



The **WALT DISNEY** Company

10 Years Financial Report Analysis

Final Project

for

Financial Management

To:

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Part1. Executive Summary

What did we do?

This report provides an analysis and evaluation of the current and past profitability, liquidity and financial stability of The Walt Disney Company. Other calculations include rates of return on Shareholders' Equity and Total Assets and earnings per share to name a few. All calculations can be found in the appendices. Moreover, we combined M&A and other extended plans of Disney.

Why?

Based on the knowledge we learned from class, we realized the numbers show an amazing increase in Revenue but do not tell the whole story of company's operation. Thus, we implemented methods and skills learned from class to really go into detail and to understand the success or risk of the company.

How?

We applied methods such as Y-O-Y to verify company's status in the operation time line. Meanwhile, the common size of both the Income Statement and Balance Sheet helped us analysis proportions of key elements such as Cash, Assets, Debt and the composition of Disney's financial property. DuPont and Key Ratios were also applied for further review of the company's financial health condition.

What did you find? Result?

In general, Disney's financial status looks healthy at this time, indexes such as ROA, ROE and Turnover are normal. Market performance is over average and the good news of record high Net Income is also present; but Interest and Debt rates are elevated.

Implication of Results

It is true that Disney is expected to show growth in next year, due to the opening of a new park and a series of new movie releases, but the high Interest and Debt ratios are also indicators of the possibility over extenuation.

Summary Conclusion

Disney's strategy of M&A seems successful, but we should still watch for possible losses in Media and a few Specific Theme Parks. The company's A/R period still has space to improve, in addition the debt leverage needs to be carefully controlled.

Part2. Main Body

2.1 Company Description

Walt Disney, founded on October 16, 1923, established itself early on as a leader in the American animation industry before it diversified into live-action film production, television, and theme parks. The company also operated under the names The Walt Disney Studio, then Walt Disney Productions before taking on its current name “The Walt Disney Company in 1986. Robert A. Iger is currently the Chairman and CEO of The Walt Disney Company, Disney has 11 Board of Directors.

While Walt Disney is a media conglomerate, the company is viewed as two distinct yet complementary businesses: media networks, which include ESPN and ABC, and Disney-branded businesses, including parks, filmed entertainment, and consumer products. (maker 2016)

Disney has six vacation destinations with 12 theme parks and 50 resorts. They operate in North America, Europe and Asia. Disney also has four Disney Cruise lines, The Disney magic, Disney Wonder, Disney Dream and Disney Fantasy. Plans are in the works to add two additional cruise ships to the Disney fleet. Its media networks segment and collection of Disney-branded businesses have demonstrated strong pricing power in the past few years.

2.2 Describe financial status

Just like the CEO opening statement in 2015’s financial report “The force was definitely with us this year”, Walt Disney Company once again has created one more record in the business life. This year, in 2016, with the Fourth QUARTER AND FULL YEAR EARNING FOR FISCAL 2016 released, a few more inspiring records have been disclosed: The Company’s Revenues for the year reaches a record high at \$ 55.6 billion. Net Income for the year increased 12% to a record \$9.4 billion. EPS for the year increased 17% to a record \$ 5.73; it’s also the highest number during past ten years. The company’s stock price returned over 240% from 2006 to 2016, it climbed higher only once to 260%. Disney’ Capital (cash) in 2016 reached \$ 4.6 billion. Shares as of October 1, 2016 is 1.3 Billion

2.3 Present of Numbers

2.3.1 Income statement

During the past ten years, the Revenue has grown 57% (2007 to 2016) and the Net Income has grown a hundred percent from 2007 to 2016. Even though Net Income once declined 25.3% in 2009, it rapidly rose back and has more than doubled over the past six of years. We believe the decrease in 2009 was the consequence of the \$4 billion Marvel purchase, but the honeyed fruit is obvious today and will continue to sweeten the pot for the next few years. The ten year income average growth rate is a pretty remarkable number, 12.7%. The EPS 10 year's average \$3.22 and growth rate 240%, which surpass EPS growth rate of Standard & Poor's 500 by 75.5%.

Also, one more remarkable improvement is the decrease of COGS portion, during the past 10 years, the COGS has decreased 30% from highest 84% 2009 to 54% 2016. This number displays an outstanding management strategy.

2.3.2 Balance Sheet

On the Balance Sheet, we find an unstable trend in Inventory Turnover Period; the number has once climbed from 10 days, 2008 to 20 days 2014 and then returns to medium number 18 days in 2016. The inventory turnover numbers during past 10 years never exceeded 21 days, this also shows the great control of the production line.

The average portion of Inventory to total asset during the past 10 years is 1.8% and the average of A/R is approx. 8.4%. The average of total current assets is approx. 18%, there is no specific wavering during past 10 years. The portion of Long Tern assets, average Net PP&E occupied approx. 28%, this number in 2016 reached 29.72% might be explained by the extenuation of Shanghai Disney and other property, within the same year. The number of "Gross property, plant and equipment" has climbed to record high of \$ 54,198, which has grown 1.66 times during 10 years. Also, a huge portion of Long term assets are occupied by Intangibles assets, which average in 41.07% and reveal a decreasing mode.

The A/P takes the average 5.87% of Total Liabilities & Equity, this number also reached its record in 2016 to 7.45%, the A/P turnover period average is 50 days during the past 10 years and has obviously increased favorably to a record high of 75.23 days, this might provide evidence of Disney's increase in purchasing power, ability of negotiation and scale advantage of international procurement.

One more thing worth to highlight is the trend of Long-Term Debt. The curve of Long-Term debt shows bounce back ability, that number once decreased to 14.28% in 2012, but this year, it climbs back to 17.91% of Total L&E. The long term debt number reached \$16,483 million in 2016.

2.3.3 DuPont Analysis

We used the DuPont Analysis to further realize the change and operation performance of Disney over the past 10 years. We focused on five important numbers: Equity Multiplier (Leverage), Tax Burden, Interest Burden, Operating Profit Margin, and Efficiency (Total Asset turnover). Those five indexes are seen as significant norms to evaluate the company's operation. The equity multiplier is calculated by dividing a company's total asset value by total net equity, and has been used to measure financial leverage. A larger number of equity multiplier indicates that a larger portion of asset financing is attributed to debt. Disney's Leverage trend were unstable, it created a record high of 2.12 in 2016 and was lowest in 2013, 1.78. The interest burden drop indicates increasing interest, reflecting a signal of overextended debt, this was lower in 2016 compared with the previous past three years, the number went to bottom in 2008, and the company should pay attention to its debt especially during its numerous expanding periods. Tax Burden is an indication of number the company is paying in Tax, this trend increased in 2016 to the number 0.63 and on 2015 was 0.60, 2014 showed 0.61. But since from 2010 to 2016 Disney has continuous growth in Revenue, we assume a better Tax adjusting improvement can be implemented next year. Operating Profit Margin is one of the most important index to verify the company's profit ability, this trend has went up during past successive 8 years, which also echo to its successfully control of COGS. The number has grown 85% in 2016 from the lowest point was 2009, the year that we believe heavy M&A had bared the fruit.

