscribers:

Earlier this year, we launched 'FX On Hulu', which brings together more than 40 acclaimed and award-winning FX series - including exclusive originals. This delivers a new, younger audience to FX content and provides an exclusive, premium experience for our viewers.

Since launching in March, the overall average reach of FX series has increased by nearly 50% on top of their linear audience. The comedy *DAVE* in particular was a smash hit on Hulu, more than doubling the reach of the show's linear broadcast.

We've also partnered with ABC News to bring important live news, including coverage of the recent election, to Hulu's millions of on-demand subscribers - something that no other SVOD service in the U.S. offers. During this election season, nearly 4 million of Hulu's SVOD subscribers engaged with election coverage through ABC News Live. And I'm happy to report that we plan to expand our partnership with ABC News to include new original content that will live exclusively on Hulu.

The third initiative I'd like to highlight on the content side is Hulu's momentum in the original film space. We've had great success this year with Hulu Original films including the Andy Samberg comedy, *Palm Springs*, indie film hit *Bad Hair*, and our recent thriller, *RUN*, starring Emmy-winner Sarah Paulson. Going forward, Hulu will launch exclusive original films produced by 20th Century Studios and Searchlight. We'll have more news on this front in the coming months.



Now, on the product side, I'm excited to announce that ESPN+ and its incredible sports programming, will become available for viewing directly within the Hulu interface early next year. This means that Hulu subscribers will be able to sign up for and access ESPN+ content right in their Hulu experience, without ever having to leave the Hulu app.

No presentation about Hulu would be complete without a look at our superpower: Advertising. For years, Hulu has driven the growth of advertising in streaming TV and is now - with the power of Disney Ad Sales behind us - the undisputed leader in ad-supported streaming TV.

In fact, Hulu now has over 92 million ad-supported viewers - double where we were just two years ago.

Hulu's increasing scale in ad-supported video is driven by a number of key advantages: We have over a dozen years of experience in this space. Our focus on automation tools for advertisers both big and small has resulted in a rapidly growing programmatic channel that's setting daily records for new customers and for revenue... and with our new Hulu Ad Manager platform, Disney is the first to make premium streaming TV advertising inventory directly available to the more than 28 million small- and medium-sized businesses in the US.

All of this - our incredible content, seamless product experience and viewer-first advertising - translates into tremendous financial upside.

And thanks to the company's strength in advertising, the underlying economics of Hulu's ad-supported product - even at the consumer friendly \$5.99 price point - are generally on par of that with the no-ads product.

We're really proud of what we've built at Hulu, and of where Hulu is today... and with an infusion of even more content from our creative partners at Disney Television Studios, FX, ABC News, 20th Century Studios and Searchlight, we're incredibly optimistic about our future.



Now, let's turn it over to Michael Paull, who will share an ESPN+ business update.

Michael Paull – *President of Disney+ and ESPN+, The Walt Disney Company*

Thanks Kelly. Hulu's future really looks exciting.

ESPN+ quickly became the #1 sports direct-to-consumer service with its unique and differentiated set of live events, original programming, and editorial content. Our business strategy includes diversified revenue streams across subscription, advertising, and pay-per-view. We are really proud of the progress we've made to date.

Our offering is clearly resonating with sports fans with subscribers nearly tripling in the past year and we have already passed the midpoint of the 2024 subscriber guidance that we gave at last year's Investor Day.

Despite an unprecedented year of disruptions, ESPN+ has delivered over 10,000 live sporting events, including ALL of our Top 10 most-viewed events ever, with 9 of those coming since May. We remain THE destination for UFC fans with millions of pay-per-view buys over the past year and reached as many as a million readers per month of ESPN+ premium editorial content. And as Kelly mentioned, making ESPN+ available for viewing and purchase directly within Hulu will only increase our ability to reach new fans and attract new ones.

None of the success we've seen would be possible without the strength of the ESPN brand and our best-in-class sports content strategy.

To dive a little deeper into those topics, I'll now hand it over to Jimmy Pitaro, Chairman, ESPN and Sports Content.



Jimmy Pitaro – *Chairman, ESPN and Sports Content, The Walt Disney Company*

Thanks Michael.

Sports are arguably the most powerful and compelling live content available, and are only growing in their importance. In fact, last year, 92 of the top 100 most-watched telecasts were sports - that's up from 56 in 2009.

And at The Walt Disney Company, we offer an unparalleled array of live sports across our platforms. The ESPN, ABC, ESPN digital and ESPN+ combination is a unique "reach machine"; a machine that allows us to bring sports fans best-in-class production and storytelling, wherever they are.

Across our portfolio, ESPN reaches more than 200 million U.S. sports fans in a given month - that's on par with the total reach of both Google and Facebook.

In 2019, and for the 10th consecutive year, our flagship linear network was the #1 full-time cable network among the coveted Adult 18-49 demographic. In digital, ESPN is the #1 sports brand - and by a wide margin - in both reach and total time spent.

Sports betting also continues to be an important area of growth for us. Our all-new ESPN studio in Las Vegas debuted in August, and, in September, we announced market-leading partnerships with both Caesars and DraftKings. We'll continue to lean into sports betting, as it represents a key opportunity to better serve our most passionate fans and appeal to a younger audience.

Overall, our priority is to make content available across all platforms, and that includes a strong focus on a direct-to-consumer future. Our underlying goal is to acquire, create, and distribute the best sports content. And to do so in a way that serves fans, maximizes consumption, and



best positions our business to continue to be the leader in an evolving sports media environment.

We continue to expand our #1 portfolio of marquee, multiplatform rights. And I'm excited to announce today that we've reached an agreement with the Southeastern Conference to expand our partnership and add college football's most-watched TV package, beginning with the 2024 season.

As a part of this deal, ABC will become the new home for the SEC's marquee Saturday afternoon football games beginning in 2024 as well as select Saturday primetime games and the annual SEC Football Championship Game.

In addition, select SEC football games will be made available on ESPN+, beginning with next football season and extending throughout the term. That means that ESPN+ will feature games from the conference that has won 10 of the last 14 national championships beginning in 2021.

With this long-term agreement, ESPN, ABC, SEC Network, and ESPN+ will, all together, be the exclusive home of the SEC across all sports.

In terms of ESPN+, our content strategy mirrors the overall ESPN content strategy: offer the best live rights, the best surround programming across studio, audio and written editorial, and the best original sports content.

Last year, our subscribers watched over 5 billion minutes of live sports content. Soccer, UFC, Top Rank Boxing, and college sports are cornerstones of the product; however, ESPN+ also offers a host of other marquee content, like MLB, NHL, MLS and, as you saw in November, The Masters.

And this is just the beginning. Like the SEC, we've strategically and opportunistically pursued new, multiplatform rights for ESPN+, with Bundesliga, one of the latest on a long list. We're



especially excited about our upcoming launch of the PGA Tour on ESPN+, where we've secured exclusive rights to PGA Tour Live, and will offer four live feeds, covering up to eight groups per tournament.

ESPN+ also offers some of the biggest sports personalities and stories, to keep sports fans engaged year-round.

Today, I'm excited to announce that we'll be launching a new, daily, morning highlights program exclusively on ESPN+, which will recap the previous night's action through the lens of opinion, debate, and social media. This new series will go deep on news, highlights, and trending topics each day, with exclusive talent and insightful guests joining every show.

Additionally, I'm thrilled to announce that, early next year, we'll be launching a new studio show that will be exclusive to ESPN+, featuring Stephen A. Smith. We're excited to bring another personality of his caliber to the platform, and look forward to further expanding his reach across our different consumer touchpoints.

In terms of originals on ESPN+, we can't wait for the upcoming *Man in the Arena*: a nine-part series built around Tom Brady's never before seen, first-hand account of the unique journey to each of his nine Super Bowls.

And, ESPN+ will remain the exclusive home of: the critically acclaimed *30 for 30* franchise, *NFL Primetime*, *Detail* and, of course, *Peyton's Places*. I'm very excited to let you know today that we're bringing back *Peyton's Places* for a third season, and also expanding the Emmy-nominated series.

But enough from me... Peyton, why don't you give them a little flavor of what's to come?

**Peyton Manning**

Hey, folks. Peyton Manning here.

We're smack in the middle of the second season of *Peyton's Places*, and if I told you that I'm just tickled pink about how the show has expanded into colorful and compelling new horizons across the glorious football landscape, you'd say that someone in Sales definitely wrote that for me. And you'd be right. But hey, it's the truth.

I really do have the greatest job on the planet because in Season Two, I get to hang out with the likes of John Elway, Terrell Owens, Ronnie Lott, Marshawn Lynch, President Bill Clinton and even my old pal, David Letterman.

Anyway, the best is yet to come, as some of the most engaging storytellers from other sports get their very own versions of *Peyton's Places*, including Abby Wambach, Ronda Rousey, and David Ortiz. *Big Papi's Places* does have a nice ring to it. And if that wasn't enough to get you jacked up, my little brother Eli will also be doing a college football show.

So, get yourself the whole Disney bundle and join me on ESPN+.....it's on Jimmy.

Jimmy Pitaro – *Chairman, ESPN and Sports Content, The Walt Disney Company*

I don't know about that one Peyton, but thank you very much. We're really looking forward to the expansion of this fantastic series.

As you can tell, it's an exciting time to be working on sports at The Walt Disney Company. And, as we move forward, we'll continue to build the platform flexibility we need in order to deliver against our mission: to serve sports fans, anytime, anywhere. We'll continue to listen and respond to our fans, and, as they increasingly turn to direct-to-consumer platforms, we'll evolve the ESPN offering to meet their needs.



Our unique ability to reach fans with compelling sports programming across linear, digital, and direct-to-consumer platforms will further augment our market leadership in the sports space, and we couldn't be more excited about our future.

Lowell, back to you.

Lowell Singer – *Senior Vice President, Investor Relations, The Walt Disney Company*

Thanks, Jimmy. We will now take a 10-minute break to give you an opportunity to stretch your legs and grab a snack.

And when we resume, we'll be joined by Bob Iger, Disney's Executive Chairman and Chairman of the Board. As Executive Chairman, Bob directs the Company's creative endeavors, and he will introduce the amazing content line-up we are developing for our direct-to-consumer services.

So thanks, and we'll see you all in 10 minutes.

[BREAK]

Bob Iger – *Executive Chairman and Chairman of the Board, The Walt Disney Company*

When I became CEO 15 years ago, I envisioned a world where distribution, powered by transformative technology, would expand dramatically - almost to the point of becoming a commodity. If we could harness that technology and couple it with our extraordinary content, we would be well-positioned to not only withstand disruption, but to thrive in a new, increasingly dynamic environment. That thinking led to the acquisitions of Pixar, Marvel, Lucasfilm and 21st Century Fox, each bringing with them a breathtaking array of branded content and the ability to create even more of it.

Fast-forward, and in just a year, we've established ourselves as one of the true leaders in the direct-to-consumer space. And what you'll see today reflects an increased commitment to focus



the resources and immense creativity across our Company on delivering an extraordinary direct-to-consumer experience unlike anything else that's in the market.

You're about to hear from our amazing executives and get a preview of what they've been hard at work creating for Hulu, Star, and Disney+. We love what we are seeing, and we're confident audiences around the world will, too.

When I stepped down as CEO nine months ago, my priority became the supervision of our content creation across all segments and territories, with a focus on leveraging our brands and expanding on what we've already achieved. The single most effective way to grow our subscriber base is with great content, and as we increase our output, the emphasis will always be on quality, not volume. Quality holds its value - and that has been our mantra for as long as we've been telling stories.

In fact, one thing you'll notice immediately is the high quality of our storytelling. And, it is evident across all of our distribution platforms. Production values and talent for our streaming content, both in front of and behind the camera, are on par with our theatrical releases. Truly, the only difference between these and our feature films is length.

You'll also see that we are redoubling our efforts to create rich, diverse content that best represents the world we live in and the consumers that we're making that content for. It's very important to us that when people watch our shows and movies, they see themselves and their experiences reflected in our stories. And by further expanding our storytelling to include a multitude of perspectives, we believe we will forge an even stronger connection with our consumers.

We've got an incredible slate of new content to show you today. It's going to take us a while to get through all of it, but we promise you, it'll be worth sticking around for - and since all of you are watching this from home, it's not like you have anywhere else to go!



Dana Walden will kick things off. But first, here's a great sizzle of what's in store for our general entertainment platforms. Enjoy!

[VIDEO]

Dana Walden - *Chairman, Entertainment, Walt Disney Television, The Walt Disney Company*

Hello. What you just saw in that reel, and all around me, are some of the biggest hits in the TV industry. And here's what they have in common. They've all been developed and produced by content creators inside The Walt Disney Company.

These are high-quality, award-winning, creatively adventurous shows. They've won audiences and acclaim - at home and around the world. Our teams have produced the top-ranked show for every broadcast network and many cable channels. And now, we're laser focused on creating great content for Disney's streaming platforms.

Our content strategy? Highly curated programming. We're making hard choices about which shows we produce. Landing on content that feels special, and is both highly entertaining, and part of the cultural conversation.

Shows like *Little Fires Everywhere*. This was the addictive hit starring Reese Witherspoon and Kerry Washington. It was huge on Hulu - proving the value of juicy, can't-turn-it-off content.

