Disney

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CONSOLIDATED STATEMENTS OF OPERATIONS - USD ($) shares in Millions, $ in Millions		12 Months Ended		
		Oct. 03, 2020	Sep. 28, 2019	Sep. 29, 2018
Revenues		$ 65,388	$ 69,607	$ 59,434
Selling, general, administrative and other		(12,369)	(11,549)	(8,860)
Depreciation and amortization		(5,345)	(4,167)	(3,011)
Total costs and expenses		(61,594)	(57,777)	(44,597)
Restructuring and impairment charges		(5,735)	(1,183)	(33)
Other income, net		1,038	4,357	601
Interest expense, net		(1,491)	(978)	(574)
Equity in the income (loss) of investees		651	(103)	(102)
Income (loss) from continuing operations before income taxes		(1,743)	13,923	14,729
Income taxes on continuing operations		(699)	(3,026)	(1,663)
Net income (loss) from continuing operations		(2,442)	10,897	13,066
Income (loss) from discontinued operations, net of income tax benefit (expense) of $10, ($39) and $0, respectively		(32)	687	0
Net income (loss)		(2,474)	11,584	13,066
Net income from continuing operations attributable to noncontrolling and redeemable noncontrolling interests		(390)	(472)	(468)
Net income from discontinued operations attributable to noncontrolling interests		0	58	0
Net income (loss) attributable to The Walt Disney Company (Disney)		$ (2,864)	$ 11,054	$ 12,598
Earnings per share attributable to Disney				
Continuing Operations, Per Diluted Share		$ (1.57)	$ 6.26	$ 8.36
Discontinued Operation, Per Diluted Share		(0.02)	0.38	0
Diluted	[1]	(1.58)	6.64	8.36
Continuing Operations, Per Basic Share		(1.57)	6.30	8.40
Discontinued Operation, Per Basic Share		(0.02)	0.38	0
Basic	[1]	$ (1.58)	$ 6.68	$ 8.40
Weighted average number of common and common equivalent shares outstanding:				
Diluted (shares)		1,808	1,666	1,507
Basic (shares)		1,808	1,656	1,499
Service				
Revenues		$ 59,265	$ 60,579	$ 50,869
Cost of Goods and Services Sold		(39,406)	(36,493)	(27,528)
Product				
Revenues		6,123	9,028	8,565
Cost of Goods and Services Sold		$ (4,474)	$ (5,568)	$ (5,198)

[1] Total may not equal the sum of the column due to rounding.

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Revenues	12 Months Ended
	Oct. 03, 2020
Revenue from Contract with Customer [Abstract]	
Revenue from Contract with Customer [Text Block]	Revenues

The following table presents our revenues by segment and major source:

	2020					
	Media Networks	Parks, Experiences and Products	Studio Entertainment	Direct-to-Consumer & International	Eliminations	Consolidated
Affiliate fees	$ 15,018	$ —	$ —	$ 3,673	$ (762)	$ 17,929
Advertising	6,374	4	—	4,477	—	10,855
Subscription fees	—	—	—	7,645	—	7,645
Theme park admissions	—	4,038	—	—	—	4,038
Resort and vacations	—	3,402	—	—	—	3,402
Retail and wholesale sales of merchandise, food and beverage	—	4,952	—	—	—	4,952
TV/SVOD distribution licensing	6,489	—	4,557	745	(5,348)	6,443
Theatrical distribution licensing	—	—	2,134	—	—	2,134
Merchandise licensing	—	2,674	536	32	—	3,242
Home entertainment	—	—	1,528	84	—	1,612
Other	512	1,432	881	311	—	3,136
Total revenues	$ 28,393	$ 16,502	$ 9,636	$ 16,967	$ (6,110)	$ 65,388

	2019					
	Media Networks	Parks, Experiences and Products	Studio Entertainment	Direct-to-Consumer & International	Eliminations	Consolidated
Affiliate fees	$ 13,433	$ —	$ —	$ 2,768	$ (253)	$ 15,948
Advertising	6,965	6	—	3,542	—	10,513
Subscription fees	—	—	—	2,115	—	2,115
Theme park admissions	—	7,540	—	—	—	7,540
Resort and vacations	—	6,266	—	—	—	6,266
Retail and wholesale sales of merchandise, food and beverage	—	7,716	—	—	—	7,716
TV/SVOD distribution licensing	4,046	—	2,920	482	(1,705)	5,743
Theatrical distribution licensing	—	—	4,726	—	—	4,726
Merchandise licensing	—	2,768	561	51	—	3,380
Home entertainment	—	—	1,734	97	—	1,831
Other	383	1,929	1,186	331	—	3,829
Total revenues	$ 24,827	$ 26,225	$ 11,127	$ 9,386	$ (1,958)	$ 69,607