The total asset turnover dropped to the lowest period during 2009 to 2013, but this year delivers a stunning figure as 60%, it shows the efficiency of asset usage is growing (in the condition that TA this year also stands at the highest point during past 10 years.)

2.3.4 Key Ratio

By reviewing Liquidity ratios, we look into the performance of the Current Ratio and Quick Ratio, to measure Disney's ability to repay its obligations. The number should not be lower than 1, and on the other hand, a high current ratio may suggest that the company is not using current assets efficiently. Disney's current ratio stayed around 1.0 in the last 10 years, which reflects the company's quick selling property and large portion on long-term property, such as Resort and Park. The Quick ratio in average is 0.8, no significant changes during the last 10 years. Even that number is slightly lower than current ratio, considering the turnover mentioned before, we have no concerns about that number. That being said we should defiantly monitor the number in the future since the portion is more than double the cash and Inventory.

The DSO average remains 51.7 days along the side. Considering the compound industry characteristic of Disney, including Movie, Theme Park, Media and Quick sale, we are not concerned about that number, but it would be better if it improves since the DSO in Retail is 22 days and the longer in Manufacturing which is 51 days. Total asset turnover remains at 0.6 over the past 10 years, the number somehow seems low, but considering the large asset base of Disneyland, equipment and building ect., we believe this number is acceptable. The debt ratio has revealed increase and achieved record highs of 53% in 2016 and the TIE has grown 346% from 2007, the highest performance was in 2015 49.9% and went to 40% this year, the number lowered due to the increase in interest of \$89 million .

All Profitability indexes show steady growth from 2009 to 2016, the current fall between 2008 and 2009 might be a reflection of huge M&A of Marvel. Index of Market Value, including P/E, Price/cash flow, and M/B, are climbing, the Market Price of DIS also averagely higher than market price of S&P 500

2.4 Discuss Implications

There are many visible franchises dedicated to the presidential record of 2016, which is the opening of Shanghai Disney Resort, the phenomenally successful return of Star Wars, Marvel movies and other classical renewed movies, the box office has presented \$7.5 billion in revenue. The movie line seems to keep generating hits since the acquisition of Marvel universe, Lucas film, Pixar and Animation we expect the long lines to continue in theaters in 2017. Theme parks and resorts are likely to replicate their numbers with the side attraction and tie-in of movies. With the launching of Shanghai- Disney is expected to see a return on investments, since it leveraged heavy capital (average 4,500 million investments in Park and Resort/year) during past three to five years. Even so, the raising index of Interesting and Leverage still indicates they have under supplied capital, and extended business, the company should pay attention to that factor.

2.5 Summary and Conclusion

In conclusion Disney is a phenomenal company creating best practices which can be used for industry best examples. The numbers sometimes reflect higher than normal ratios but not without good reason. Disney, under its current and past leaders shows stunning entrepreneurial leadership. The Disney team has the ability to see future value in current organizations and know when to seek mergers, acquisitions, internal expansions and upgrades all of which keep Disney's stock holder equity higher than their own past numbers and higher than the competition. When searching for things to be concerned about the readership of ESPN seems to be floundering because the millennial are finding sources other than cable to obtain their sports information. But we are sure if we could discern that information Disney's leadership is aware and already working to dispel the problem. Beside the numbers tell a story about the sweet fruit of strategy, the company also needs to raise its capital and carefully control debt and note leverage, since both ratios has shown an increasing trend and over 50%.

Part3. Reference

Walt Disney Ten Years Financial Report, revenue construction and official information

From Walt Disney official Web investment page

<https://thewaltdisneycompany.com/investor-relations/>

Walt Disney Stock Market Price

From Morningstar Web Site

<http://quotes.morningstar.com/chart/stock/chart.action?t=DIS®ion=usa&culture=en-US>

Other information including M&A news, Box Office selling

From Investopedia Web Site

<http://www.investopedia.com/articles/investing/081916/behind-disneys-240-rise-10-years-dis.asp>

Part4. Appendix

4.1 Financial Statements

WALT DISNEY CO. (DIS) 10 Years INCOME STATEMENT

Fiscal year ends in September USD in Million except per share data

	Sep-16	Sep-15	Sep-14	Sep-13	Sep-12	Sep-11	Sep-10	Sep-09	Sep-08	Sep-07
Revenue	\$ 55,632	\$ 52,465	\$ 48,813	\$ 45,041	\$ 42,278	\$ 40,893	\$ 38,063	\$ 36,149	\$ 37,843	\$ 35,510
Cost of revenue	\$ 29,993	\$ 28,364	\$ 26,420	\$ 35,591	\$ 33,415	\$ 33,112	\$ 31,337	\$ 30,452	\$ 30,439	\$ 28,729
Gross profit	\$ 25,639	\$ 24,101	\$ 22,393	\$ 9,450	\$ 8,863	\$ 7,781	\$ 6,726	\$ 5,697	\$ 7,404	\$ 6,781
Operating expenses										
Sales, General and administrative	\$ 8,754	\$ 8,523	\$ 8,565	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restructuring, merger and acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 270	\$ 492	\$ -	\$ -
Other operating expenses	\$ 2,527	\$ 2,354	\$ 2,288	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total operating expenses	\$ 11,281	\$ 10,877	\$ 10,853	\$ -	\$ -	\$ -	\$ 270	\$ 492	\$ -	\$ -
Operating income	\$ 14,358	\$ 13,224	\$ 11,540	\$ 9,450	\$ 8,863	\$ 7,781	\$ 6,456	\$ 5,205	\$ 7,404	\$ 6,781
Interest Expense	\$ 354	\$ 265	\$ 294	\$ 349	\$ 472	\$ 435	\$ 456	\$ 466	\$ 524	\$ 746
Other income (expense)	\$ 864	\$ 909	\$ 1,000	\$ 519	\$ 869	\$ 697	\$ 627	\$ 919	\$ 522	\$ 1,690
Income before taxes	\$ 14,868	\$ 13,868	\$ 12,246	\$ 9,620	\$ 9,260	\$ 8,043	\$ 6,627	\$ 5,658	\$ 7,402	\$ 7,725
Provision for income taxes	\$ 5,078	\$ 5,016	\$ 4,242	\$ 2,984	\$ 3,087	\$ 2,785	\$ 2,314	\$ 2,049	\$ 2,673	\$ 2,874
Other income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -302	\$ -177
Net income from continuing operations	\$ 9,790	\$ 8,852	\$ 8,004	\$ 6,636	\$ 6,173	\$ 5,258	\$ 4,313	\$ 3,609	\$ 4,427	\$ 4,674
Net income from discontinuing ops	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 13
Other	-\$ 399	-\$ 470	-\$ 503	-\$ 500	-\$ 491	-\$ 451	-\$ 350	-\$ 302	\$ -	\$ -
Net income	\$ 9,391	\$ 8,382	\$ 7,501	\$ 6,136	\$ 5,682	\$ 4,807	\$ 3,963	\$ 3,307	\$ 4,427	\$ 4,687
Net income available to common shareholders	\$ 9,391	\$ 8,382	\$ 7,501	\$ 6,136	\$ 5,682	\$ 4,807	\$ 3,963	\$ 3,307	\$ 4,427	\$ 4,687
Earnings per share										
Basic	\$ 5.76	\$ 4.95	\$ 4.31	\$ 3.42	\$ 3.17	\$ 2.56	\$ 2.07	\$ 1.78	\$ 2.34	\$ 2.34
Diluted	\$ 5.73	\$ 4.90	\$ 4.26	\$ 3.38	\$ 3.13	\$ 2.52	\$ 2.03	\$ 1.76	\$ 2.28	\$ 2.25
Weighted average shares outstanding										
Basic	\$ 1,629	\$ 1,694	\$ 1,740	\$ 1,792	\$ 1,794	\$ 1,878	\$ 1,915	\$ 1,856	\$ 1,890	\$ 2,004
Diluted	\$ 1,639	\$ 1,709	\$ 1,759	\$ 1,813	\$ 1,818	\$ 1,909	\$ 1,948	\$ 1,875	\$ 1,948	\$ 2,092
EBITDA	\$ 17,749	\$ 16,487	\$ 14,828	\$ 12,161	\$ 11,719	\$ 10,319	\$ 8,796	\$ 7,755	\$ 9,508	\$ 9,962