Next year, we have new series coming from many of our studio's longtime partners - including the creators of *This is Us*, *New Girl* and *Empire*. So, how do we know these are the right creators? Because the shows I just mentioned have all been hits here and around the world. And, this is what they have coming up...

Only Murders in the Building reunites two comedy legends. They'll be joined by one of the most popular stars on the planet. Someone who has over 370 million followers.



[VIDEO]

These next two series are ripped-from-the-headlines, the type of stories our audience loves.

The Dropout is the unbelievable story of Elizabeth Holmes. She's the Silicon Valley con artist who captivated the world. This show started with a gripping investigation and podcast produced by our very own ABC News.

[VIDEO]

Dopesick is a deeply emotional drama series. It's about heroes who are battling the worst drug crisis in history. It's an important story and we've assembled an all-star team to tell it.

[VIDEO]

So, three distinctive series from three great creators. All featuring major stars, and all available on Hulu and Star.

And, in addition to shows we own, Hulu will also continue to pick series from outside studios. Especially shows from exceptional creators like David E. Kelley. He's one of my favorite writers. And I'm proud to have worked with him for the past twenty-eight years. From *Ally McBeal* to *Big Little Lies*, his shows are huge everywhere. And the next one, is for Hulu.

Nine Perfect Strangers is a thriller that attracted two of the biggest stars working today...

[VIDEO]



And while we're hard at work on new series, Hulu also has returning hits, like Golden Globe-winner *Ramy*, Emmy-nominated *The Great*, and Emmy, Golden Globe and Peabody Award-winner *The Handmaid's Tale*.

The Handmaid's Tale is a cultural phenomenon, it's a juggernaut. There are many critically acclaimed shows out there, but none have pierced the culture like this one.

[VIDEO]

Handmaid's is the biggest hit in the history of Hulu and we are committed to its future. As a matter of fact, I'm happy to announce today that we're ordering season five.

Now I want to talk about Adult Animation for just a moment. Look at the shows we've produced over the past three decades. We have the largest library anywhere. And we're making more than 1,500 episodes available for Hulu and Star.

And finally, I want to talk about reality shows, because the Hulu audience loves them. But remember our strategy for originals - it's not about volume. It's about picking the right ideas and the perfect partners. Noisy, breakout stars who create conversation. Well, no one does that better than this group...

[VIDEO]

We're thrilled to bring these global stars to a global audience.

What I've shared today is just some of what's in store. Our biggest hitmakers are creating great shows that we will make available to Hulu and Star. They'll join an incredible line-up from our vast library. It's truly game changing.



And, speaking of game changers, I'm happy to introduce the longtime leader of the most prestigious brand in our industry. Here's my great colleague, John Landgraf, to talk about FX.

John Landgraf - *Chairman, FX, The Walt Disney Company*

Thanks very much, Dana. I have been honored to be your colleague over these many years and I'm so happy we get to continue our wonderful partnership at our new home.

25 years ago, FX began as a location rather than a mark of any particular distinction or quality. Specifically, FX was just the name of a linear channel in a cable program guide.

Still, one thing we all know from the great legacy of Disney, is that - if you work hard enough - you can sometimes take a once ordinary location, just a vacant plot of land, and invest enough passion and creativity in it to make it an extraordinary destination and brand.

Over the past 20 years, by working with great creative talent to bring exceptionally compelling original stories and characters to our audience, FX has made the name of our little channel - one of the more than 500 just like it - into something truly special.

So, how did we get here?

We focused relentlessly on giving our audience some of the very best television anywhere, and they responded by turning FX into more than just the name of a cable channel. FX became a real brand - a mark of quality wherever it might be located - by earning love, show after show and year after year, from the fans of our distinct and reliably excellent original programming.

This is because FX shows consistently score incredibly high marks with audiences.

For the past 18 years - since the launch of our first premium original series, the award-winning and history-making drama, *The Shield* - the FX batting average in user ratings of the Internet



Movie Database, on a scale of 1 to 10, is among the best in U.S. television at every elite level: 7 out of 10 stars and above, 7.5 and above, 8 and above and 8.5 and above. These are batting averages for quality for our scripted television programs premiering in the US for almost two decades. For example, a remarkable 78% of all FX shows are rated 7.5 out of 10 or above by IMDB users.

And we fare even better on Rotten Tomatoes. There, 74% of our shows post an Audience score of 80% or better. In fact, for every original FX series ever made, the overall average score with Rotten Tomatoes Audiences stands at an incredible 86%.

However, despite FX's two decades of creating excellent shows - much of that success achieved side by side with my long-time creative colleague and partner Dana Walden - linear channels are just not the optimal location for a couple of thousand great episodes of television - and that fact caused many FX original series to be licensed and scattered across numerous other platforms, sometimes resulting in confusion as to which brand was actually responsible for fostering these beloved shows.

But along came Disney, which acquired both FX and a majority stake in Hulu - and then enhanced the growth of FX as a brand by creating an FX-branded presence on Hulu, which has now become the singular U.S. streaming location at which the past, present and future of FX's great shows could be gathered.

On Hulu, FX has been able to reclaim 18 years of great work and to finally distill our brand's entire legacy, in a permanent streaming home, as the foundation of quality that it is.

This alone has been thrilling—but it has also allowed us to do so much more.

Since March, we have made all of our great FX linear originals available to Hulu subscribers the day after they premiere on our channels. To put the extraordinary impact of this opportunity in



perspective, the average audience of FX scripted series launched on Hulu has increased 120% over their audience on our channels and VOD sites alone. 120%!

And, with the expansion of distribution that Hulu provides, every single one of FX's returning series has posted year-over-year viewership increases.

So the addition of the FX brand has significantly expanded the audience reach for FX and added to the outstanding results Hulu has already been achieving with their own excellent original programming.

But, the best is still to come...

Because of production delays due to Covid-19, the full benefit of FX's hit current programming has yet to be realized. However, most of our shows are back up and running and we expect to begin rolling out shows again early next year.

New seasons of FX linear series coming soon to Hulu subscribers include *Atlanta*, *American Horror Story*, *DAVE*, *What We Do in the Shadows*, *Mayans*, *Better Things*, *Snowfall* and *Archer*... and, I'm delighted to announce today, four more seasons of *It's Always Sunny in Philadelphia*, which will take *Sunny* to Season 18 - four seasons longer than the prior record- holder for longest running live action sitcom in television history, *Ozzy and Harriet*.

Even more importantly, the FX brand is now expanding its offering of original programs by making exclusive branded FX original series for Hulu. We will also make those shows available globally to Star.

FX had outstanding success last year with our first three FX exclusives on Hulu - *Mrs. America*, *Devs* and *A Teacher*.



And even with Covid-19 slowing us down, our 'FX on Hulu' exclusive slate expands next year to include:

- *The Old Man* starring Jeff Bridges;
- *American Horror Stories*, a new anthology series by Ryan Murphy spun off from our biggest, longest-running FX original drama hit
- *Platform*, an innovative scripted anthology about the craziest aspects of pop culture from BJ Novak, an actor and award-winning writer of *The Office*;
- *Reservation Dogs*, a new half hour series co-created by Academy Award-winner Taika Waititi and Sterlin Harjo, a Native American who also directed the pilot episode;
- And *Y: The Last Man*, a new drama series based on the acclaimed and beloved graphic novels, starring Diane Lane.

You can see how well Disney's strategy to brand FX content is already working - and how bright the future is for both the FX brand and for the contributions it will make to both Hulu in the US and Star internationally.

The FX brand will quickly be able to double our output - making and marketing about 30 original programs each year.

While I know that doesn't sound like a huge number in the era of Peak TV, I assure you that these 30 shows will punch vastly above their numerical weight - just as FX originals always have - because we will strive as always to ensure that every single one of them will be excellent.

A truly great aspect of the streaming era, as Disney quickly and overwhelmingly demonstrated with Disney+ - and as FX has now been able to replicate with the success of FX originals streamed on Hulu - is that today's new programming is tomorrow's perpetual library.



Because of this, FX and all of Disney's many brands can create incredible long-term value for fans and shareholders - because we know that streaming subscribers will now be able to easily and conveniently find, treasure and share their favorite series and characters.

Disney has always understood that quality is the surest path to value, which is why for almost a century it has devoted itself more than any other entertainment company to consistently creating truly great and memorable stories. FX belongs at Disney, because we fervently share this belief, and the marrow of our brand is built on it.

Finally, I'll conclude today's presentation with a few examples of some new and unique branded FX original series that are currently in the pipeline.

We are moving quickly to bring audiences the first television series based on one of the greatest science-fiction horror classics ever made: *Alien*. FX's *Alien* will be helmed by *Fargo* and *Legion's* Noah Hawley stepping into the creator / executive producer chair, working alongside Sir Ridley Scott. Set not too far into our future, it's the first *Alien* story set on Earth - and by blending both the timeless horror of the first *Alien* film with the non-stop action of the second, it's going to be a scary thrill ride that will blow people back in their seats.

And finally, we'll be embarking on one of the most sweeping, sophisticated and adult series FX has ever created - a retelling of James Clavell's beloved epic saga, *Shōgun*. Set within the riveting and real *Game of Thrones* that was Feudal Japan, it is adapted by Justin Marks and Rachel Kondo. Tim Van Patten, the highly decorated, award-winning producer of *The Sopranos* and *Boardwalk Empire*, and the director of the pilot and early episodes of *Game of Thrones*, has signed on to bring this giant and visceral canvas to life.

So those are just some of the many exciting projects we have in our slate, along with a number of others in early development that we will be announcing in the coming months.



All of us at FX are truly honored to be a part of The Walt Disney Company, where we will continue our mission to deliver outstanding adult programs that engender passion from our viewers - and to grow the FX brand's value as a beacon of quality within TV's streaming future.

That's it for me today. Thanks for your time. And now back to Rebecca Campbell.

Rebecca Campbell – *Chairman, International Operations and Direct-to-Consumer, The Walt Disney Company*

Thank you, John.

We believe that Hulu, Star, Star+ and Disney+ Hotstar are perfectly suited to host the general entertainment content we create from our world-class production engines.

Our Hulu joint venture will continue to license all original scripted streaming content, and most off-network content created by Disney Television Studios and FX.

Star, Star+ and Disney+ Hotstar will be the exclusive home of our original content and much of the off-network content outside of the United States. Also, each of these services will be enhanced by the addition of local programming.

So looking ahead, our plan is to grow with premium content for everyone, engaging our existing subscribers and helping us to attract new ones.

And now, we're going to switch gears. It's time to hear from our brilliant content creators for Disney+, starting with Lucasfilm. Please welcome, Kathleen Kennedy.



Kathleen Kennedy - President, Lucasfilm, The Walt Disney Company

Thank you, Rebecca.

It's remarkable to be back here with you again for another Investor Day and reflect on all that's happened since we last gathered in April of 2019. Our world, and our entire industry, has been thrown numerous challenges that none of us could have foreseen. As we grapple with one of the most difficult periods in modern history, it's clear that we need great storytelling and the joy of entertainment more than ever before.

Last year, we were looking ahead to the launch of Disney+ with our very first live-action series, *The Mandalorian*. Star Wars was moving into new territory in the streaming space on a brand-new platform, creating an original series through groundbreaking technology and an entirely new approach to production and filmmaking. It was a big bet and a leap of faith.

The Mandalorian debuted on Disney+ in November of 2019 and the response has been overwhelming. We could not be more humbled by the reception to the show, the honor of 7 Emmy Awards, and the enormous support our fans have shown us. With *The Mandalorian* on Disney+, we have ushered in an entirely new era for Star Wars and there's more to come.

We premiered Season 2 on October 30th, and Jon Favreau and Dave Filoni are continuing the journey of the Mandalorian and the Child. Audiences around the world have joined the adventure on Disney+, traveling to new planets with incredible action, larger than life creatures, delivering a complete cinematic experience.

Let's take a look at Season 2.

[VIDEO]



Today, I'm excited to share with you that Jon and Dave are concurrently developing two new spinoff series exclusively for Disney+: one, *The Rangers of the New Republic*, and the other featuring fan-favorite Ahsoka Tano. Set within the timeline of *The Mandalorian*, these interconnected shows, along with future stories, will excite new audiences, embrace our most passionate fans, and will culminate in a climactic story event.

The next chapter will debut on Disney+ Christmas of 2021.

I am fortunate to be surrounded by incredible talent both in front of and behind the camera with a company full of people who care passionately about high-quality storytelling.

A few times in my career I've had a chance to be part of game-changing technology - moments when a new way of filmmaking changed the way stories could be told forever. Working with Jon Favreau to create the world of *The Mandalorian* with our own StageCraft technology, has been one of those moments.

StageCraft is a new virtual production tool that utilizes the latest innovations in real-time graphics and massive LED screens, that allows us to bring entire locations into a soundstage and photograph them live - telling stories in ways we could only dream of a few years ago.

This new collaboration process brings the artists and the crews into a creative partnership with efficiencies that now marry Pre-Production, Production and Post, all in sync to preserve the cinematic culture around a singular artistic vision.

By eliminating unnecessary travel, a more controlled environment, and efficiencies with set design and special effects that allow for an in-camera visual experience, actors are immersed in those environments rather than having to imagine what they're seeing or reacting to. And, ironically, the efficiency of StageCraft has allowed us to continue to work during this pandemic.