	2018					
	Media Networks	Parks, Experiences and Products	Studio Entertainment	Direct-to-Consumer & International	Eliminations	Consolidated
Affiliate fees	$ 11,907	$ —	$ —	$ 1,372	$ —	$ 13,279
Advertising	6,586	7	—	1,311	—	7,904
Subscription fees	—	—	—	168	—	168
Theme park admissions	—	7,183	—	—	—	7,183
Resort and vacations	—	5,938	—	—	—	5,938
Retail and wholesale sales of merchandise, food and beverage	—	7,365	—	—	—	7,365
TV/SVOD distribution licensing	3,120	—	2,340	105	(668)	4,897
Theatrical distribution licensing	—	—	4,303	—	—	4,303
Merchandise licensing	—	2,566	556	70	—	3,192
Home entertainment	—	—	1,647	103	—	1,750
Other	309	1,642	1,219	285	—	3,455
Total revenues	$ 21,922	$ 24,701	$ 10,065	$ 3,414	$ (668)	$ 59,434

Amounts for fiscal 2018 reflect our historical accounting prior to the adoption of new revenue guidance.

The following table presents our revenues by segment and primary geographical markets:

	2020					
	Media Networks	Parks, Experiences and Products	Studio Entertainment	Direct-to-Consumer & International	Eliminations	Consolidated
Americas	$ 26,566	$ 12,524	$ 5,671	$ 12,498	$ (5,267)	$ 51,992
Europe	1,378	1,982	2,609	2,016	(652)	7,333
Asia Pacific	449	1,996	1,356	2,453	(191)	6,063
Total revenues	$ 28,393	$ 16,502	$ 9,636	$ 16,967	$ (6,110)	$ 65,388

	2019					
	Media Networks	Parks, Experiences and Products	Studio Entertainment	Direct-to-Consumer & International	Eliminations	Consolidated
Americas	$ 23,767	$ 19,868	$ 6,050	$ 5,759	$ (1,639)	$ 53,805
Europe	785	3,135	2,956	1,260	(130)	8,006
Asia Pacific	275	3,222	2,121	2,367	(189)	7,796
Total revenues	$ 24,827	$ 26,225	$ 11,127	$ 9,386	$ (1,958)	$ 69,607

Revenues recognized in the current and prior year from performance obligations satisfied (or partially satisfied) in previous reporting periods primarily relate to revenues earned on TV/SVOD and theatrical distribution licensee sales on titles made available to the licensee in previous reporting periods. For fiscal 2020, $1.4 billion was recognized related to performance obligations satisfied as of September 28, 2019. For fiscal 2019, $1.2 billion was recognized related to performance obligations satisfied prior to September 30, 2018.

As of October 3, 2020, revenue for unsatisfied performance obligations expected to be recognized in the future is $16 billion, which primarily relates to content to be delivered in the future under existing agreements with television station affiliates and TV/SVOD licensees. Of this amount, we expect to recognize approximately $7 billion in fiscal 2021, $4 billion in fiscal 2022, $2 billion in fiscal 2023 and $3 billion thereafter. These amounts include only fixed consideration or minimum guarantees and do not include amounts related to (i) contracts with an original expected term of one year or less (such as most advertising contracts) or (ii) licenses of IP that are solely based on the sales of the licensee.

Payment terms vary by the type and location of our customers and the products or services offered. For certain products or services and customer types, we require payment before the products or services are provided to the customer; in other cases, after appropriate credit evaluations, payment is due in arrears. Advertising contracts, which are generally short term, are billed monthly with payments generally due within 30 days. Payments due under affiliate arrangements are calculated monthly and are generally due within 30 days of month end. Home entertainment terms generally require payment within 60 to 90 days of availability date to the customer. Licensing payment terms vary by contract but are generally collected in advance or over the license term.