WALT DISNEY CO. (DIS) 10 Years Balance Sheet

Fiscal year ends in September USD in Million except per share data

	Sep-16	Sep-15	Sep-14	Sep-13	Sep-12	Sep-11	Sep-10	Sep-09	Sep-08	Sep-07
Assets										
Current assets										
Cash and cash equivalents	\$4,610	\$4,269	\$3,421	\$3,931	\$3,387	\$3,185	\$2,722	\$3,417	\$3,001	\$3,670
Total cash	\$4,610	\$4,269	\$3,421	\$3,931	\$3,387	\$3,185	\$2,722	\$3,417	\$3,001	\$3,670
Receivables	\$8,458	\$7,456	\$7,274	\$6,694	\$6,313	\$5,947	\$5,784	\$4,854	\$5,373	\$5,032
Inventories	\$1,390	\$1,571	\$1,574	\$1,487	\$1,537	\$1,595	\$1,442	\$1,271	\$1,124	\$641
Deferred income taxes	-	\$767	\$497	\$485	\$765	\$1,487	\$1,018	\$1,140	\$1,024	\$862
Prepaid expenses	\$1,657	\$469	\$425	\$1,077	\$469	\$449	\$446	\$464	\$478	\$446
Other current assets	\$851	\$2,226	\$1,985	\$435	\$1,238	\$1,094	\$813	\$743	\$666	\$663
Total current assets	\$16,966	\$16,758	\$15,176	\$14,109	\$13,709	\$13,757	\$12,225	\$11,889	\$11,666	\$11,314
Non-current assets										
Property, plant and equipment										
Gross property, plant and equipment	\$54,198	\$50,023	\$47,054	\$44,839	\$42,199	\$39,267	\$36,179	\$34,992	\$33,842	\$32,578
Accumulated Depreciation	(\$26,849)	(\$24,844)	(\$23,722)	(\$22,459)	(\$20,687)	(\$19,572)	(\$18,373)	(\$17,395)	(\$16,310)	(\$15,145)
Net property, plant and equipment	\$27,349	\$25,179	\$23,332	\$22,380	\$21,512	\$19,695	\$17,806	\$17,597	\$17,532	\$17,433
Equity and other investments	\$4,280	\$2,643	\$2,696	\$2,849	\$2,723	\$2,435	\$2,513	\$2,554		
Goodwill	\$27,810	\$27,826	\$27,881	\$27,324	\$25,110	\$24,145	\$24,100	\$21,683	\$22,151	\$22,085
Intangible assets	\$6,949	\$7,172	\$7,434	\$7,370	\$5,015	\$5,121	\$5,081	\$2,247	\$7,822	\$7,617
Other long-term assets	\$8,679	\$8,604	\$7,667	\$7,209	\$6,829	\$6,971	\$7,481	\$7,147	\$3,326	\$2,479
Total non-current assets	\$75,067	\$71,424	\$69,010	\$67,132	\$61,189	\$58,367	\$56,981	\$51,228	\$50,831	\$49,614
Total assets	\$92,033	\$88,182	\$84,186	\$81,241	\$74,898	\$72,124	\$69,206	\$63,117	\$62,497	\$60,928
Liabilities and stockholders' equity										
Liabilities										
Current liabilities										
Short-term debt	\$3,687	\$4,563	\$2,164	\$1,512	\$3,614	\$3,055	\$2,350	\$1,206	\$3,529	\$3,280
Accounts payable	\$6,860	\$5,504	\$5,371	\$0	\$4,619	\$4,546	\$4,413	\$4,002	\$4,355	\$3,996
Accrued liabilities	\$1,747	\$2,340	\$2,224	\$0	\$1,521	\$1,468	\$1,484	\$1,614	\$1,625	\$1,953
Deferred revenues	\$4,025	\$3,927	\$3,533	\$3,389	\$2,806	\$2,671	\$2,541	\$2,112	\$0	\$0
Other current liabilities	\$523			\$6,803	\$253	\$348	\$212	\$0	\$2,082	\$2,162
Total current liabilities	\$16,842	\$16,334	\$13,292	\$11,704	\$12,813	\$12,088	\$11,000	\$8,934	\$11,591	\$11,391
Non-current liabilities										
Long-term debt	\$16,483	\$12,773	\$12,676	\$12,776	\$10,697	\$10,922	\$10,130	\$11,495	\$11,110	\$11,892
Capital leases	\$0	\$0	\$0	\$274	\$284	\$288	\$224	\$226	\$0	\$274
Deferred taxes liabilities	\$3,679	\$4,051	\$4,098	\$4,050	\$2,251	\$2,866	\$2,630	\$1,819	\$2,350	\$2,573
Deferred revenues	\$0	\$0	\$0	\$298	\$220	\$233	\$244	\$250	\$0	\$0
Pensions and other benefits	\$5,184	\$3,940	\$3,481	\$2,091	\$4,828	\$4,223	\$3,378	\$3,069	\$0	\$0
Minority interest	\$4,058	\$4,130	\$3,220	\$2,721	\$2,199	\$2,068	\$1,823	\$1,691	\$1,344	\$1,295
Other long-term liabilities	\$2,522	\$2,429	\$2,461	\$1,898	\$1,847	\$2,051	\$2,258	\$1,899	\$3,779	\$2,750
Total non-current liabilities	\$31,926	\$27,323	\$25,936	\$24,108	\$22,326	\$22,651	\$20,687	\$20,449	\$18,583	\$18,784
Total liabilities	\$48,768	\$43,657	\$39,228	\$35,812	\$35,139	\$34,739	\$31,687	\$29,383	\$30,174	\$30,175
Stockholders' equity										
Common stock	\$35,859	\$35,122	\$34,301	\$33,440	\$31,731	\$30,296	\$28,736	\$27,038	\$26,546	\$24,207
Retained earnings	\$66,088	\$59,028	\$53,734	\$47,758	\$42,965	\$38,375	\$34,327	\$31,033	\$28,413	\$24,805
Treasury stock	(\$54,703)	(\$47,204)	(\$41,109)	(\$34,582)	(\$31,671)	(\$28,656)	(\$23,663)	(\$22,693)	(\$22,555)	(\$18,102)
Accumulated other comprehensive income	(\$3,979)	(\$2,421)	(\$1,968)	(\$1,187)	(\$3,266)	(\$2,630)	(\$1,881)	(\$1,644)	(\$81)	(\$157)
Total stockholders' equity	\$43,265	\$44,525	\$44,958	\$45,429	\$39,759	\$37,385	\$37,519	\$33,734	\$32,323	\$30,753
Total liabilities and stockholders' equity	\$92,033	\$88,182	\$84,186	\$81,241	\$74,898	\$72,124	\$69,206	\$63,117	\$62,497	\$60,928