On *The Mandalorian* Season 2, we expanded StageCraft's capabilities further and built an even larger volume. Additionally, we are building three more volumes right now in Los Angeles, London and Australia - advancing the Disney-owned technology and building the 'Studio of the Future'.

We have a vast and expansive timeline in the Star Wars mythology, spanning over 25,000 years of history in the galaxy - with each era being a rich resource for storytelling. Now with Disney+, we can explore limitless story possibilities like never before and fulfill the promise that there is truly a Star Wars story for everyone.

One of the most exciting and ambitious new series we have coming to Disney+ in 2022 is *Andor*, a tense nail-biting spy thriller in the Star Wars universe created by Tony Gilroy.

Tony's incredible success with *The Bourne Identity* films distinguishes him as one of today's best creators of the modern spy genre. We couldn't be more thrilled to have him at the helm of this new series for Star Wars.

Diego Luna will be back in the role of Rebel Spy Cassian Andor from *Rogue One*, and he will be joined by a fantastic new cast that includes Stellan Skarsgard, Adria Arjona, Fiona Shaw, Denise Gough, Kyle Soller, and Genevieve O'Reilly as Mon Mothma. We just began production in London two weeks ago. Here's a special look at *Andor*.

[VIDEO]

Last August at the D-23 Expo in Anaheim, we announced the return of Ewan McGregor in the iconic role of Jedi Master Obi-Wan Kenobi for a special event series on Disney+.

Obi-Wan Kenobi begins 10 years after the dramatic events of *Revenge of the Sith*, where he faced his greatest defeat: the downfall and corruption of his best friend and Jedi apprentice,



Anakin Skywalker turned-evil-Sith-Lord, Darth Vader. Our fans will be thrilled that Hayden Christensen will be returning in the role of Darth Vader. This will be the rematch of the century.

The series is directed by Deborah Chow, coming off the great work she did with us as a director on Season 1 of *The Mandalorian*. Production will begin in March of next year.

Here is an early look at *Obi-Wan Kenobi*.

[VIDEO]

During our first year on Disney+, our animated series *Star Wars: The Clone Wars*, saw tremendous success with its epic seventh and final season. Building on the legacy of *The Clone Wars*, our new animated series *The Bad Batch*, follows the specialist commandos of Clone Force 99 as they embark on new missions in a rapidly changing galaxy.

This is *The Bad Batch*.

[VIDEO]

Star Wars: Visions will be a series of animated short films celebrating the Star Wars galaxy through the lens of the world's best anime creators. This anthology collection will bring ten fantastic visions from several of the leading Japanese anime studios, offering a fresh and diverse cultural perspective to Star Wars.

Lando Calrissian is the galaxy's smoothest, most notorious scoundrel, and he'll return in a brand-new event series for Disney+. Justin Simien, creator of the critically acclaimed and hugely popular, *Dear White People*, is developing the story with us now. A massive Star Wars fan himself, Justin has put together a reel to give you a sense of the style, tone, and irresistible swagger of our upcoming series, *Lando*. Take a look.



[VIDEO]

Leslye Headland, Emmy-nominated creator of the mind-bending series *Russian Doll*, is a boldly innovative filmmaker bringing her new Star Wars series to Disney+. *The Acolyte* is a mystery-thriller that will take us into a galaxy of shadowy secrets and emerging Dark Side powers in the final days of the High Republic era.

As we continue to develop new stories, the intersection of animation and visual effects offers new opportunities for us to explore. Lucasfilm Animation will be teaming up with our unparalleled visual effects team, ILM, to develop a special Star Wars adventure for Disney+, *A Droid Story*. This epic journey will introduce us to a new hero, guided by our most iconic duo, R2-D2 and C-3PO. On a special mission known only to them, what could possibly go wrong?

Outside of the Star Wars galaxy, we're expanding Lucasfilm's presence on Disney+ with another beloved mythological world created by George Lucas: *Willow*. This series will be set decades after Ron Howard's 1988 movie, continuing the spirit of adventure, heroics and humor of the original film. We're delighted that Warwick Davis will be returning in the role of the great sorcerer, Willow Ufgood. We have a wonderful creative team at the helm. Jon Chu, director of the groundbreaking film *Crazy Rich Asians*, will be directing the pilot. *Willow* begins shooting next March in Wales and will debut on Disney+ in 2022. Here's the team to share more.

[VIDEO]

We also have some news to share on our theatrical slate.

We're in pre-production on the next and final installment of *Indiana Jones*. At the helm, we have James Mangold, director of the Academy Award-winning film *Ford versus Ferrari*, and of course, Indy himself, Harrison Ford, will be back to conclude this iconic character's journey. *Indy* will begin shooting late spring of 2021, and will be released in July of 2022.



Our slate is expanding further with a story that will introduce a new hero and explore an original world that feels perfectly paired with Lucasfilm storytelling. We're proud to bring to the screen author Tomi Adeyemi's New York Times best-selling novel, *Children of Blood & Bone*. This story will center around a young African girl's heart-racing quest to restore magic to her forsaken people, the Maji. Tomi was recently included in the Time 100's list of most influential people of 2020. We're proud to be partnering with 20th Century Studios on this coming-of-age adventure.

Our Star Wars theatrical slate is pushing forward into a new future era. As we announced recently, we are currently developing a brand-new Star Wars feature with acclaimed filmmaker, Academy Award-winner Taika Waititi. Taika's approach to Star Wars will be fresh, unexpected, and unique. His enormous talent and sense of humor will ensure that audiences are in for an unforgettable ride. He's currently hard at work writing this next adventure.

And to close today, I couldn't be more excited that our next Star Wars feature film will be directed by Patty Jenkins. Patty, director of the *Wonder Woman* franchise, will bring her inspired vision to *Rogue Squadron*. This story will introduce a new generation of starfighter pilots as they earn their wings and risk their lives in a boundary-pushing, high-speed thrill ride. The legend of Rogue Squadron has been long beloved by Star Wars fans and will move us into a future era of the galaxy. *Rogue Squadron* will be released in theaters Christmas of 2023.

As you can see, this is a new era for Star Wars and Lucasfilm with expanded opportunities for continued innovation, high-quality storytelling and cinematic experiences like never before.

And now, I'm pleased to introduce Courteney Monroe, President of National Geographic Content.



Courteney Monroe - President, National Geographic Content, The Walt Disney Company

Thank you Kathy.

National Geographic has been entertaining global audiences with groundbreaking, visually spectacular storytelling for over 130 years. And now, more than 1,500 hours of National Geographic content is available on Disney+, including award-winning documentaries, landmark wildlife and natural history, and premium fact-based scripted drama.

Today, I'm thrilled to announce an ambitious new slate of original shows exclusively for Disney+ subscribers. Inspiring stories that celebrate real-world heroes and icons, and that ignite curiosity, awe, and wonder.

I can't think of a better example of those values than our award-winning National Geographic Documentary Films, including *Free Solo* and *Jane*, both of which are available now on Disney+.

And I'm delighted to introduce you to one of our upcoming National Geographic Documentary Films profiling an extraordinary icon... *Cousteau*, a new documentary from Oscar-nominated and Emmy-winning director Liz Garbus.

Mention Jacques Cousteau to someone my age and their eyes light up, recalling vivid memories of his thrilling underwater adventures. This film will not only delight those fans, but it will also introduce him to a whole new generation of aspiring explorers. Featuring never-before-seen archival footage, *Cousteau* will provide a "deep dive" into the fascinating life of the man who first showed us the beauty and wonder under the sea.

While most National Geographic content is nonfiction, we have also developed Emmy-winning dramas about real-world heroes and icons. Icons like those profiled in our scripted anthology



series, *Genius*, which, beginning with the fourth season, will be available exclusively to Disney+ subscribers.

From executive producers Ron Howard and Brian Grazer, *Genius* tells the fascinating and dramatic stories of the world's most brilliant innovators, exploring their extraordinary achievements and often complicated lives.

In the next season of *Genius*, we will profile the remarkable life of Nobel Peace Prize winner and civil rights leader Martin Luther King Jr., dramatizing his journey to becoming one of the most influential and inspirational leaders in history.

National Geographic's iconic yellow border is synonymous with exploration. From planting our flag on Everest, to trekking the forests of Tanzania with Jane Goodall, National Geographic has long inspired people to care about the planet.

Continuing that legacy, we are announcing several new, blue-chip National Geographic science and natural history series exclusively for Disney+.

First up, from National Geographic explorer-at-large and award-winning filmmaker James Cameron and National Geographic explorer and photographer Brian Skerry, comes the stunning *Secrets of The Whales*, narrated by Sigourney Weaver. With breakthrough science and never-before-captured behavior, *Secrets of The Whales* showcases five different whale species in all their visual splendor, revealing the extraordinary culture of the world's most intelligent giants.

Have a look.

[VIDEO]

Their beauty absolutely takes my breath away.



Moving on... Who knew that beneath our feet exists a tiny, magical world bursting with action, adventure, and even love?

Using the very latest miniaturized camera technology, our new series, *A Real Bug's Life* will transport viewers into this mesmerizing place where microscopic creatures play out the drama of life. From the savannahs of Africa to the urban underworld of New York City, we'll discover a great big world buzzing with tiny little heroes.

Then, *America the Beautiful* - the ultimate portrait of America's wildlife and wild places, from sea to shining sea. This ambitious new series will celebrate America's most iconic landscapes from the Frozen North... to the Wild West... to the Deep South... and apply the most technologically ambitious Hollywood filmmaking to the world of natural history.

For example, we recently obtained an exclusive, first-ever film permit for a fighter jet, equipped with a gyro stabilized 8K camera, to fly close to the speed of sound across seven US national parks that were closed to the public due to the pandemic. As you can see, the footage is incredible and the opportunity to capture it in this way may never happen again.

Next, I'm super excited to introduce you to two new documentary series from Oscar-nominated and visionary filmmaker Darren Aronofsky, that feature two of the biggest movie stars on the planet.

First, *Limitless with Chris Hemsworth*.

New scientific research is shattering conventional wisdom about the human body, revealing how we can all unlock our own body's superpowers to fight illness, perform better, and actually reverse the aging process. Count. Me. In!



In this series, the science is put to the test by Chris, who despite being in peak superhero-condition, is on a personal mission to learn how to stay young, healthy, strong, and resilient.

Limitless with Chris Hemsworth is one-part science, one-part action adventure. This is *Limitless...*

[VIDEO]

Finally, our epic new series, *Welcome to Earth* featuring Will Smith as he guides viewers on an extraordinary journey around the globe.

Welcome to Earth follows Will and his insatiable curiosity to some of the most extreme and exciting places on the planet. We're standing next to him as he drops inside the lip of an active volcano, dives 3,000 feet below the surface of the ocean, and repels deep into an Icelandic glacier ... in each location, revealing the hidden forces that shape our planet.

With breathtaking cinematography from Darren Aronofsky, *Welcome to Earth* explores the mind-blowing ways that our planet works. Here is, *Welcome to Earth*.

[VIDEO]

We are without question living in an extraordinary time. And yet, National Geographic reminds us that the world is still an amazing and miraculous place, filled with spectacular beauty and wonder - which we are thrilled to share with the Disney+ audience.

And with that, it is my pleasure to welcome back my colleague Dana Walden.



Dana Walden - Chairman, Entertainment, Walt Disney Television, The Walt Disney Company

Hello again. I'm so happy to be back talking about Disney+. All of us have loved developing for it, but only one of us has actually been living on it. So I've traveled all the way to Springfield - still don't know what state I'm in - to talk to a member of our studio family for 30 years, Mr. Homer Simpson.

So Homer, what have you learned about Disney+ this year?

Homer Simpson

Oh wait, I didn't know there'd be a test!

Well, I've learned how to find plus on my keyboard. And I've learned that armed bounty hunters make excellent nannies. And if you don't mind some creative criticism, live-action *Aladdin* is a total rip-off of this cartoon I saw called *Disney's Aladdin*. *Frozen* is not about my credit cards. I would kill for Fat Thor's body. *Snow White* finally exposes the dangers of eating apples. And in conclusion, Pixar is run by a jumping lamp.

Now I'm gonna throw it back to Dana, who's going to tell you about all the great new projects that are going to be developed by the powerful television studios for Disney+.

Allow me one personal note: I was promised beer and if I don't get it soon, I'm taking this guy with me.

Dana Walden - Chairman, Entertainment, Walt Disney Television, The Walt Disney Company

I want to thank Homer and his family for helping to make Disney+ such a success. *The Simpsons* is one of the top titles on the platform in every country where it's launched so far.



Now here's our development of Disney+ Originals. We have an expansive slate of family entertainment, from comedies to epic dramas. Shows that speak to a global audience, executed by great creators - people who know how to produce big hits.

You'll see that a number are based on iconic IP from the Disney library. These are titles that are beloved, they're trusted by families, passed down through generations. It's a creator's dream to have access to them. And gives us a real competitive edge.

And I'll start with this one...

The Mighty Ducks is the iconic movie that led to sequels, an animated series and a Stanley Cup-winning hockey team.

The next installment: *The Mighty Ducks: Game Changers*. We'll pick the story back up with a familiar face, lots of heart and humor, and kids who can really skate. Well, not all of them....