When the timing of the Company's revenue recognition is different from the timing of customer payments, the Company recognizes either a contract asset (customer payment is subsequent to revenue recognition and subject to the Company satisfying additional performance obligations) or deferred revenue (customer payment precedes the Company satisfying the performance obligations). Consideration due under contracts with payment in arrears is recognized as accounts receivable. Deferred revenues are recognized as (or when) the Company performs under the contract. Contract assets, accounts receivable and deferred revenues from contracts with customers are as follows:

	October 3, 2020	September 28, 2019
Contract assets	**$ 70**	$ 150
Accounts Receivable		
Current	**11,340**	12,755
Non-current	**1,789**	1,962
Allowance for credit losses	**(460)**	(375)
Deferred revenues		
Current	**3,688**	4,050
Non-current	**513**	619

Contract assets primarily relate to certain multi-season TV/SVOD licensing contracts. Activity for fiscal 2020 and 2019 related to contract assets was not material. The allowance for credit losses increased from $375 million at September 28, 2019 to $460 million at October 3, 2020 due to additional provisions recorded in fiscal 2020.

For fiscal 2020, the Company recognized revenues of $3.4 billion, primarily related to theme park admissions and vacation packages, licensing advances and content sales included in the deferred revenue balance at September 28, 2019. For fiscal 2019, the Company recognized revenues of $2.7 billion primarily related to theme park admissions and vacation packages and licensing and publishing advances included in the deferred revenue balance at September 30, 2018. As a result of COVID-19, the Company has allowed refunds of certain non-refundable deposits that were previously reported as deferred revenue, the most significant of which related to park admission tickets and deposits for vacation packages. Remaining deferred amounts related to these deposits are now classified in "Accounts payable and other accrued liabilities" in the Consolidated Balance Sheet.

We evaluate our allowance for credit losses and estimate collectability of accounts receivable based on our analysis of historical bad debt experience in conjunction with our assessment of the financial condition of individual companies with which we do business. In times of domestic or global economic turmoil, including COVID-19, our estimates and judgments with respect to the collectability of our receivables are subject to greater uncertainty than in more stable periods.

The Company has accounts receivable with original maturities greater than one year related to the sale of film and television program rights and vacation club properties. These receivables are discounted to present value at an appropriate discount rate at contract inception, and the related revenues are recognized at the discounted amount.

The Company estimates the allowance for credit losses related to receivables from the sale of film and television programs based upon a number of factors, including historical experience and the financial condition of individual companies with whom we do business. The balance of film and television program sales receivables recorded in other non-current assets, net of an immaterial allowance for credit losses, was $1.0 billion as of October 3, 2020. The activity in the allowance for credit loss for fiscal 2020 was not material.

The Company estimates the allowance for credit losses related to receivables from sales of its vacation club properties based primarily on historical collection experience. Estimates of uncollectible amounts also consider the economic environment and the age of receivables. The balance of mortgage receivables recorded in other non-current assets, net of an immaterial allowance for credit losses, was $0.7 billion as of October 3, 2020. The activity in the allowance for credit loss for fiscal 2020 was not material.

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CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS - USD ($) shares in Millions, $ in Millions		3 Months Ended		9 Months Ended	
		Jul. 03, 2021	Jun. 27, 2020	Jul. 03, 2021	Jun. 27, 2020
Revenues		$ 17,022	$ 11,779	$ 48,884	$ 50,681
Selling, general, administrative and other		(3,168)	(2,455)	(9,198)	(9,557)
Depreciation and amortization		(1,266)	(1,377)	(3,836)	(4,010)
Total costs and expenses		(15,667)	(11,728)	(45,824)	(46,434)
Restructuring and impairment charges		(35)	(5,047)	(562)	(5,342)
Other income (expense), net		(91)	382	214	382
Interest expense, net		(445)	(412)	(1,089)	(995)
Equity in the income of investees		211	186	648	545
Income (loss) from continuing operations before income taxes		995	(4,840)	2,271	(1,163)
Income taxes on continuing operations		133	331	9	(650)
Net Income (Loss) from Continuing Operations		1,128	(4,509)	2,280	(1,813)
Loss from discontinued operations, net of income tax benefit of $2, $1, $9 and $11, respectively)		(5)	(3)	(28)	(32)
Net Income (Loss)		1,123	(4,512)	2,252	(1,845)
Net Income from Continuing Operations Attributable to Noncontrolling Interests		(205)	(209)	(416)	(309)
Net income (loss) attributable to The Walt Disney Company (Disney)		$ 918	$ (4,721)	$ 1,836	$ (2,154)
Earnings per share attributable to Disney:					
Continuing Operations, Per Diluted Share		$ 0.50	$ (2.61)	$ 1.02	$ (1.17)
Discontinued Operations, Per Diluted Share		0	0	(0.02)	(0.02)
Diluted	[1]	0.50	(2.61)	1.00	(1.19)
Continuing Operations, Per Basic Share		0.51	(2.61)	1.03	(1.17)
Discontinued Operation, Per Basic Share		0	0	(0.02)	(0.02)
Basic	[1]	$ 0.50	$ (2.61)	$ 1.01	$ (1.19)
Weighted average number of common and common equivalent shares outstanding:					
Diluted (shares)		1,830	1,809	1,827	1,807
Basic (shares)		1,818	1,809	1,816	1,807
Service					
Revenues		$ 15,585	$ 11,235	$ 44,978	$ 45,519
Cost of Goods and Services Sold		(10,251)	(7,209)	(29,921)	(29,287)
Product					
Revenues		1,437	544	3,906	5,162
Cost of Goods and Services Sold		$ (982)	$ (687)	$ (2,869)	$ (3,580)