4.2 Common Size & Y-O-Y

WALT DISNEY CO (DIS) Common Size INCOME STATEMENT

Fiscal year ends in September. USD in millions except per share data.

	Sep-16	Sep-15	Sep-14	Sep-13	Sep-12	Sep-11	Sep-10	Sep-09	Sep-08	Sep-07
Revenue	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Cost of revenue	53.91%	54.06%	54.12%	79.02%	79.04%	80.97%	82.33%	84.24%	80.43%	80.90%
Gross profit	46.09%	45.94%	45.88%	20.98%	20.96%	19.03%	17.67%	15.76%	19.57%	19.10%
Operating expenses										
Sales, General and administrative	15.74%	16.25%	17.55%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Restructuring, merger and acquisition	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.71%	1.36%	0.00%	0.00%
Other operating expenses	4.54%	4.49%	4.69%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Total operating expenses	20.28%	20.73%	22.23%	0.00%	0.00%	0.00%	0.71%	1.36%	0.00%	0.00%
Operating income	25.81%	25.21%	23.64%	20.98%	20.96%	19.03%	16.96%	14.40%	19.57%	19.10%
Interest Expense	0.64%	0.51%	0.60%	0.77%	1.12%	1.06%	1.20%	1.29%	1.38%	2.10%
Other income (expense)	1.55%	1.73%	2.05%	1.15%	2.06%	1.70%	1.65%	2.54%	1.38%	4.76%
Income before taxes	26.73%	26.43%	25.09%	21.36%	21.90%	19.67%	17.41%	15.65%	19.56%	21.75%
Provision for income taxes	9.13%	9.56%	8.69%	6.63%	7.30%	6.81%	6.08%	5.67%	7.06%	8.09%
Other income	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	-0.80%	-0.50%
Net income from continuing operations	17.60%	16.87%	16.40%	14.73%	14.60%	12.86%	11.33%	9.98%	11.70%	13.16%
Net income from discontinuing ops	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.04%
Other	-0.72%	-0.90%	-1.03%	-1.11%	-1.16%	-1.10%	-0.92%	-0.84%	0.00%	0.00%
Net income	16.88%	15.98%	15.37%	13.62%	13.44%	11.76%	10.41%	9.15%	11.70%	13.20%
Net income available to common shareholders										
Earnings per share										
Basic	5.76	4.95	4.31	3.42	3.17	2.56	2.07	1.78	2.34	2.34
Diluted	5.73	4.9	4.26	3.38	3.13	2.52	2.03	1.76	2.28	2.25
Weighted average shares outstanding										
Basic	1629	1694	1740	1792	1794	1878	1915	1856	1890	2004
Diluted	1639	1709	1759	1813	1818	1909	1948	1875	1948	2092
EBITDA	31.90%	31.42%	30.38%	27.00%	27.72%	25.23%	23.11%	21.45%	25.12%	28.05%

WALT DISNEY CO (DIS) Common Size: BALANCE SHEET

Fiscal year ends in September. USD in millions except per share data.

	Sep-16	Sep-15	Sep-14	Sep-13	Sep-12	Sep-11	Sep-10	Sep-09	Sep-08	Sep-07
Assets										
Current assets										
Cash										
Cash and cash equivalents	5.01%	4.84%	4.06%	4.84%	4.52%	4.42%	3.93%	5.41%	4.80%	6.02%
Total cash	5.01%	4.84%	4.06%	4.84%	4.52%	4.42%	3.93%	5.41%	4.80%	6.02%
Receivables	9.19%	8.46%	8.64%	8.24%	8.43%	8.25%	8.36%	7.69%	8.60%	8.26%
Inventories	1.51%	1.78%	1.87%	1.83%	2.05%	2.21%	2.08%	2.01%	1.80%	1.05%
Deferred income taxes	-	0.87%	0.59%	0.60%	1.02%	2.06%	1.47%	1.81%	1.64%	1.41%
Prepaid expenses	1.80%	0.53%	0.50%	1.33%	0.63%	0.62%	0.64%	0.74%	0.76%	0.73%
Other current assets	0.92%	2.52%	2.36%	0.54%	1.65%	1.52%	1.17%	1.18%	1.07%	1.09%
Total current assets	18.43%	19.00%	18.03%	17.37%	18.30%	19.07%	17.66%	18.84%	18.67%	18.57%
Non-current assets										
Property, plant and equipment										
Gross property, plant and equipment	58.89%	56.73%	55.89%	55.19%	56.34%	54.44%	52.28%	55.44%	54.15%	53.47%
Accumulated Depreciation	-29.17%	-28.17%	-28.18%	-27.64%	-27.62%	-27.14%	-26.55%	-27.56%	-26.10%	-24.86%
Net property, plant and equipment	29.72%	28.55%	27.71%	27.55%	28.72%	27.31%	25.73%	27.88%	28.05%	28.61%
Equity and other investments	4.65%	3.00%	3.20%	3.51%	3.64%	3.38%	3.63%	4.05%	-	-
Goodwill	30.22%	31.56%	33.12%	33.63%	33.53%	33.48%	34.82%	34.35%	35.44%	36.25%
Intangible assets	7.55%	8.13%	8.83%	9.07%	6.70%	7.10%	7.34%	3.56%	12.52%	12.50%
Other long-term assets	9.43%	9.76%	9.11%	8.87%	9.12%	9.67%	10.81%	11.32%	5.32%	4.07%
Total non-current assets	81.57%	81.00%	81.97%	82.63%	81.70%	80.93%	82.34%	81.16%	81.33%	81.43%
Total assets	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Liabilities and stockholders' equity										
Liabilities										
Current liabilities										
Short-term debt	4.01%	5.17%	2.57%	1.86%	4.83%	4.24%	3.40%	1.91%	5.65%	5.38%
Accounts payable	7.45%	6.24%	6.38%	-	6.17%	6.30%	6.38%	6.34%	6.97%	6.56%
Accrued liabilities	1.90%	2.65%	2.64%	-	2.03%	2.04%	2.14%	2.56%	2.60%	3.21%
Deferred revenues	4.37%	4.45%	4.20%	4.17%	3.75%	3.70%	3.67%	3.35%	-	-
Other current liabilities	0.57%	-	-	8.37%	0.34%	0.48%	0.31%	-	3.33%	3.55%
Total current liabilities	18.30%	18.52%	15.79%	14.41%	17.11%	16.76%	15.89%	14.15%	18.55%	18.70%
Non-current liabilities										
Long-term debt	17.91%	14.48%	15.06%	15.73%	14.28%	15.14%	14.64%	18.21%	17.78%	19.52%
Capital leases	-	-	-	0.34%	0.38%	0.40%	0.32%	0.36%	-	0.45%
Deferred taxes liabilities	4.00%	4.59%	4.87%	4.99%	3.01%	3.97%	3.80%	2.88%	3.76%	4.22%
Deferred revenues	-	-	-	0.37%	0.29%	0.32%	0.35%	0.40%	-	-
Pensions and other benefits	5.63%	4.47%	4.13%	2.57%	6.45%	5.86%	4.88%	4.86%	-	-
Minority interest	4.41%	4.68%	3.82%	3.35%	2.94%	2.87%	2.63%	2.68%	2.15%	2.13%
Other long-term liabilities	2.74%	2.75%	2.92%	2.34%	2.47%	2.84%	3.26%	3.01%	6.05%	4.51%
Total non-current liabilities	34.69%	30.98%	30.81%	29.67%	29.81%	31.41%	29.89%	32.40%	29.73%	30.83%
Total liabilities	52.99%	49.51%	46.60%	44.08%	46.92%	48.17%	45.79%	46.55%	48.28%	49.53%
Stockholders' equity										
Common stock	38.96%	39.83%	40.74%	41.16%	42.37%	42.01%	41.52%	42.84%	42.48%	39.73%
Retained earnings	71.81%	66.94%	63.83%	58.79%	57.36%	53.21%	49.60%	49.17%	45.46%	40.71%
Treasury stock	-59.44%	-53.53%	-48.83%	-42.57%	-42.29%	-39.73%	-34.19%	-35.95%	-36.09%	-29.71%
Accumulated other comprehensive income	-4.32%	-2.75%	-2.34%	-1.46%	-4.36%	-3.65%	-2.72%	-2.60%	-0.13%	-0.26%
Total stockholders' equity	47.01%	50.49%	53.40%	55.92%	53.08%	51.83%	54.21%	53.45%	51.72%	50.47%
Total liabilities and stockholders' equity	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