[VIDEO]

Turner & Hooch is a charming buddy comedy. It stars Josh Peck in the role made famous by Tom Hanks. You may not know Josh, but I bet your kids do. His partner here is a sweet but slobbery mastiff.

[VIDEO]

Big Shot is an original concept from David E. Kelley. It's a celebration of girl power, set in the world of high school basketball. No one creates authentic relationships quite like David. And few TV stars are as recognizable as this one.

[VIDEO]



Big, fun character-based series like these, are one segment of our content strategy. The other - dramas that are ambitious in scale that will be brought to life by A-list talent. I'll start with three projects in development.

Beauty and the Beast expands the universe of the blockbuster film - more than a billion dollars in worldwide box office. LeFou and Gaston return- played by their original stars, Luke Evans and Josh Gad. With all-new music composed by Oscar, Grammy, Emmy and Tony-winner, Alan Menken.

[VIDEO]

Swiss Family Robinson reimagines the classic story. This is a collaboration between Ron Moore, the creator of global smashes *Battlestar Galactica* and *Outlander*, and Jon Chu, the director of *Crazy Rich Asians*. As you just heard, he's also directing *Willow*.

Percy Jackson and the Olympians is one of the most popular books in the world. It's sold more than 70 million copies in 35 countries. News of its development at Disney+ was the #1 trending conversation in the world. It drove more than a million tweets in the first 24 hours.

And, the final project I want to share is based on the international best-selling book series, *The Mysterious Benedict Society*. Time Magazine called it, "one of the best young adult books - of all time."

[VIDEO]

And this is just the beginning. We have a deep bench of talent and the opportunity to access the incredible Disney library. We're looking forward to creating many more Disney+ Originals in the years ahead.



And now, it's my pleasure to introduce Sean Bailey, President of Walt Disney Studios Motion Pictures Production.

Sean Bailey - *President, Walt Disney Studios Motion Pictures Productions, The Walt Disney Company*

Wonderful stuff from Dana and her team. Thank you - thank you so much.

You know, there are so many incredible dimensions to this company, and my team and I have the honor of getting to focus on a treasure trove of iconic characters and stories that spring from the Disney imagination, as we continue to build on Disney's singular legacy of creating magic for audiences worldwide.

We have a lot of fun diving into our expansive library spanning nearly 100 years to bring beloved tales to life in new ways for today's viewers. The addition since last year of great franchise IP created out of 20th Century Studios means an even bigger sandbox to play in.

One of the truly exciting things about Disney+ is the opportunity it has given us to greatly expand our storytelling across a variety of genres to bring compelling, original films from all around the world to the screen in a way that only Disney can. We have a ton of projects in the works, and I have the pleasure of taking you on a tour through the magical and memorable stories we're producing.

Disney+ is already home to a massive collection of unforgettable movies from across the decades - the kind of movies you want to watch again and again with your family and friends.

We're right in the middle of the holiday season, and I'm sure, like me, you and your families have your favorite, must-watch movies for every season. On Disney+, we're continuing to create new holiday memories for fans and families around the world with such films as the delightful *Noelle* and the brand-new *Godmothered*.



Of course, one of the most popular holidays is Halloween, and one of the most popular Halloween movies is the cult classic *Hocus Pocus*. And I'm happy to confirm we are working on a treat for Disney+ audiences with a spooky sequel.

In addition to Disney and 20th Century, we also have films from the Touchstone days that fit right in the Disney+ wheelhouse.

One such project we're excited about is a modern take on the hilarious 80's comedy *Three Men and a Baby*. We are deep in development aiming for a 2022 release, and we could not be more thrilled to have Disney all-star Zac Efron attached to star.

Now, we also love to tell real-life stories of heroes from around the world - distinctly human stories that draw on emotion, inspiration and aspiration, like *Togo*, which we premiered last year.

Safety is inspired by the empowering story of Clemson University football player Ray McElrathbey, who found himself raising his 11-year-old brother while still in college. This uplifting drama from *Marshall* director Reggie Hudlin debuts on Disney+ tomorrow.

We're also working on a film based on the incredible story of Keanon Lowe, a high school coach who averted tragedy through compassion, with the man of many talents, Dwayne Johnson, on board as a producer.

Meanwhile, heading into production next year, *Greek Freak* is the remarkable story of NBA star Giannis Antetokounmpo and his family as they lifted themselves out of poverty as undocumented immigrants living in Greece, with Giannis ultimately finding himself on the world stage.



And I can confirm we are developing a biographical film for Disney+ with another NBA superstar, Chris Paul, whose past includes a deeply moving story of family, legacy, and destiny that helped make him who he is today.

As you can tell, I do watch a fair amount of ESPN myself.

Moving to another of our favorite genres... Children's and young adult books certainly aren't just for kids - they speak to the kid in all of us, and they have the power to shape our understanding of the world.

Flora & Ulysses is based on a Newbery Medal-winning book about the misadventures of cynical young comic book fan, Flora, and her superpowered squirrel sidekick, Ulysses. Flora and Ulysses will debut on Disney+ this coming February.

A little further ahead on the slate, for 2022, we are reimagining the hit comedy *Cheaper by the Dozen* with *Blackish* producer Kenya Barris - it's centered around a multiracial blended family of 12, navigating a hectic home life while managing their family business. I'm thrilled to share that Gabrielle Union is set to star in this reboot.

And we're revisiting the beloved *Diary of a Wimpy Kid* series, which has spawned a successful live-action film franchise from the books. The series remains as popular as ever - in fact, the latest *Wimpy Kid* book, released in October, was an instant New York Times bestseller.

In our new film, our intrepid hero, Greg Heffley, gets an all-new look, and he's, well, a little animated about it.

In expanding our focus on content development for streaming, we think there are some great worlds and stories - separate from the amazing original work coming out of our animation studios - that we can tap into in a new way, particularly from the world of 20th Century Studios.



The *Ice Age* series has so far seen five feature films to the tune of over \$3.2 billion dollars at the global box office.

We are now in production on a spinoff film, exclusively for Disney+, called *Ice Age Adventures of Buck Wild*. It centers on three series favorites: the prankster possum brothers Crash and Eddie, and the swashbuckling weasel of the title, Buck. I'm pleased to announce that the wonderful Simon Pegg will be returning in the role of Buck.

Moving to another popular film series that has earned a combined \$1.3 billion dollars at the global box office across three films, we are ready to spend another *Night at the Museum*.

In a fun twist, it is animated this time around, which gives us even more leeway to stretch the imagination with this fantastical premise. We are thrilled to have Shawn Levy, who has helped shape this blockbuster franchise as director of the previous films, on board as a producer.

Now, I'm excited to shift gears into some of the event titles we have in the works. These are films born out of some of the most iconic and enduring stories and characters in the Disney canon.

As with *Beauty and The Beast*, *Aladdin*, *Maleficent*, *Mulan*, and *Lady and The Tramp*, these are worlds and characters we love, reimagined and brought to life by visionary filmmakers and top talent. And we create these stories at a size, scale, and quality that is second to none - regardless of the size of the screen.

We have an extraordinary slate of upcoming tentpole films, and I will give you a quick glimpse today of just a few.

In July 2021, we invite audiences to embark on *Jungle Cruise* with an adventure of mythic proportions in the grand tradition of *Pirates of the Caribbean*. It stars two of today's biggest



movie stars, Dwayne Johnson and Emily Blunt, and it strikes the perfect balance of high stakes, gigantic action, and plenty of comedy.

Now, when it comes to having it all - drama, comedy, action, emotion, music - for audiences worldwide, there is perhaps nothing like *The Lion King*. Following the \$1.6 billion dollar success of our 2019 reimagining, we are in development on an inspired prequel of sorts that revisits these iconic characters. And I am beyond thrilled that we have Barry Jenkins, of the Oscar-winning *Moonlight*, in the director's chair.

A couple years ago, *Mary Poppins Returns* had audiences tapping their - whaddya call em? - oh, feet. And director Rob Marshall is back in the Disney fold to bring his unique gifts to a live-action take on *The Little Mermaid*.

In the title role, we have multitalented singer and actor Halle Bailey, alongside a phenomenal cast that includes Awkwafina, Daveed Diggs, Jacob Tremblay, Melissa McCarthy, and Javier Bardem. And we will have not only the beloved Menken-Ashman songs from the animated original, but some all-new music from Alan Menken and Lin-Manuel Miranda.

For Disney+, we're currently in development on a hybrid live-action-animated feature with two perennial favorites in *Chip N' Dale: Rescue Rangers*.

Popstar's Akiva Schaffer directs, and the hilarious John Mulaney and Andy Samberg are set to star in the title roles. Seth Rogen will cameo, and you'll be sure to recognize his voice in this early animation test we are sharing with you today.

In our film, cartoons are living among us in all their animated forms - and let's just say, Dale may have gone a little overboard to keep up with the current popularity of CGI.

[VIDEO]



Rescue Rangers is slated for spring 2022.

It is no lie to say this next tale is one of the all-time classics: *Pinocchio* brought us not only the plucky puppet and his cautious cricket, but also some of the most iconic Disney music of all time, from “I’ve Got No Strings” to the quintessential “When You Wish Upon a Star.”

And now, especially for Disney+, we are working with the famed director, Robert Zemeckis, who is pulling the strings on a compelling new live-action retelling with the one and only Tom Hanks set to star. We will be leveraging state-of-the-art CGI to bring *Pinocchio* to life.

Like *Pinocchio*, the story of *Peter Pan and Neverland* has always had a special appeal to audiences.

David Lowery, who did such a spectacular job on *Pete’s Dragon*, is exploring a new angle in *Peter Pan and Wendy*, just for Disney+. And we are putting together an amazing cast including Yara Shahidi in the role of Tinker Bell and Jude Law as Captain Hook.

And finally, an update on a project that’s been eagerly awaited for some time - we have been working on a sequel to the hit film *Enchanted*, which starred Amy Adams as Giselle, who finds her life flipped upside down when she falls out of her animated fantasy world and finds herself stuck in real-life Manhattan. We could not be any more thrilled to share that Amy will be back as Giselle in this sequel, *Disenchanted*, which will stream exclusively on Disney+.

One more exciting tidbit of news: We are in development on a third film in the beloved *Sister Act* series - with none other than Whoopi Goldberg herself on board to star and produce. Tyler Perry is also signed on as a producer on the project.



And we will have more details on these titles in the coming months. As you can see, we have a huge range of exciting projects in the works across live-action and animation and somewhere in between.

Now, I haven't shown a lot of footage today because many of these projects are still in development or preproduction. So I want to close out with something really special for you from a film that's a little further along and that we could not be more excited about.

Cruella dives into the rebellious early days of one of the most notorious - and notoriously fashionable - villains, the legendary Cruella de Vil.

Oscar winner Emma Stone stars as Estella, aka Cruella, opposite Oscar-winner Emma Thompson as the Baroness, the head of a prestigious fashion house who plucks Estella from obscurity as a burgeoning designer. It's set against the backdrop of 1970s punk rock London, and our director Craig Gillespie delivers a truly unique take on this one-of-a-kind villain.

Today, I have a never-before-seen sizzle that will give you a real flavor of this fantastic film - please enjoy.

[VIDEO]

We can't wait to share more from all of these projects soon. Thank you so much for joining me today.

Jennifer Lee - Chief Creative Officer, Walt Disney Animation Studios, The Walt Disney Company

Welcome to the Kingdom of Kumandra, the setting of our next feature film, *Raya and the Last Dragon*. Taking inspiration from the incredible cultures and lands of Southeast Asia, the team at Walt Disney Animation Studios has created a fantasy world like no other. *Raya* is a film about a



lone warrior who brings together an unlikely gang of sworn enemies on a mission to unite the kingdom.

There's Raya, a warrior whose wit is as sharp as her blade. The street-savvy entrepreneur named Boun, the formidable giant Tong, and a little thieving toddler Noi with her band of Ongis. Their only hope is a magical, mythical, self-deprecating dragon named Sisu. With time running out, can they rebuild their shattered world?

Lead by the indomitable Kelly Marie Tran as Raya, and the one and only Awkwafina as a dragon like you've never seen before, *Raya and the Last Dragon* is a beautiful, bold, and hilarious film, and while it is our 59th animated feature, it is our very first to be produced at home - over four hundred different homes at that.

And, from our homes to yours, as Kareem mentioned earlier, *Raya and the Last Dragon* will be released both in theaters throughout the US, and around the world, as well as on Disney+ with Premier Access. This simultaneous release on Disney+ and in theaters March 5th gives audiences every possible opportunity to see the film.

In Disney+, we have a home for our legacy of films, upcoming films like *Raya and the Last Dragon*, and we see boundless creative opportunities to continue stories with our favorite characters - as well as create original stories set in all-new worlds, working with talent not just in our studio but around the world.

Today, we're happy to announce several new projects in development and production. This is where nostalgia meets the future.

We begin with Disney Animation's first-ever animated series.



It takes place in one of our favorite fantastical cities and stars one of our most beloved characters. To tell you more is the Oscar-winning director of *Big Hero 6*, and creator of *Baymax* - the series, Don Hall.

[VIDEO]

Baymax will be on Disney+ in early 2022.