[1] Total may not equal the sum of the column due to rounding.

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Segment Information	9 Months Ended Jul. 03, 2021
Segment Information	Description of Business and Segment Information Our operating segments report separate financial information, which is evaluated regularly by the Chief Executive Officer in order to decide how to allocate resources and to assess performance. As of the first quarter of fiscal 2021, we changed the presentation of segment operating results as discussed below and have recast our fiscal 2020 segment operating results to align with the fiscal 2021 presentation. Media and Entertainment Reorganization In October 2020, the Company reorganized its media and entertainment operations, which had been previously reported in three segments: Media Networks, Studio Entertainment and Direct-to-Consumer & International. With this reorganization, a single group is responsible for distributing all of the Company's media and entertainment content across all platforms globally. This distribution organization has full accountability for the financial results of the media and entertainment businesses, and content is generally created by three production groups: Studios, General Entertainment and Sports. As a result of the reorganization, effective at the beginning of the first quarter of fiscal 2021, we began reporting the financial results of the media and entertainment businesses as one segment, Disney Media and Entertainment Distribution (DMED) across three significant lines of business/distribution platforms: Linear Networks, Direct-to-Consumer and Content Sales/Licensing (primarily comprising theatrical, home entertainment and third-party television and subscription video-on-demand "TV/SVOD" distribution globally). Intersegment Transfer Pricing Under our previous segment structure, in certain instances production and distribution activities were in different segments. In these situations, for segment financial accounting purposes, the producer segment would recognize revenue based on an intersegment transfer price that included a "mark-up". These transactions were reported "gross" (i.e. the segment producing the content reported revenue and the mark-up from intersegment transactions, and the required eliminations were reported on a separate "Eliminations" line when presenting a summary of our segment results). Under our new segment structure, the operating results of the production and distribution activities are reported in the same segment, and the fully loaded production cost is allocated across the distribution platforms which are utilizing the content. Elimination of Consumer Products Revenue Share Under our legacy segment financial reporting, the Studio Entertainment segment received a revenue share related to the consumer products business, which is included in the Disney Parks, Experiences and Products (DPEP) segment. Under the new reporting structure, DMED does not receive a revenue share from DPEP related to the consumer products business. *DESCRIPTION OF BUSINESS* *Disney Media and Entertainment Distribution* The DMED segment encompasses the Company's global film and episodic television content production and distribution activities. Content is distributed by a single organization across three significant lines of business: Linear Networks, Direct-to-Consumer and Content Sales/Licensing and is generally created by three production/content licensing groups: Studios, General Entertainment and Sports. The distribution organization has full accountability for the financial results of the entire media and entertainment business. The operations in our significant lines of business are as follows: • Linear Networks ◦ Domestic Channels: ABC Television Network (ABC) and eight owned ABC television stations (Broadcasting), and Disney, ESPN, Freeform, FX and National Geographic branded domestic television networks (Cable)

- International Channels: Disney, ESPN, Fox, National Geographic and Star branded television networks outside the U.S.
- A 50% equity investment in A+E Television Networks (A+E), which operates a variety of cable channels including A&E, HISTORY and Lifetime