Walt Disney Co: Income Statement Percentage Change Analysis

(Fiscal year ends in September USD in Million except per share data)

Item	16 to 15	15 to 14	14 to 13	13 to 12	12 to 11	11 to 10	10 to 09	09 to 08	08 to 07
Revenue	6.04%	7.48%	8.37%	6.54%	3.39%	7.44%	5.29%	-4.48%	6.57%
Cost of revenue	5.74%	7.36%	-25.77%	6.51%	0.92%	5.66%	2.91%	0.04%	5.95%
Gross profit	6.38%	6.46%	36.37%	1.76%	13.91%	3.37%	3.38%	-23.06%	9.19%
Operating expenses									
Sales, General and administrative	2.71%	-0.49%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Restructuring, merger and acquisition	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	-45.12%	0.00%	0.00%
Other operating expenses	7.35%	2.88%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Total operating expenses	3.71%	0.22%	0.00%	0.00%	0.00%	-100.00%	-45.12%	0.00%	0.00%
Operating income	8.58%	14.59%	22.12%	6.62%	13.91%	20.52%	24.03%	-29.70%	9.19%
Interest Expense	33.58%	-9.86%	-15.76%	-26.06%	8.51%	-4.61%	-2.15%	-11.07%	-29.76%
Other income (expense)	-4.95%	-9.10%	92.68%	-40.28%	24.68%	11.16%	-31.77%	76.05%	-69.11%
Income before taxes	7.21%	13.25%	27.30%	3.89%	15.13%	21.37%	17.13%	-23.56%	-4.18%
Provision for income taxes	1.24%	18.25%	42.16%	-3.34%	10.84%	20.35%	12.93%	-23.34%	-6.99%
Other income	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	-100.00%	70.62%
Net income from continuing operations	10.60%	10.59%	20.61%	7.50%	17.40%	21.91%	19.51%	-18.48%	-5.28%
Net income from discontinuing ops	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	-100.00%
Other	-15.11%	-6.56%	0.60%	1.83%	8.87%	28.86%	15.89%	0.00%	0.00%
Net income	12.04%	11.75%	22.25%	7.99%	18.20%	21.30%	19.84%	-25.30%	-5.55%
Net income available to common shareholders	12.04%	11.75%	22.25%	7.99%	18.20%	21.30%	19.84%	-25.30%	-5.55%
Earnings per share									
Basic	16.36%	14.85%	26.02%	7.89%	23.83%	23.67%	16.29%	-23.93%	0.00%
Diluted	16.94%	15.02%	26.04%	7.99%	24.21%	24.14%	15.34%	-22.81%	1.33%
Weighted average shares outstanding									
Basic	-3.84%	-2.64%	-2.90%	-0.11%	-4.47%	-1.93%	3.18%	-1.80%	-5.69%
Diluted	-4.10%	-2.84%	-2.98%	-0.28%	-4.77%	-2.00%	3.89%	-3.75%	-6.88%
EBITDA	7.65%	11.19%	21.93%	3.77%	13.57%	17.31%	13.42%	-18.44%	-4.56%

4.3 Ratios Number

4.3.1 Summary of Financial Ratios

WALT DISNEY CO (DIS) 10 Years Summary of Financial Ratios

	Sep-16	Sep-15	Sep-14	Sep-13	Sep-12	Sep-11	Sep-10	Sep-09	Sep-08	Sep-07
Liquidity										
Current	1.0	1.0	1.1	1.2	1.1	1.1	1.1	1.3	1.0	1.0
Quick Ratio	0.8	0.8	0.9	0.9	0.8	0.8	0.8	0.9	0.7	0.8
Asset Management										
Inventory turnover	20.3	18.0	17.3	23.5	21.3	21.8	23.1	25.4	34.5	43.0
DSO (Days)	52.2	51.2	52.2	52.7	52.9	52.4	51.0	51.6	50.2	50.1
Fixed Assets Turnover	2.1	2.2	2.1	2.1	2.1	2.2	2.2	2.1	2.2	2.1
Total assets turnover	0.6	0.6	0.6	0.6	0.6	0.6	0.5	0.6	0.6	0.6
Debt Management										
Debt Ratio	53%	50%	47%	44%	47%	48%	46%	47%	48%	50%
Times-interest-earned	40.6	49.9	39.3	27.1	18.8	17.9	14.2	11.2	14.1	9.1
Profitability										
Profit margin on sales	16.9%	16.0%	15.4%	13.6%	13.4%	11.8%	10.4%	9.1%	11.7%	13.2%
Basic earning Power	15.6%	15.0%	13.7%	11.6%	11.8%	10.8%	9.3%	8.2%	11.8%	11.1%
Return on total assets (ROA)	10.2%	9.5%	8.9%	7.6%	7.6%	6.7%	5.7%	5.2%	7.1%	7.7%
Return on common equity (ROE)	21.7%	18.8%	16.7%	13.5%	14.3%	12.9%	10.6%	9.8%	13.7%	15.2%
Market Value										
Price/Earnings	18	21.5	22.1	22.6	16.1	14.9	16.5	18.4	10.8	15.5
Price/cash flow	12.8	16.5	16.9	14.7	12.2	10.2	10.8	10.6	8.6	11.9
Market/ Book	3.8	3.9	3.6	2.9	2.2	1.8	1.9	1.7	1.3	2.1