Also in production: Welcome back to the mammal metropolis of Zootopia, where directors Trent Correy and Josie Trinidad are creating a short-form series called *Zootopia+*. *Zootopia+* takes a hilarious look at some of the animals we only briefly met in the Oscar-winning film - including Fru Fru, Gazelle's Tiger Dancers, and our favorite sloth, Flash.

We'll get insight into their lives through the lens of Zootopia's hottest shows like 'The Real Mousewives of Little Rodentia', 'So You Think You Can Prance', and a show that follows the fast-lane of life at sloth speed.

Zootopia+ is set for Disney+ in spring 2022.

Cinderella. Ariel. Elsa. Jasmine. Rapunzel... Disney Animation has brought some of the greatest heroines to the screen. Characters that people connect with and who stand the test of time. And with Disney+, we're creating new stories for these characters, starting with a favorite... from New Orleans - Princess Tiana.

We are bringing Tiana and her friends back for all-new stories in a long-form, musical comedy series. The possibilities are endless, with Tiana stepping into her role as a princess of a land we have yet to visit, and with so much more of New Orleans yet to see.

Tiana comes to Disney+ in 2023.



There is another series we are excited to announce, one that focuses on a heroine who asks herself how far she'll go - yes, we are developing a long-form, musical comedy series exploring new stories with Moana.

There is such a deep love for this character and this film - and that love has only grown in the years since the film's initial release. In the series, Moana's boundless sense of adventure and skills at wayfinding take her far beyond the reef. Since our first research trips to the region for the film, we continue to be inspired by the deep oral storytelling traditions of the Pacific Islands. And to help tell the stories for this new series, we are connecting with talent from the region.

Moana the series will be on Disney+ in 2023.

There is one more series I am thrilled to announce today. An all-new, all-original series created in a whole new way for our studio.

Back in the beginning of 2019, I saw a news piece about a group of storytellers and artists from Nigeria and Uganda. The title of this video was "Pan-African comic book hopes to kick Disney's... you-know-what." I was intrigued. Here were three talented comic book artists...

Tolu Olowofoyeku, Ziki Nelson, and Hamid Ibrahim founded an entertainment company called Kugali. Their dream was to bring African stories, created by African artists, to the world through comics and animation - highlighting the diversity of cultures, history and voices across the continent. Their talents as storytellers blew us away.

I'm proud to announce a first-of-its-kind collaboration as Kugali and Disney Animation team up to bring their original, long-form series to Disney+. The series is called *Iwaju*, which, in the Yoruba language, roughly translates to "The Future." Set in Lagos, Nigeria and steeped in science fiction, *Iwaju* explores deep themes of class, innocence, and challenging the status quo.



Iwaju will debut on Disney+ in 2022.

As you can see, we're embracing the opportunities Disney+ provides. We cannot wait to share more in the coming months.

But today, I want to leave you with a very special project, our animated feature film, set to release fall of 2021. We have not officially announced this movie...until today.

For our 60th feature, magical realism sets the stage, and, yes, it is a musical stage, as we travel to Colombia, where a magical family - the Madrigals - live in an equally magical home. Our film is called *Encanto*. Why? Because an Encanto is a charmed place, born of its unique wonders, where life itself... is wondrous.

Directors Byron Howard and Jared Bush, the filmmaking team that brought you the Academy Award-winning *Zootopia*, are joined by co-director and co-writer Charise Castro Smith. And, bringing his talents as both songwriter and story collaborator is the incomparable Lin-Manuel Miranda. It's hard to believe it's been four years since we first heard his incredible music in *Moana*, and we are so excited to re-team with him for *Encanto*.

[VIDEO]

That's *Encanto*, a musical comedy with songs in Spanish and English, that's not afraid to dig deep into the dangerously wonderful chaos of family.

From Kumandra to Colombia, San Fransokyo to Zootopia, from New Orleans to the Pacific Islands, to a sci-fi world in Africa, the story possibilities for the near century-old Disney Animation are more limitless than ever.



It is now my pleasure to introduce my esteemed colleague at our fellow animation studio, a person both tall in stature and in talent, from Pixar Animation Studios, Chief Creative Officer Pete Docter.

Pete Docter - *Chief Creative Officer, Pixar, The Walt Disney Company*

Hey everybody! I'm Pete Docter.

Pixar started in 1986, with a dream to take the wonderful tradition of animation, and transform it using state-of-the art computer technology. Tradition and innovation - two opposing concepts - have been at the heart of Pixar since the very beginning. Since then, we've gone on to make 23 feature films, and many, many shorts. And as the director of several of these films, it makes me so happy to hear that folks who grew up on these films as kids are now passing them along to kids of their own.

It's hard to believe Pixar's been around 34 years. But you know what, the truth is we're just getting started.

Today I'm excited to introduce you to a bunch of fresh, new filmmakers. Getting their voices on the screen is our key focus right now - while at the same time allowing our veteran filmmakers to continue to mature and do their great work. And I think that's really what we do best at Pixar: We honor tradition, while at the same time, innovating for the future.

Here's something that sure took a lot of innovation: it's our 23rd feature film, called *Soul*. And it's one of the most challenging and rewarding projects I've ever directed, that's for sure.

Soul is set in two distinct places: one that's familiar, and one you've never seen before.

The film looks into what makes us who we are, and what we do with our limited time here on earth. Appreciating the simple joys of life, finding the spark that makes you YOU... The themes



of *Soul* feel so timely to us right now, that we're happy that this movie will be shared this year with audiences around the world.

We're excited to bring a little joy to everybody this holiday season. So let's take a look at what you'll see this Christmas on Disney+.

[VIDEO]

Speaking of Disney+, we have a bunch of new projects we are making exclusively for the streaming service.

Now hopefully, you've been able to check out some of our SparkShorts. These are a collection of shorts made by a diverse group of new storytellers at Pixar, and they've really struck a chord with many around the world.

Our next SparkShort, *Burrow*, follows a young rabbit as she tries to build the home of her dreams. It's by first-time director Maddie Sharafian, and I'm excited to say it's going to be released on Disney+, along with *Soul*, this Christmas.

We've also launched a new documentary series called *Inside Pixar*, which invites you into our studio for an up close, never-before-seen look at the artistry, the craftsmanship and the storytellers of Pixar. The first 5 episodes are available right now on Disney+, so check them out! And more are scheduled to be released in the coming months.

Next, grab a quick snack with *Pixar Popcorn*. This collection of mini-shorts feature your favorite Pixar characters in all-new, bite-size stories, created by Pixar animators. These were a blast to make. *Pixar Popcorn* comes to Disney+ this coming January.

We also have three all-new series that you'll soon be seeing on Disney+.



The first is near to my heart as it's a spin-off from *UP*, called *Dug Days*. It's written and directed by the hilarious Bob Peterson - the creator of *Forky Asks A Question*, and the voice of Dug. This brand-new series follows our favorite talking dog, now with Carl as he returns from the dangers of the South American jungles, to the dangers of suburbia. Here he will face many challenges, including puppies, fireworks, and of course... squirrel!

Dug Days will premiere on Disney+ in the fall of 2021. Here's a clip from one of our favorite episodes.

[VIDEO]

Next, we're excited to re-ignite the *Cars* franchise with an all-new series that follows Lightning McQueen and his best friend Mater as they head on a road trip across the country. These episodes will be filled with lots of fun new characters, imaginative destinations, as well as old friends checking in along the way.

Our all-new *Cars* series is coming to Disney+ in the fall of 2022.

Following that, we're very excited to announce Pixar's first-ever original long-form animated series. This is a big deal for us.

It's being written and directed by two young story artists, Carrie Hobson and Michael Yates. While working together on *Toy Story 4*, these two often noticed that they'd have very different impressions of the very same meeting. One would think it went great, the other thought it was a disaster. And they thought hey, that would be a cool thing to explore, and it developed into an original series we're calling *Win or Lose*.

This series follows a co-ed middle school softball team in the week leading up to their championship game. Each 20-minute episode follows the same week, but from the perspective



of a different character. But it's not really so much about softball, as it is a comedy about love, rivalry, and the challenges we all face in our struggle to win at life.

Win or Lose is coming exclusively to Disney+ in the fall of 2023.

So those are all projects we're working on for Disney+, all being made by our filmmakers in Emeryville with the same passion, and excitement and quality as our feature films. And speaking of our feature films, we have an exciting lineup to share with you that really captures that perfect blend of tradition and innovation that I talked about earlier.

At the center of each of our big tentpole films is a deeply personal story, and our next feature is no exception. *Luca* is the first feature for director Enrico Casarosa, who made the short film *La Luna*. And it's a love letter to Enrico's home country of Italy, and a celebration of the universal themes of friendship.

Set in a beautiful seaside town on the Italian Riviera, this original film is a heartfelt story about a young boy named Luca and his best friend Alberto, who experience an unforgettable summer filled with gelato, pasta and endless scooter rides. *Luca* dives into theaters around the world in June 2021.

Here's a sneak peek at our all-new trailer.

[VIDEO]

After *Luca*, I'm excited to announce two -Two! - new films today, both releasing in 2022.

In the spring of '22, we have an original film directed by another first-time feature director, Domee Shi, who won an Academy Award for her Pixar short film *Bao*. Get ready for: *Turning Red*.



This is Mei, a confident thirteen-year-old who is experiencing the excruciatingly awkwardness of being a teenager. Everything in her life is changing - her interests, her relationships, her body - and balancing all this with family, and crushes, and her devotion to the biggest boy band on the planet, is no small feat.

Oh, and one more little detail: Whenever she gets too excited - which for a thirteen-year-old is like always - she uncontrollably “poofs” into a giant red panda. Kind of like the Incredible Hulk, but cuter.

Turning Red is an original take on the great tradition of coming-of-age comedies, albeit one with an emotional and a furry twist.

And coming in the summer of 2022, is a science-fiction adventure film unlike anything we’ve done before...

At first glance, you might think this is a *Toy Story* film. Well, not so fast. See, back when we created the very first *Toy Story*, we designed Buzz Lightyear with the idea that he was a toy based on some really cool character from an epic blockbuster film. Well, all these years later, we decided it’s time to make that film. Directed by Pixar vet Angus MacLane, co-director of *Finding Dory*, *Lightyear* is the definitive origin story of the original Buzz Lightyear, and it reveals how this young test pilot became the Space Ranger we all know him to be today.

And we’re excited to announce this new Buzz Lightyear will be voiced by none other than Chris Evans. You don’t get much more “traditional Pixar” than Buzz, and we’re excited to have Chris’ help in bringing a new twist to this iconic character.

We can’t wait to take audiences “To Infinity and Beyond” as *Lightyear* launches into theaters in the summer of 2022.



So there you have it — Pixar continues to transform, even as we have become a proud part of the wonderful tradition of animation. We look forward to introducing you to even more characters, old and new, in years to come.

Just please don't tell Kevin Feige that we're hiring Chris Evans away from Marvel Studios, okay?
Oh no, here he comes!

Kevin Feige - *President, Marvel Studios and Chief Creative Officer, Marvel, The Walt Disney Company*

Thank you, Pete. Good afternoon everyone.

We at Marvel Studios are thrilled to have a home on Disney+, where nearly the entire Marvel Cinematic Universe is laid out in a way that's easy for fans around the world to enjoy.

And today I'm excited to talk about the expansion and future of the MCU.

As you may know, the Cinematic Universe weaves storylines, heroes and villains across 23 feature films to date. And with Disney+, we're able to extend this way of storytelling to a new format - creating series that are connected to our theatrical releases...making the MCU more immersive than ever.

There's a lot of new content coming from Marvel Studios, so let's get started.

WandaVision will be the very first Marvel Studios series on Disney+. Wanda and Vision are two of our most powerful and complex heroes, and this series is a perfect expansion point for MCU storytelling.

Launching on Disney+ on January 15th, here is a look at the brand-new trailer for *WandaVision*.

[VIDEO]



Elizabeth Olsen is currently in London right now. She's shooting the film *Dr. Strange in the Multiverse of Madness* with director Sam Raimi, star Benedict Cumberbatch, and the rest of the cast including Benedict Wong, Rachel McAdams and Chiwetel Ejiofor. And joining them is a new fan-favorite character from the comics, America Chavez, played by Xochitl Gomez.

This film hits theaters March 25, 2022 and we're really pushing the boundaries of storytelling with this thrilling, scary, mind-bending adventure.

Not only will *Dr. Strange in the Multiverse of Madness* connect directly to the events of *WandaVision*, but it will also connect to the events of our new *Spider-Man* film coming to theaters December 2021.

Moving to our next series for Disney+, which launches this coming March... *The Falcon and the Winter Soldier* features two recognizable superheroes last seen together in the final moments of *Avengers: Endgame*. Sam Wilson aka The Falcon is played by Anthony Mackie, and Bucky Barnes, The Winter Soldier, is played by Sebastian Stan.

The Falcon and the Winter Soldier is a cinematic experience...it's a Marvel Studios movie played out over six episodes.

And now, here for the first time is an exclusive look at *The Falcon and the Winter Soldier*.

[VIDEO]

Now to another hero we last saw in *Avengers: Endgame* ...Black Widow will return to the big screen on May 7th, 2021.

Of course, the film stars Scarlett Johansson as Natasha Romanoff. Fans have been patient and I can't tell you just how ready we are for this Avenger to finally have her own standalone film.



And speaking of fan-favorite characters...*Loki*. The god of mischief will step out of his brother's shadow and into his own series on Disney+ in May of next year.

The great Tom Hiddleston returns as Loki and is joined in the series by Owen Wilson, Gugu Mbatha-Raw, Sophia Di Martino, Wunmi Mosaku and Richard E. Grant. As with our other shows coming to Disney+, we wanted to try something a little different - explore a new genre for us at Marvel Studios. So we've put Loki in the center of his own crime thriller. If that sounds a little unusual or confusing, don't worry...Loki is just as confused.

Here is the very first look at *Loki*.

[VIDEO]

Shifting to Marvel Studios' first animated series...

Coming to Disney+ next summer... *What If?* flips the script on the MCU, taking famous events from the films and reimagining them in unexpected ways. We've assembled a stellar voice cast with many MCU stars reprising their roles.

Here's a look at *What If?*

[VIDEO]

We've just wrapped production in Australia on our film *Shang-Chi and the Legend of the Ten Rings*, and we're so impressed the way Simu Liu has brought the character of Shang-Chi to life. Simu is surrounded onscreen by a fantastic cast that includes Awkwafina, Tony Leung and Michelle Yeoh.



This film is among the very first in our Phase Four and is set to release in theaters on July 9th, 2021.

Launching on Disney+ later next year is *Ms. Marvel*.

Ms. Marvel is a Pakistani-American teen superhero. Earlier this year during shutdown, we held online auditions all around the world to find our Kamala Khan, and we found her in Iman Vellani. Iman will be surrounded by a phenomenal cast and creative team that will bring this story to life.

So, here is an early look at *Ms. Marvel*.

[VIDEO]

A fact about *Ms. Marvel* is that her idol is *Captain Marvel*. And *Captain Marvel 2* is currently in the works with director Nia DaCosta.

And today I'm excited to announce that *Ms. Marvel*, played by Iman, will be joining Brie Larson and co-starring in *Captain Marvel 2* - along with a grown-up Monica Rambeau, played by Teyonah Parris, whom we will have already met in the upcoming *WandaVision*.

So by now you should start getting a sense of the interconnectedness that infuses all of our storytelling.

But that doesn't mean there aren't some unexplored corners of the universe. With next year's *Eternals*, we're introducing a brand-new ensemble of superheroes to the MCU played by a spectacular cast. This is an epic story spanning thousands of years, and it's one of our most ambitious films yet. It's set for theatrical release on November 5th, 2021.



Original Avenger Jeremy Renner returns to star in *Hawkeye*, launching on Disney+ late next year.

In our series, Hawkeye teams up with another well-known archer from Marvel comics, Kate Bishop, and I'm very pleased to confirm that Kate will be played by the amazing Hailee Steinfeld. Rounding out that cast are Vera Farmiga, Fra Fee and newcomer Alaqua Cox, playing Maya Lopez. The episodes are being directed by Rhys Thomas and the directing duo Bert and Bertie.

Debuting for the first time in the MCU... *She-Hulk* is coming to Disney+. It's a series about a woman trying to navigate the world and be taken seriously as a working professional...despite the fact that she's well over 6'7 and green. It's a very funny series being directed by Kat Coiro and Anu Valia.

And I can officially confirm that She-Hulk/Jennifer Walters will be played by the talented and Emmy Award-winning Tatiana Maslany. I'm also pleased to reveal that the brilliant Tim Roth is returning as the Abomination - a character we first introduced to the MCU in 2008's *The Incredible Hulk*. And if that's not enough...I can confirm that The Hulk himself, Mark Ruffalo, will be appearing in the series as well.

And since Jennifer Walters is a lawyer who specializes specifically in superhero-oriented legal cases...you never know what Marvel characters are going to pop up from episode to episode.

Bringing a whole new different vibe to the MCU... *Moon Knight* is an action-adventure, Indiana Jones-type story, coming to life as a Disney+ series directed by Mohamed Diab.

The character Moon Knight is a complex vigilante who suffers from dissociative identity disorder - and these multiple identities that live inside him are very distinct characters in the series. The backdrop of our story is incredible Egyptian iconography - Egyptology is something the world's always been fascinated by, and we're going to tap into it in a fun and bold way in *Moon Knight*.



Now I want to talk about a couple of projects that we haven't announced yet.

The first of which is *Secret Invasion*, coming to Disney+.

Samuel L. Jackson is back as Nick Fury and Ben Mendelsohn from *Captain Marvel* returns as the skrull Talos. Next to *Civil War*, *Secret Invasion* is arguably the biggest crossover comic event of the last 20 years, and we're bringing it to Disney+. It's about a sect of skrulls who have infiltrated every level of life on Earth.

Ironheart will be a series for Disney+ about genius inventor Riri Williams, who has the most advanced suit of armor since Iron Man's. Dominique Thorne will play the title role. And as we like to do, both *Secret Invasion* and *Ironheart* will tie directly to MCU feature films.

We're also well underway on a series for Disney+ based on *Armor Wars* - a classic Marvel story about Tony Stark's worst fear coming true...it's what happens when his tech falls into the wrong hands. And this series will star a beloved member of the MCU. Don Cheadle will be returning as Jim Rhodes aka War Machine.

One of the best things about expanding the MCU to Disney+ is that our team at Marvel Studios is finally able to do some of the things we've always wanted to do but didn't quite have the right outlet for... like produce our first ever live-action holiday special.

In irreverent Guardians fashion, *The Guardians of the Galaxy Holiday Special* is going to be a lot of fun, especially since James Gunn is back to write and direct.

In fact, we're going to shoot it during production of *Guardians of the Galaxy Volume 3*. This special will drop the holiday prior to the next Guardians of the Galaxy film, which hits theaters in 2023.



And speaking of Guardians... Aptly titled *I Am Groot*, everyone's favorite little tree, Baby Groot, will star in a series of shorts on Disney+ featuring several new and unusual characters.

Before I go, I couldn't leave you without giving a few more updates on some of our most anticipated upcoming films.

In January, we'll begin filming *Thor: Love and Thunder*, with director Taika Waititi and Chris Hemsworth, Natalie Portman and Tessa Thompson returning. And I'm pleased to confirm that Academy Award-winning actor Christian Bale is playing the villain Gorr The God Butcher. *Thor: Love and Thunder* releases in theaters on May 6, 2022.

As we announced at Comic-Con last year, we are moving ahead with *Blade* starring Academy Award-winner Mahershala Ali. The development and storylines are coming together and we'll have announcements very, very soon.

Director Peyton Reed is hard at work with our Marvel Studios team on the third *Ant-Man* film, which will officially be called *Ant-Man and The Wasp: Quantumania*. Paul Rudd, Evangeline Lilly, Michael Douglas and Michelle Pfeiffer are all returning. And Kathryn Newton is joining the cast and playing Cassie Lang. And in the role of Kang the Conqueror, we have a great actor, Jonathan Majors.

I wanted to acknowledge the devastating loss of a dear friend and member of the Marvel Studios family. Chadwick Boseman was an immensely talented actor and an inspirational individual who affected all of our lives professionally and personally. His portrayal of T'Challa, the Black Panther is iconic, and transcends any iteration of the character in any other medium from Marvel's past. And it's for that reason that we will not recast the character.

However, to honor the legacy that Chad helped us build through his portrayal of the King of Wakanda, we want to continue to explore the world of Wakanda and all of the rich and varied



characters introduced in the first film. Writer/director Ryan Coogler is hard at work on the sequel now and will bring the film to you in theaters July 8th, 2022.

And finally... I am happy to announce a film about one of the truly iconic Marvel families - in fact, Marvel's first family, *Fantastic Four*. We're working on a feature now and it will be directed by the director of our recent *Spider-Man* films, Jon Watts.

We've got a lot in store at Marvel Studios, and Disney+ is key to the interconnection and expansion of the MCU. It will be home for both our feature films and our series for years and years to come.

Since Marvel first joined Disney back in 2009, Bob Iger has been the biggest champion of the work that we do - none of this would have been possible without his support. So it is now my pleasure to turn things back over to Bob. Thank you.

Bob Iger - *Executive Chairman and Chairman of the Board, The Walt Disney Company*

What an amazing presentation by Kevin and all of our creative executives—truly astounding!

As you just saw for yourselves, the same attributes that define our theatrical releases - the grand scale and scope, stunning artistry, and groundbreaking special effects - are also apparent in many of the series we are producing.

Of course, as remarkable as that presentation was, we obviously didn't have time to show you everything coming to Disney+, particularly a lot more original Disney-branded content.

We launched the service last year with great ambition and high expectations, and we've exceeded them by every measure.



There are thousands of episodes of television, and hundreds of library titles and theatrical releases. It's truly spectacular!

The enormous success of Disney+ inspired us to be even more ambitious, and the pipeline of original content we're making is much more robust than we had initially anticipated - with an incredibly impressive number of great new episodic series, feature films, documentaries, and specials...all coming to the service in the next few years.

They'll also be arriving at a much quicker cadence - we've set a target of 100+ new titles per year, and this includes Disney Animation, Disney Live-Action, Pixar, Marvel, Star Wars, and National Geographic. And, of course, we'll continue to add more to our rich library as well.

It has been an unbelievable first year, and the response from audiences around the world has been extraordinary. We've clearly positioned ourselves as a leader in the direct-to-consumer space....and the fact is, we're only just getting started.

This video truly captures why we're so excited about the future of Disney+. Enjoy!

[VIDEO]

Lowell Singer - *Senior Vice President, Investor Relations, The Walt Disney Company*

I assume you now understand why we are so excited about our direct-to-consumer opportunity. And you now probably want to know how our business plans and content lineup translate into our subscriber and financial expectations.

Well, I just happen to know the person who can address those topics, so I would now like to introduce Disney's Chief Financial Officer, Christine McCarthy.



Christine McCarthy - *Senior Executive Vice President and Chief Financial Officer, The Walt Disney Company*

Thanks Lowell. And thanks to all of you for joining us.

We are so proud of what we've been able to share with you today, and I hope it has reinforced why we continue to see such tremendous opportunity in the direct-to-consumer space.

As you have heard throughout the day, our more aggressive direct-to-consumer business plans, supported by our new organizational structure, will allow us to further increase the value that our services deliver to consumers.

We'll also continue to be responsive to our investors as we are aligned in our goal of maximizing long-term shareholder value. We will continue to be transparent with all of you about our direct-to-consumer businesses, and we will continue providing the key metrics that help you best understand our progress. We will also provide incremental disclosures when appropriate.

We plan to begin reporting results under our new structure in Q1 of fiscal 2021. Going forward, our operations will be organized under our two primary businesses: Disney Media and Entertainment... and Disney Parks, Experiences, and Products. While we are still working through the details of our new financial reporting approach, our goal is to provide recast financials in advance of, but close to, our Q1 earnings call in February of 2021.

As we look ahead to reporting this new structure, one item I would like to highlight is that we will change how we attribute film and television costs to the various distribution platforms. Rather than having an inter-segment markup, we will allocate the cost plus a share of overhead.

Now, I'll share with you how we expect our plans to drive growth and impact our direct-to-consumer financial results. Today, I'm going to provide guidance across our services for fiscal 2024, to be consistent with the timeframe we guided to at our last investor day.



Let me start with Disney+ - which as you heard earlier today had 86.8 million total paid subscribers as of December 2nd, approximately 30% of which were Disney+ Hotstar subscribers.

When we discuss Disney+ subscriber guidance, here is some further context on what we mean: In most international markets, Star will be part of Disney+, with a combined price point to consumers. This includes Disney+ Hotstar markets, as well as markets where Star will be a sixth tile within the Disney+ app. So in these markets, our Disney+ subscriber outlook reflects the inclusion of Star.

Latin America requires a little more explanation. As Rebecca discussed earlier, consumers will have three options: Disney+ on its own, Star+ on its own, or a bundle of the two services. We intend to price the bundle in an attractive manner, and as a result we anticipate relatively few Star+ standalone subscribers. So, for simplicity, we will include these in our Disney+ subscriber count, and bundled subscribers will only be counted once.

If you recall, last year, we said that we expected Disney+ to have between 60 and 90 million subscribers by the end of fiscal 2024. But as you know, our subscriber growth to-date is well ahead of our original expectations - and we have an incredible and growing slate of high-quality content that will capture a broader global audience and further fuel Disney+, making it, what we believe, is an even more compelling product.

These factors - along with the addition of our Star general entertainment offering in various markets, and the growth of Disney+ Hotstar - give us an even greater optimism about our future. And they enable us to significantly increase our subscriber guidance.

We now expect that by the end of fiscal 2024, we will have between 230 and 260 million total paid Disney+ subscribers globally, compared to the 60 to 90 million we shared last year. I'll note that our prior outlook did not anticipate the launch of Disney+ Hotstar, which we now expect could be between 30 and 40 percent of our subscriber base by the end of fiscal 2024.



We clearly have an incredible opportunity to build a substantial global subscriber base. But we also believe we have the opportunity to increase Disney+ pricing given the additional value we will be adding to the service.