*Data as of 12/08/2016

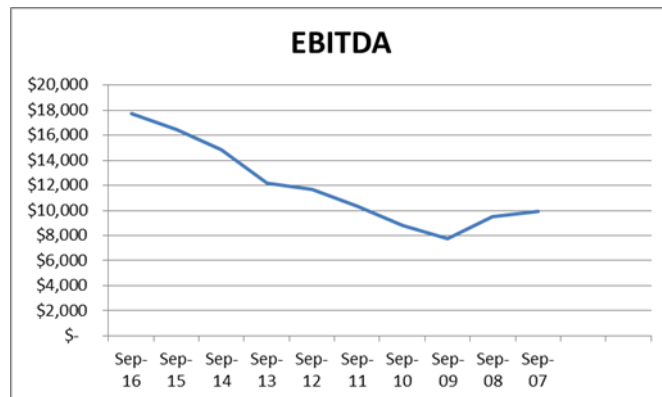
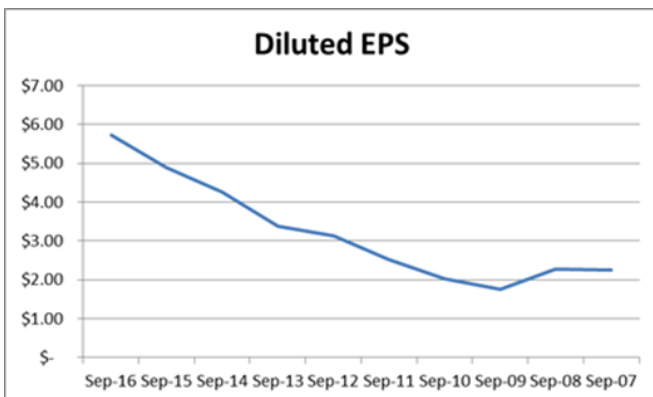
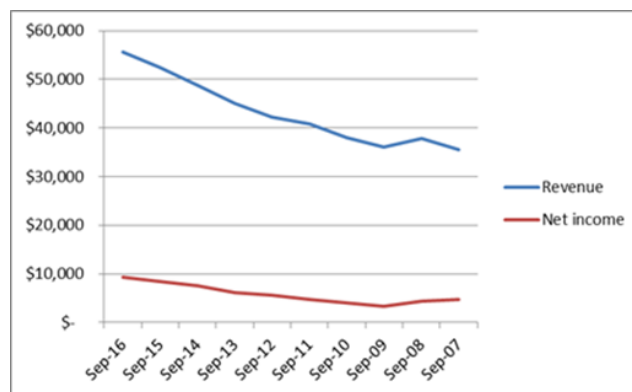
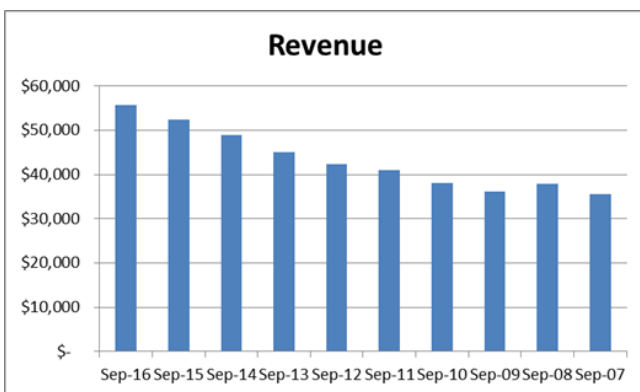
4.3.2 DuPont Formula