So in March of 2021, we will be increasing the US price of Disney+ by one dollar to \$7.99 per month. And, as Rebecca mentioned earlier, we will be increasing the price of Disney+ in Continental Europe by two euros to 8.99 per month, with similar adjustments in other markets. These price increases reflect an increase in the underlying value of the Disney+ product offering, as well as the inclusion of Star general entertainment content in many markets.

As you've seen and heard today, this incredible trajectory of our subscriber growth will be fueled by our continued and increased investment in high-quality content. This includes incremental investment in the international general entertainment offerings we create, and the local content we create or acquire.

At our last investor day, we said we expected fiscal 2020 Disney+ content amortization expense of approximately \$2 billion dollars. And we expected that to grow to the mid-\$4 billion dollar range for fiscal 2024. In fiscal 2020, our content expense was roughly in line with that outlook.

Looking forward, our revised outlook for subscriber growth is fueled, in part, by an increased level of output for Disney+, including the addition of Star. This will drive higher fiscal 2024 content expense on our P&L than we previously expected. We now expect our content expense to be between \$8 and \$9 billion dollars in that year.

This increase reflects several factors, including:

- Increasing investment in original content under the five core brands with which we launched Disney+, particularly Marvel and Star Wars;
- Making a significant incremental investment in our production of original general entertainment content that will drive our Star and Star+ offerings;



- Producing and acquiring local content in international markets, which will increase our relevance and subscriber penetration in those markets;
- And the inclusion of Disney+ Hotstar in our revised outlook, which includes both entertainment content, and sports rights costs.

We previously stated that we expected Disney+ would reach its peak year of losses between fiscal 2020 and fiscal 2022. Consistent with this range, our expectation today is that Disney+ will reach its peak year of losses in fiscal 2021.

Given the value of growing our subscriber base, as you've seen today, we plan to reinvest revenue generated from our better-than-expected subscriber growth back into content investment. Thus, we continue to expect Disney+ to achieve profitability in fiscal 2024. Again, I'll note that this guidance includes Disney+, Star, Star+ and Disney+ Hotstar.

As viewing habits and trends evolve further over the coming years, we will calibrate and adapt our content creation, distribution and pricing. All while maintaining a strong value proposition for our consumers. The guidance we are providing reflects our plans as of today. But, we operate in a dynamic world and we are certain consumer expectations and preferences will continue to evolve. We will remain flexible in our approach with a keen focus on serving consumers and maximizing shareholder value.

Switching gears... Hulu has a 12-year track record of growth, which has accelerated in recent years. And the service continues to perform well.

With more than a decade of data to learn from and to inform our outlook, we told you last year that by the end of fiscal 2024, we expected Hulu's domestic paid subscriber base to grow to between 40 and 60 million.



Looking forward, we are refining our outlook and we now expect Hulu will have between 50 and 60 million subscribers by the end of fiscal 2024. This includes subscribers to the Live TV product which includes Hulu's SVOD content.

We now expect Hulu to achieve profitability in fiscal 2023, compared to the range we provided last year of fiscal 2023 or fiscal 2024.

Turning to ESPN+... We are very pleased with the performance of the service.

When we last met, we said that we expected ESPN+ to have between 8 and 12 million subscribers by the end of fiscal 2024.

We have evolved our business model since then, and today we are going after mass market penetration to reach an even broader audience of sports fans. As a result, we've seen the successful uptake of our domestic streaming bundle.

This - alongside ESPN+'s exclusive live events, original programming and editorial content that you heard about earlier today - has led us to change our outlook. We now expect ESPN+ will have between 20 and 30 million subscribers by the end of fiscal 2024.

While this strategy leads to a substantially larger ESPN+ subscriber opportunity than we expected at the time of our last investor day, it also drives a lower ARPU than we previously expected. Thus, we continue to believe ESPN+ will reach profitability in fiscal 2023, in line with what we said last year.

We clearly have incredible entertainment properties and content engines that will drive the growth we talked about today. To put our total direct-to-consumer content investment outlook into perspective, we expect that for fiscal 2024, our global direct-to-consumer content expense



on our P&L will be between \$14 and \$16 billion dollars across Disney+, Hulu and ESPN+. This excludes Hulu Live's programming costs for networks on its digital MVPD service.

This level of content investment demonstrates our commitment to pivoting and accelerating our strategy.

Putting this all together, when you add up our subscriber outlook across the three services, we expect to reach between 300 and 350 million global subscriptions across our services by the end of fiscal 2024 - compared to the 137 million we had as of December 2nd.

It is clear that our strategy has already firmly positioned us as a leading global streaming service provider. And that is within just one year of launching Disney+.

Looking forward, we have the utmost confidence in the trajectory of our direct-to-consumer businesses... and in our ability to continue to create significant shareholder value.

With that, I will hand things back over to Bob Chapek.

Bob Chapek - *Chief Executive Officer, The Walt Disney Company*

Thanks, Christine.

After what you've seen today, you can surely understand why we are so excited and so optimistic about the future of The Walt Disney Company.

The vast collection of content we showed you from our team of world-class creatives truly is unparalleled - and we are delivering it to audiences across our unique portfolio of streaming services in a way only Disney can.

In just its first year, Disney+ has vastly exceeded all of our expectations.



And now, with the strategic vision that we just illustrated for you - that puts the consumer in charge - we're incredibly confident that we will achieve the long-term guidance that Christine outlined, giving fans the wide array of great, high-quality entertainment they want, delivered when and how they want it.

We believe the combined strength of all of our efforts will fundamentally transform The Walt Disney Company, create significant long-term value for our shareholders and position us to achieve even greater success as we enter our second century.

And with that, I'll turn it back over to Lowell for our investor Q&A session.

Lowell Singer - *Senior Vice President, Investor Relations, The Walt Disney Company*

Thanks Bob. We are now going to transition to an analyst Q&A session. But in order to do that, we need to give our analysts an opportunity to dial-in to ask their questions.

[BREAK]

Welcome back, everyone. As you can see, I am joined by Bob Chapek and Christine McCarthy, and we are going to spend the next few minutes answering some of your questions. We'd like to welcome a group of analysts who are joining us by Zoom. Good to see you all.

I would like to ask each analyst that in order to help us to get to as many of your questions as possible, please limit yourself to one question per person. Additionally, we'd encourage you to ask questions germane to today's presentation.

For those of you asking a question, please remember to unmute your mic when you are called upon. And unless you are asking a question, please make sure your line remains muted.



And with that, we are ready to take our first question, and it comes from the line of Ben Swinburne from Morgan Stanley

Ben, it's good to see you. Please unmute yourself and go ahead with your question.

Ben Swinburne - *Morgan Stanley & Co. LLC*

Sure. Can you hear me?

Lowell Singer - *Senior Vice President, Investor Relations, The Walt Disney Company*

We can, Ben.

Ben Swinburne - *Morgan Stanley & Co. LLC*

Great, I'll follow the rules and stick with one. Bob, you talked a lot about flexibility in distribution decisions, which is clearly an advantage you have with all these different options. But you also have these significant tentpole franchise films, which carry tremendous value in kind of marketing and franchises.

So when we look at, for example, *Pinocchio* going to Disney+ direct; *Raya*, Premier Access; I think *Little Mermaid* is theatrical. What is the decision-making process that goes into those choices? And I guess just to play devil's advocate, why not go day-and-date with your biggest films as you talk about meeting the consumer where they are and the consumer is in charge? I'm wondering if you could talk about that a little bit.

Bob Chapek - *Chief Executive Officer, The Walt Disney Company*

Sure. Well, first of all, flexibility is going to be a big dynamic going forward for us because there is obviously two things happening: number one is COVID and how that's impacting the marketplace both from a consumer behavior standpoint, but also in terms of a theater



exhibition standpoint. I mean we've got that dynamic going as well. And then changing consumer behaviors overall.

So to me, it's really about over - of the 100 titles that we announced today, 80% of them are going first to Disney+, which I think says something about our pivot over to Disney+. But at the same time, we had \$13 billion of box office last year. And that's obviously not something to sneeze at. And we know as The Walt Disney Company who've got this plethora of franchises that we just showed you today, that we build those franchises through the theatrical exhibition window and we did \$13 billion back in '19. So for us, it's about balance. And it's about following the consumer as they make that transition.

And so part of why we did the reorganization that we did is to ensure that we've got an organization that's flexible to read all the cues, whether it's the cessation of COVID or it's changing consumer behavior so that we can very nimbly make decisions as we go forward. And that 80% direct-to-consumer is not just Disney+, obviously, but that includes Hulu and Star as well.

Lowell Singer - *Senior Vice President, Investor Relations, The Walt Disney Company*

Ben, we thank you for the question.

Our next question will come from Alexia Quadrani at JP Morgan. Alexia, welcome, please unmute yourself and go ahead with your question.

Alexia Quadrani - *JP Morgan Chase & Co.*

Can you just talk about your decision to put ESPN channels on Star+ in Latin America and really how that may impact your relationship with your distributors down there, how you look at the linear relationships down there and if there are any sort of read-throughs that we can sort of take away from that decision in terms about your relationship to the distributors here domestically and what that means for your linear channels?



Bob Chapek - *Chief Executive Officer, The Walt Disney Company*

As we go ahead and expand our DTC offerings across the world, what we're very keen to do is not do a one-size-fits-all application. We know, for example, in Europe, that it's very important to have general entertainment bundled directly with our Disney+ offerings because of what specifically the consumers are looking for there.

In Latin America, per your question, we know that sports is kind of the equivalent there. And what we're trying to do is come up with a really nice combination of general entertainment, local content as well as sports. And so it's really following the consumer as we move there.

And in terms of the relationships to the MVPD partners that we have, we're going to make the evolution that the consumer is looking for. But at the same time, we understand our partnerships are important, particularly those that are spinning off large amounts of cash for us. Now that would always be a consideration, but particularly a consideration as our parks are obviously under duress from COVID.

So it's really a balancing act. And it goes back to the first question. That's why we're all about flexibility right now.

Lowell Singer - *Senior Vice President, Investor Relations, The Walt Disney Company*

Ok Alexia, thanks so much.

Our next question comes from Doug Mitchelson with Credit Suisse. Doug, good to see you, please unmute and go ahead and ask your question.

Douglas Mitchelson - *Credit Suisse AG*

Nice to see you as well. Thank you. I guess my question is on the content spend. We're looking at new subscriber guide, even notwithstanding 75 million or so of those coming from Hotstar, it



looks like a pretty big revenue increase for Disney+, when we look out to fiscal '24, something like maybe \$10 billion, and you raised your programming expense guide by \$4.5 billion. So you think possibly by fiscal '24, I - just curious to see all the other cost buckets. But overall, are you spending substantially more than that incremental \$4.5 billion as a company? Or are there offsets elsewhere?

Bob Chapek - *Chief Executive Officer, The Walt Disney Company*

Christine, do you want to...

Christine McCarthy - *Senior Executive Vice President and Chief Financial Officer, The Walt Disney Company*

Yes. Thanks, Doug. We are - we're definitely still in launch mode as it relates to Disney+. We're still going into new markets. Some of the expenses are things like marketing, just the - having - going outside of the U.S., where the brand is very well known. Some of the markets we'll be in, the brand is known. Some others, not as well known. So looking at just how we can best get our direct-to-consumer businesses more broadly distributed over this initial few years going into the launch is also part of that profitability guidance that we've given.

But we feel really good about - I think you saw, today, the content and the range of content. So we feel really good about what we have under development, what's on the list of to be developed over the next few years.

So - and once again, this is, as I said, towards the end of my prepared remarks, this is where we are at this point in time. So I would say this is a minimum amount of content that you will be seeing.

Lowell Singer - *Senior Vice President, Investor Relations, The Walt Disney Company*

Doug, thank you.



Ok, our next question will come from Michael Nathanson with MoffettNathanson. Michael, good to see you, make sure you unmute and go ahead.

Michael Nathanson - *MoffettNathanson*

A question for Bob, Christine. Given the importance to the forecast from India and Hotstar, and then Latin America that's coming on in June, can you talk a bit about the ARPU strategies, the pricing strategies in those markets? And what role does advertising play to maybe drive growth in those markets longer-term?

Christine McCarthy - *Senior Executive Vice President and Chief Financial Officer, The Walt Disney Company*

Well, I'll take that. Hi, Michael, it's great to see you. I haven't seen any of you in a long time. So this is quite a nice engagement today.

ARPU, as we all know, is lower in India than in the other markets that we have launched Disney+. Your question around advertising is a really good one. Advertising is on Hulu, you can either get the product with or without advertising. But when you look at the Disney brand, the Disney+ product, we have a very high volume of films on our service. And we don't believe that the consumer experience would be a particularly good one if we had advertising on Disney+. That doesn't mean that we couldn't look at some other things related to advertising. But in terms of having advertising in the stream for Disney+, our intention is not to do that.

But we look at pricing also, which is going to be impacting ARPUs throughout the world, on a region or a country-by-country basis. So as we showed today, we are increasing the price in Continental Europe by 2 Euros. It's a different product because it includes Star general entertainment. But in domestic U.S., we'll be increasing it by \$1 starting in March.

So there is a combination of things going. But we are going to be very focused on ARPU because it is part of the revenue equation.



Lowell Singer - *Senior Vice President, Investor Relations, The Walt Disney Company*

Yes. And I would just add, Michael, the one place where you will see advertising is on sports. So Disney+ Hotstar and obviously, Star+ in LATAM, if there are live events, we obviously have commercial breaks and you'll see advertising there.

Michael, thanks, good to see you. Our next question will come from the line of Jessica Reif Ehrlich with Bank of America. Jessica, good to see you. I don't believe you're unmuted.

Jessica Reif Ehrlich - *Bank of America Merrill Lynch*

Am I - I think I'm - can you hear me?

Lowell Singer - *Senior Vice President, Investor Relations, The Walt Disney Company*

We can now, yes.

Jessica Reif Ehrlich - *Bank of America Merrill Lynch*

Okay. Okay.

Lowell Singer - *Senior Vice President, Investor Relations, The Walt Disney Company*

And you froze. All right.

Jessica Reif Ehrlich - *Bank of America Merrill Lynch*

And in the ESPN...

Lowell Singer - *Senior Vice President, Investor Relations, The Walt Disney Company*

Jessica, you froze. If you could start over, that would be great.



Jessica Reif Ehrlich - *Bank of America Merrill Lynch*

Yes. How are you - what do you anticipate for longer-term operating margins for each of the services? And in your ESPN guidance, does that encompass major sports shifting over?

Bob Chapek - *Chief Executive Officer, The Walt Disney Company*

Do you want the margin question?

Christine McCarthy - *Senior Executive Vice President and Chief Financial Officer, The Walt Disney Company*

So Jessica, great to see you as well. Long-term, we are in the beginning - we are in the first innings of this direct-to-consumer business of ours. We're most focused on launching the service, getting engagement, having consumers really enjoy all of the content that we have to offer.

So we're not providing margin - guidance on margins. But you can assume that we will have additional content that is going to - we'll decide when we're going to put that content on. But we will be focused on margins. But right now, we're really focused on the distribution side and having consumers engage with our services.

Bob Chapek - *Chief Executive Officer, The Walt Disney Company*

Right. And ESPN+ assumes some sports shift, as Jimmy had indicated to ESPN+, but nothing of significance that would disrupt our linear networks right now. But I will say that every time we enter into a discussion with one of our providers, one of our partners on the sports rights side, ESPN+ is always a part of that discussion.

And recall that we've given guidance on profitability for Disney+ in '24, ESPN+ in '23 and Hulu in '23, if that gives you any guidance towards the margins.



Lowell Singer - *Senior Vice President, Investor Relations, The Walt Disney Company*

Yes. I mean even in our SEC deal today, there was some allocation of rights to ESPN+, so that will - I think you'll continue to see that moving forward.

Bob Chapek - *Chief Executive Officer, The Walt Disney Company*

Right.

Lowell Singer - *Senior Vice President, Investor Relations, The Walt Disney Company*

Jessica, thanks.

Our next question will come from Jason Bazinet with Citi. Jason, good to see you, make sure you're unmuted and go ahead.

Jason Bazinet - *Citigroup Inc.*

Great, thanks so much. You guys didn't say anything about sort of the syndication revenues that you generate today. Should investors sort of view those as unchanged? Or are there some rights that today you might license out to competitor SVOD players that would come on to your own platform that would cause the syndication or licensing revenue to diminish?

Lowell Singer - *Senior Vice President, Investor Relations, The Walt Disney Company*

Christine, do you want to...

Christine McCarthy - *Senior Executive Vice President and Chief Financial Officer, The Walt Disney Company*

Sure. Jason, we are still licensing some content because we have some existing contracts that still have a period of time to run. Going forward, we - our intention is to have as much of our content produced by all of the studios that you saw today, go on to our services. However, there



may be some that for just one reason or another, we choose not to put on the services. So you will have licensing going forward, albeit at a much lower degree than we have in periods past.

Lowell Singer - *Senior Vice President, Investor Relations, The Walt Disney Company*

Jason, thank you.

We will now go to Mike Morris with Guggenheim. Mike, nice to see you, go ahead.

Michael Morris - *Guggenheim Securities, LLC*

Hi, thank you Lowell, good to see you all as well.

My question is a follow-up on ESPN. Clearly, you're pushing very hard and being very aggressive with your content investment in this decision to make your content available direct to consumers and meet them where they are. But that is more of a challenge with ESPN, the push doesn't feel as aggressive even though you are clearly spending on ESPN+.

I'm hoping you could talk a little bit about what a path may look like for those largest investments on ESPN+ - or on ESPN rather - to, at some point, be made available direct-to-consumer. I realize it's a complicated process, but I'd love to hear maybe what some of the dominoes are that need to fall over time that we could get the full ESPN as a stand-alone.

Lowell Singer - *Senior Vice President, Investor Relations, The Walt Disney Company*

Okay. Bob, do you want to take that?

Bob Chapek - *Chief Executive Officer, The Walt Disney Company*

Sure. You're right that the - it's a much more complicated equation and the DTC area in sports because of essentially the fact that we have to go get the rights externally for the content. But we've always said that we will follow the best interest of our shareholders when we make that



transition. I think Jimmy ended his presentation with a statement that we're going to continue to watch consumer trends. And when we believe the time is right to make a transition, we will be prepared to make that transition.

Right now, though, we believe that we're best with the hybrid model that we've got. While the tilt may not be quite as strong, as you referenced as it is in our direct-to-consumer general entertainment business or our Disney+ business, it's still tilting, just not quite as aggressively because we don't think the time is right as a measurement of what would be right for our shareholders at this moment.

Lowell Singer - *Senior Vice President, Investor Relations, The Walt Disney Company*

Ok. Thank you Mike. Thanks for that question

And our next question will come from Steven Cahall with Wells Fargo Securities. Steven, go ahead, ask your question.

Steven Cahall - *Wells Fargo Securities, LLC*

Thank you very much. Good to see you all. A big picture question. Since you really set the stage out to 2024 and you've got Disney+ Hotstar, you've got the new Comcast bundle and you're nesting Star inside of Disney+ in a lot of markets, so if we look out, say 5 years, do you think that all of these individual services do converge into a single Disney+ with lots of tiles? It seems like there's a big subscriber acquisition advantage to bundling. So over time, do you see yourself bundling globally?

Bob Chapek - *Chief Executive Officer, The Walt Disney Company*

Okay. So short-term, I mentioned that we see different consumer dynamics in each of those regions, which is driving us to do what we're doing. And in those markets for those consumers that do want to try to combine things and make it easier, our bundle is our solution for now. But



right now, we're looking with flexibility. Again, I hate to keep using that word, but it really is a common theme. We're going to look with flexibility because we understand that those dynamics - because this is an embryonic market, this direct-to-consumer market. We understand those dynamics may change, so it's something that we can research.

Right now in Latin America or Europe or Asia might look a certain way today, but as tastes evolve and consumer behaviors change, it may change. So we're not going to put a stake in the ground on any one strategy, in any one market. All we can tell you is that we believe that the way we're launching these products today is the optimal way given the dynamics that we're reading.

Lowell Singer - *Senior Vice President, Investor Relations, The Walt Disney Company*

Ok, thanks Steve. Good to see you.

Our next question will come from Brett Feldman with Goldman Sachs. Brett, nice to see you, go ahead, ask your question.

Brett Feldman - *Goldman Sachs Group, Inc.*

Thanks for taking the question. The higher long-term subscriber targets that you've put out there, I'm curious, to what extent does that reflect an expectation that you will do a better job penetrating the TAM you had previously estimated versus a view that there might actually be a larger TAM, particularly as you incorporate Star? And as part of that answer, I'm interested in hearing what you've seen and what you anticipate you're going to see in the future, in terms of consumption outside the U.S., primarily happening on mobile devices versus fixed devices.

Christine McCarthy - *Senior Executive Vice President and Chief Financial Officer, The Walt Disney Company*

Okay. I'll take that, Brent (sic) [Brett]. We're looking at higher penetration of the TAM. We spoke about the size of that at our first Investor Day, and we gave the number as 1.1 billion. So we will



penetrate with more content, more quality content like you've seen today. And we also have Star that will also drive subs with the general entertainment, which is something different than what we talked about at the first Investor Day. And we're also looking at the content being 4 quadrants. So people with kids, people without kids, males, females, all the different demographics, we think they will find content that they want to consume on our services. So because of that, we believe that we will increase the penetration.

And interestingly, right now, we have - there are more families without kids than we expected. So I know that there have been some comments or news stories or articles that talk about it, our service, Disney+ being intended more for kids. And I would tell you that the observation we have, which is real and data-driven, is that more people without kids are subscribers today.

Lowell Singer - *Senior Vice President, Investor Relations, The Walt Disney Company*

Ok, thanks for the question.

We will now go to Bryan Kraft with Deutsche Bank. Bryan, nice to see you, go ahead, ask your question.

Bryan Kraft - *Deutsche Bank AG*

Thanks and nice to see you guys too. Can you give us a sense as to what total content amortization is in 2020 that's analogous to that \$14 to \$16 billion in 2024? And also, I was just wondering if you could clarify. You said you're targeting 100 new originals per year, is that a 2024 target? Or is that something that happens sooner than that, like '21 or '22?

Bob Chapek - *Chief Executive Officer, The Walt Disney Company*

I'll take the second question, then I'll leave you for the first one. On - we announced today over 100 titles so that's a relatively immediate goal. And again, that's 63 series and 42 films, 80% of which are initially destined for our direct-to-consumer channels. And by the way, as you know,



pretty much every one of our movies ultimately ends up or series ends up on the direct-to-consumer services anyway. But that's really a more immediate goal. But we continue to expect to do that throughout the life of this plan that we disclosed today.

Christine McCarthy - *Senior Executive Vice President and Chief Financial Officer, The Walt Disney Company*

And on the content amortization, the original guidance that we gave at the original Investor Day was \$2 billion. And that is consistent with what actually occurred in fiscal '20. And we haven't gone out - we're not going to be talking about amortization as much as we're going to be talking about content spend. But you can anticipate that the cash content spend will be higher than the expense on the P&L for the years when we're still ramping up the content investment. So that's a dynamic that I think you're pretty familiar with, with other streaming services, and we will have that same dynamic.

Lowell Singer - *Senior Vice President, Investor Relations, The Walt Disney Company*

Ok, and Bryan, good to see you, thanks, thanks for joining us.

We're going to take one last question, and that will come from John Hodulik with UBS. John, the line is yours.

John Hodulik - *UBS Securities LLC*

Thank you for fitting me in and good to see you all. Is the Premium Access product just a function of the pandemic? Or do you expect it to extend once we're past all this? And have you guys found the right pricing with the *Mulan* release?

Bob Chapek - *Chief Executive Officer, The Walt Disney Company*

Right. In terms of the Premier Access strategy, that is, as I think Kareem shared in the presentation, the offering, the DTC offering, when we're day and date with theatrical. Obviously, right now, that works fairly well as we have a theatrical business that is being very, very



challenged. That enables us not to have the titles stacking up, if you will, by being able to encourage us to go ahead and release the title in the theatrical market maybe before we're back up to 100% penetration. So to your point, it really works really well now during the pandemic.

We're going to see, as we get more and more experience, whether we think that's a strategy that can go forward as a business model. That piece of it, though, goes to the second change dynamic, as we mentioned, there is COVID but there is also changing consumer demand. And we're going to read every single title. We're doing *Raya* in March, will be a data point for us to better understand what Premier Access can be, both in a COVID world and in a post-COVID world.

Lowell Singer - *Senior Vice President, Investor Relations, The Walt Disney Company*

John, thanks for that question. And thanks to Bob and Christine.

And this brings to a close our Investor Day. I want to thank all of you for spending so much of your time with us today.

I'd also like to take a moment, if I may, to thank everyone here at Disney who worked on the team and worked so incredibly hard over the past couple of months to create today's Investor Day. We hope that it provided you with a better understanding of why we are so enthusiastic about our future.

For those of you who are celebrating, we wish you a very Happy Hanukkah tonight and we wish all of you a very good evening. Thanks so much.

**Forward-Looking Statements**

Information in this presentation, including financial estimates and statements such as those regarding expected results, growth, profitability, losses, expenses, performance, revenue (including by business or offering or ARPU) and margins; expectations about general markets, markets we may serve and our potential consumers or subscribers, including size or number, growth, composition, geography, consumption and other information; statements regarding the future of our offerings (including our direct-to-consumer offerings) including content, launch dates and timing, availability, investment, expense, pricing, technical performance and capabilities, advertising, marketing, distribution methodology and other expectations and plans regarding our offerings; our plans for the structure or financial reporting of our businesses; business plans and business discussions or negotiations; 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:

- further changes in domestic and global economic conditions and competitive conditions;
- health concerns;
- consumer preferences; willingness to pay for an expanding set of direct-to-consumer services; and performance of the markets in which we operate, including the pay television ecosystem;
- government regulation, including revised foreign content and ownership regulations;
- poor quality broadband infrastructure in certain markets;
- international, political, or military developments;
- technological developments;
- labor markets and activities; and
- adverse weather conditions or natural disasters;

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

Such developments may further affect entertainment, travel and leisure businesses generally and may, among other things, affect (or further affect, as applicable):

- 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; and
- performance or operations 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 October 3, 2020 under Item 1A, “Risk Factors,” Item 7, “Management’s Discussion and Analysis,” Item 1, “Business,” and subsequent reports.