WALT DISNEY CO. (DIS) 10 Years The DuPont Formula

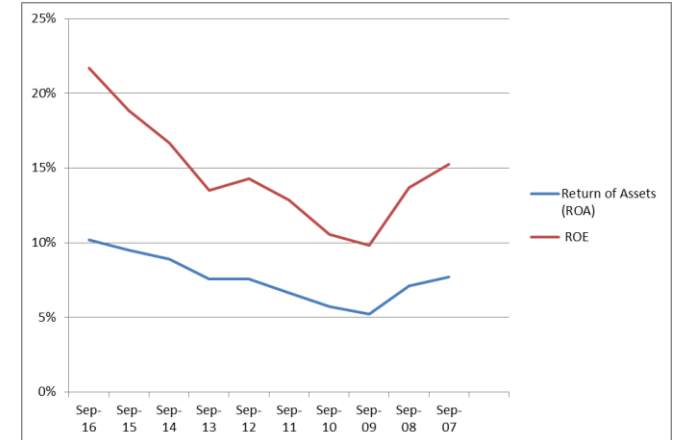
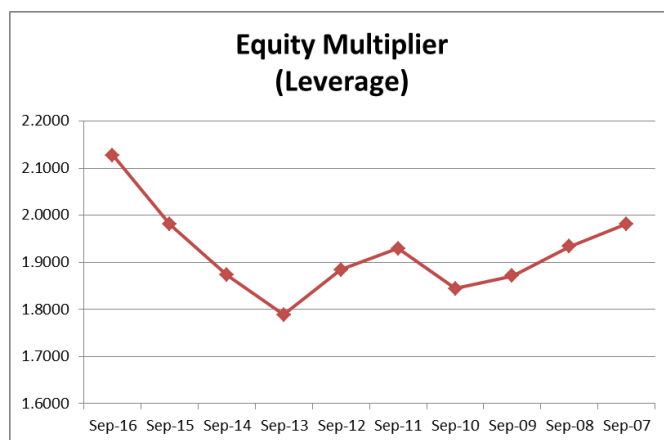
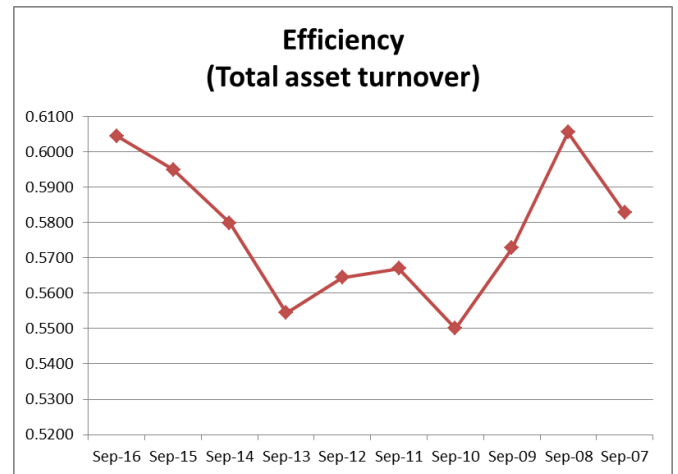
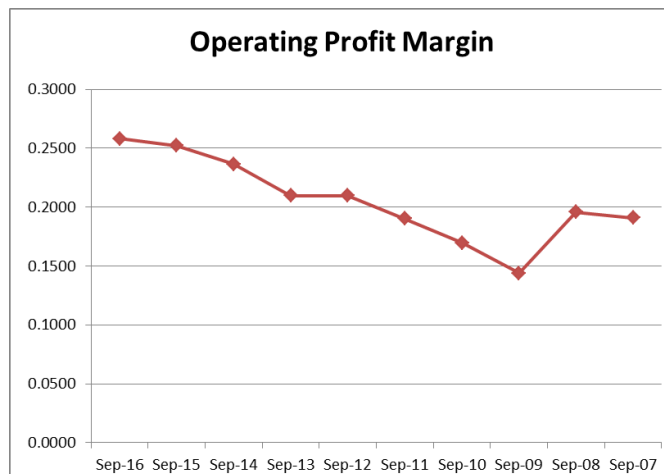
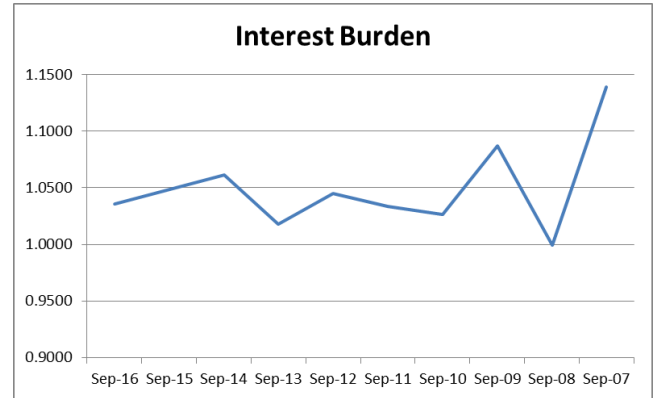
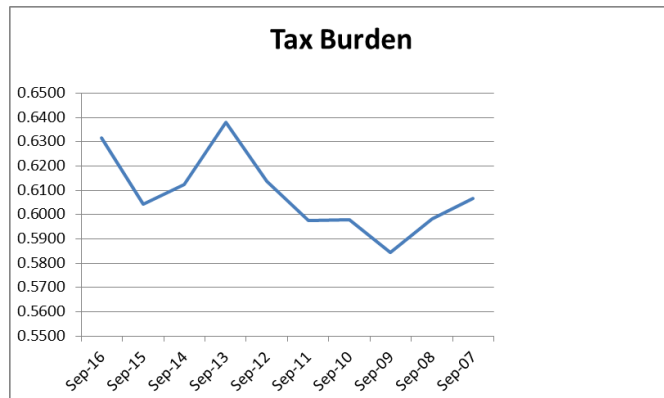
	Sep-16	Sep-15	Sep-14	Sep-13	Sep-12	Sep-11	Sep-10	Sep-09	Sep-08	Sep-07
Return of Assets (ROA)	0.1020	0.0951	0.0891	0.0755	0.0759	0.0666	0.0573	0.0524	0.0708	0.0769
Equity Multiplier (Leverage)	2.1272	1.9805	1.8725	1.7883	1.8838	1.9292	1.8446	1.8710	1.9335	1.9812
2-Way Return of Equity	0.2171	0.1883	0.1668	0.1351	0.1429	0.1286	0.1056	0.0980	0.1370	0.1524
Profitability (Profit margin on sales)	0.1688	0.1598	0.1537	0.1362	0.1344	0.1176	0.1041	0.0915	0.1170	0.1320
Efficiency (Total asset turnover)	0.6045	0.5950	0.5798	0.5544	0.5645	0.5670	0.5500	0.5727	0.6055	0.5828
3-Way Return of Equity	0.2171	0.1883	0.1668	0.1351	0.1429	0.1286	0.1056	0.0980	0.1370	0.1524
Tax Burden	0.6316	0.6044	0.6125	0.6378	0.6136	0.5977	0.5980	0.5845	0.5981	0.6067
Interest Burden	1.0355	1.0487	1.0612	1.0180	1.0448	1.0337	1.0265	1.0870	0.9997	1.1392
Operating Profit Margin	0.2581	0.2521	0.2364	0.2098	0.2096	0.1903	0.1696	0.1440	0.1957	0.1910
5-way Return of Equity	0.2171	0.1883	0.1668	0.1351	0.1429	0.1286	0.1056	0.0980	0.1370	0.1524
* ROE	22%	19%	17%	14%	14%	13%	11%	10%	14%	15%

4.4 Ratios Graphs

4.4.1 Graphs from Income Statement



4.4.2 Graphs from DuPon

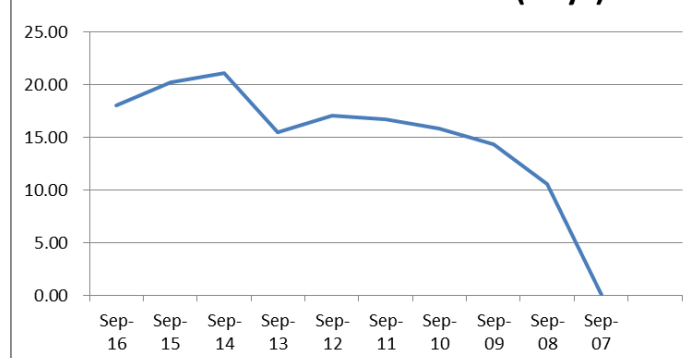


4.5 Other Information & Graph

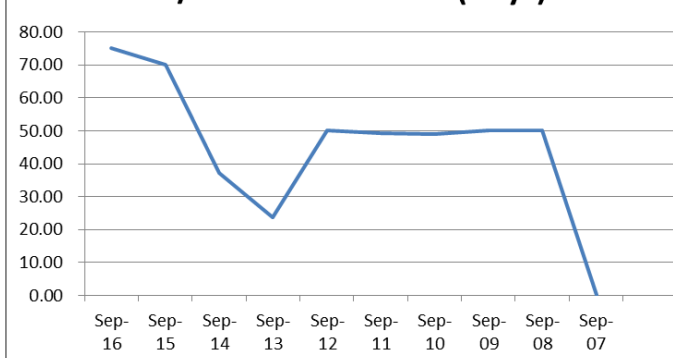
WALT DISNEY CO. 10 Years Inventories and A/P Turnover

r	Sep-16	Sep-15	Sep-14	Sep-13	Sep-12	Sep-11	Sep-10	Sep-09	Sep-08	Sep-07
Assets										
Inventories	\$1,390	\$1,571	\$1,574	\$1,487	\$1,537	\$1,595	\$1,442	\$1,271	\$1,124	\$641
Inventories Turnover	20.26	18.04	17.26	23.54	21.34	21.81	23.10	25.43	34.49	-
Inventories Turnover Period (Days)	18.02	20.24	21.14	15.51	17.11	16.74	15.80	14.35	10.58	-
Accounts payable	\$6,860	\$5,504	\$5,371	\$0	\$4,619	\$4,546	\$4,413	\$4,002	\$4,355	\$3,996
AP Turnover	4.85	5.22	9.84	15.41	7.29	7.39	7.45	7.29	7.29	-
A/P Turnover Period (Days)	75.23	69.97	37.10	23.68	50.06	49.38	49.01	50.08	50.07	-

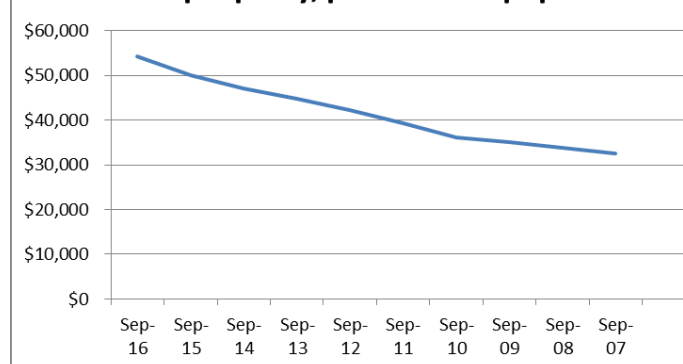
Inventories Turnover Period (Days)



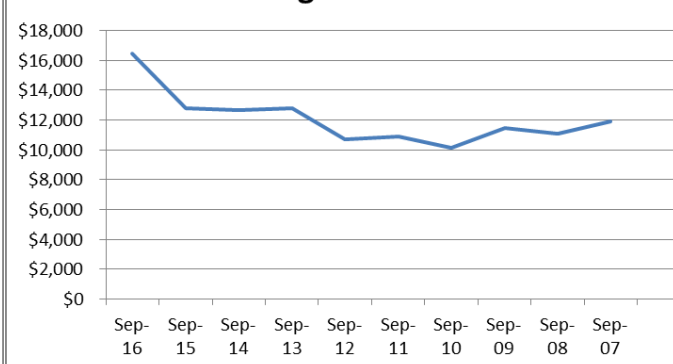
A/P Turnover Period (Days)



Gross property, plant and equipment



Long-term debt

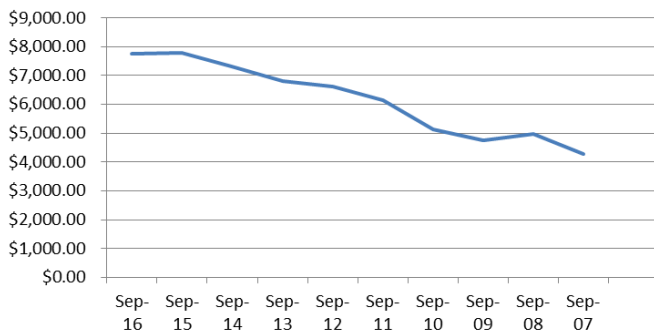


WALT DISNEY CO. (DIS) 10 Years Segment Operating

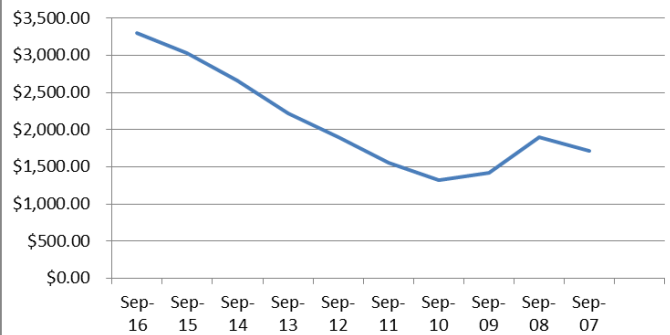
Fiscal year ends in September USD in Million except per share data)

	Sep-16	Sep-15	Sep-14	Sep-13	Sep-12	Sep-11	Sep-10	Sep-09	Sep-08	Sep-07
Segment operating income										
Media Networks	\$7,755.00	\$7,793.00	\$7,321.00	\$6,818.00	\$6,619.00	\$6,146.00	\$5,132.00	\$4,765.00	\$4,981.00	\$4,275.00
Parks & Resorts	\$3,298.00	\$3,031.00	\$2,663.00	\$2,220.00	\$1,902.00	\$1,553.00	\$1,318.00	\$1,418.00	\$1,897.00	\$1,710.00
Studio Entertainment	\$2,703.00	\$1,973.00	\$1,549.00	\$661.00	\$722.00	\$618.00	\$693.00	\$175.00	\$1,086.00	\$1,195.00
Consumer Products	\$0.00	\$1,752.00	\$1,356.00	\$1,112.00	\$937.00	\$816.00	\$677.00	\$609.00	\$778.00	\$631.00
Interactive Media	\$1,965.00	\$132.00	\$116.00	(\$87.00)	(\$216.00)	(\$308.00)	(\$234.00)	(\$295.00)	(\$258.00)	\$0.00
Interactive Media & Consumer Products (Combined in 2016)	\$1,965.00	\$1,884.00	\$1,472.00	\$1,025.00	\$721.00	\$508.00	\$443.00	\$314.00	\$520.00	\$631.00
TOTAL	\$15,721.00	\$14,681.00	\$13,005.00	\$10,724.00	\$9,964.00	\$8,825.00	\$7,586.00	\$6,672.00	\$8,484.00	\$7,811.00

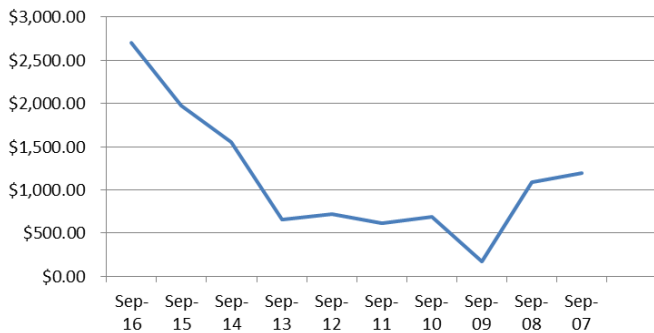
Media Networks



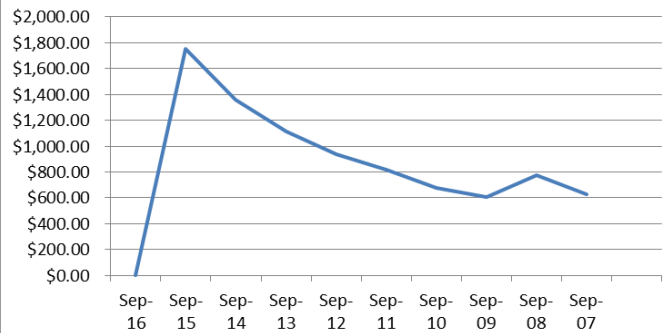
Parks & Resorts



Studio Entertainment



Consumer Products



Interactive Media