- Direct-to-Consumer
  - Disney+, Disney+ Hotstar, ESPN+, Hulu and Star+ DTC streaming services
- Content Sales/Licensing
  - Sales/licensing of film and television content to third-party television and subscription video-on-demand (TV/SVOD) services
  - Theatrical distribution
  - Home entertainment distribution (DVD, Blu-ray and electronic home video licenses)
  - Music distribution
  - Staging and licensing of live entertainment events on Broadway and around the world (Stage Plays)

DMED also includes the following activities that are reported with Content Sales/Licensing:

- Post-production services through Industrial Light & Magic and Skywalker Sound
- A 30% ownership interest in Tata Sky Limited, which operates a direct-to-home satellite distribution platform in India

The significant revenues of DMED are as follows:

- Affiliate fees - Fees charged by our Linear Networks to multi-channel video programming distributors (i.e. cable, satellite, telecommunications and digital over-the-top (e.g. YouTube TV) service providers) (MVPDs) and television stations affiliated with the ABC Network for the right to deliver our programming to their customers
- Advertising - Sales of advertising time/space on our Linear Networks and Direct-to-Consumer
- Subscription fees - Fees charged to customers/subscribers for our DTC services
- TV/SVOD distribution - Licensing fees and other revenue for the right to use our film and television productions and revenue from fees charged to customers to view our sports programming ("pay-per-view") and Premier Access content. TV/SVOD distribution revenue is primarily reported in Content Sales/Licensing, except for pay-per-view and Premier Access revenue, which is reported in Direct-to-Consumer
- Theatrical distribution - Rentals from licensing our film productions to theaters
- Home entertainment - Sale of our film and television content to retailers and distributors in home video formats
- Other content sales/licensing revenue - Revenues from licensing our music, ticket sales from stage play performances and fees from licensing our intellectual properties for use in stage plays
- Other revenue - Fees from sub-licensing of sports programming rights (reported in Linear Networks) and post-production services (reported with Content Sales/Licensing)

The significant expenses of DMED are as follows:

- Operating expenses consist primarily of programming and production costs, technical support costs, operating labor, distribution costs and costs of sales. Operating expenses also includes fees paid to Linear Networks from other DMED businesses for the right to air the Linear Networks feed and other services. Programming and production costs include amortization of acquired licensed programming rights (including sports rights), amortization of capitalized production costs (including participations and residuals) and production costs related to live programming such as news and sports. Programming and production costs are largely incurred across three content creation groups, as follows:
  - Studios - Primarily capitalized production costs related to feature films produced under the Walt Disney Pictures, Twentieth Century Studios, Marvel, Lucasfilm, Pixar and Searchlight Pictures banners

- ◦ General Entertainment - Primarily acquisition of rights to and internal production of episodic television programs and news content. Internal content is generally produced by the following television studios: ABC Signature; 20th Television; Disney Television Animation, FX Productions and various studios for which we commission productions for our branded channels and DTC services
  - ◦ Sports - Primarily acquisition of professional and college sports programming rights and related production costs
- Selling, general and administrative costs
- Depreciation and amortization

Disney Parks, Experiences and Products

Significant operations:

- Parks & Experiences:
  - Theme parks and resorts, which include: Walt Disney World Resort in Florida; Disneyland Resort in California; Disneyland Paris; Hong Kong Disneyland Resort; Shanghai Disney Resort. Additionally, the Company licenses our intellectual property to a third party to operate Tokyo Disney Resort
  - Disney Cruise Line, Disney Vacation Club and Aulani, a Disney Resort & Spa in Hawaii
- Consumer Products:
  - Licensing of our trade names, characters, visual, literary and other intellectual properties to various manufacturers, game developers, publishers and retailers throughout the world, for use on merchandise, published materials and games
  - Sale of branded merchandise through retail, online and wholesale businesses, and development and publishing of books, comic books and magazines

Significant revenues:

- Theme park admissions - Sales of tickets for admission to our theme parks
- Parks & Experiences merchandise, food and beverage - Sales of merchandise, food and beverages at our theme parks and resorts and cruise ships
- Resorts and vacations - Sales of room nights at hotels, sales of cruise and other vacations and sales and rentals of vacation club properties
- Merchandise licensing and retail:
  - Merchandise licensing - Royalties from licensing our intellectual properties for use on consumer goods
  - Retail - Sales of merchandise at The Disney Stores and through branded internet shopping sites, as well as to wholesalers (including books, comic books and magazines)
- Parks licensing and other - Revenues from sponsorships and co-branding opportunities and real estate rent and sales. In addition, we earn royalties on Tokyo Disney Resort revenues

Significant expenses:

- Operating expenses consist primarily of operating labor, costs of goods sold, infrastructure costs, supplies, commissions and entertainment offerings. Infrastructure costs include information systems expense, repairs and maintenance, property taxes, utilities and fuel, retail occupancy costs, insurance and transportation
- Selling, general and administrative costs
- Depreciation and amortization

SEGMENT INFORMATION

Segment operating results reflect earnings before corporate and unallocated shared expenses, restructuring and impairment charges, net other income, net interest expense, income taxes and noncontrolling interests. Segment operating income includes equity in the income of investees and excludes impairments of certain equity investments and acquisition accounting amortization of TFCF Corporation (TFCF) and Hulu assets (i.e. intangible assets and the fair value step-up for film and television costs) recognized in connection with the TFCF acquisition in fiscal 2019 (TFCF and Hulu acquisition amortization). Corporate and unallocated shared expenses principally consist of corporate functions, executive management and certain unallocated administrative support functions.

Segment operating results include allocations of certain costs, including information technology, pension, legal and other shared services costs, which are allocated based on metrics designed to correlate with consumption.

Impact of COVID-19

Since early 2020, the world has been, and continues to be, impacted by the novel coronavirus (COVID-19) pandemic. COVID-19 and measures to prevent its spread are impacting our segments in a number of ways, most significantly at DPEP where our theme parks and resorts have been closed and cruise ship sailings and guided tours have been suspended. Theme parks and resorts resumed operations, generally at reduced capacity, at various points since May 2020 through June 2021 and we have commenced an ongoing return of cruise ship sailings and guided tours. We have delayed, or in some cases, shortened or canceled, theatrical releases, and stage play performances were suspended beginning in March 2020 with limited stage play operations resuming in the first quarter of fiscal 2021. Theaters have been subject to capacity limitations and shifting government mandates or guidance regarding COVID-19 restrictions. We have experienced significant disruptions in the production and availability of content, including the delay of key live sports programming during fiscal 2020 and fiscal 2021, as well as the suspension of most film and television production in March 2020. Although most film and television production resumed beginning in the fourth quarter of fiscal 2020, we continue to see disruption in production activities depending on local circumstances. Fewer theatrical releases and production delays have limited the availability of film content to be sold in the subsequent home entertainment and TV/ SVOD distribution windows.

The impact of these disruptions and the extent of their adverse impact on our financial and operating results will be dictated by the length of time that such disruptions continue, which will, in turn, depend on the currently unknowable duration and severity of the impacts of COVID-19 and its variants, and among other things, the impact of governmental actions imposed in response to COVID-19 and individuals' and companies' risk tolerance regarding health matters going forward. Most of our businesses have reopened and we have incurred and will continue to incur additional costs to address government regulations and the safety of our employees, talent and guests.

Segment revenues and segment operating income are as follows:

	Quarter Ended		**Nine Months Ended**	
	July 3, 2021	June 27, 2020	**July 3, 2021**	June 27, 2020
Revenues:				
Disney Media and Entertainment Distribution	**$ 12,681**	$ 10,714	**$ 37,782**	$ 36,376
Disney Parks, Experiences and Products	**4,341**	1,065	**11,102**	14,305
	$ 17,022	$ 11,779	**$ 48,884**	$ 50,681
Segment operating income (loss):				
Disney Media and Entertainment Distribution	**$ 2,026**	$ 2,977	**$ 6,348**	$ 6,102
Disney Parks, Experiences and Products	**356**	(1,878)	**(169)**	1,400
	$ 2,382	$ 1,099	**$ 6,179**	$ 7,502

Equity in the income of investees is included in segment operating income as follows:

	Quarter Ended		Nine Months Ended	
	July 3, 2021	June 27, 2020	**July 3, 2021**	June 27, 2020
Disney Media and Entertainment Distribution	**$ 220**	$ 199	**$ 681**	$ 583
Disney Parks, Experiences and Products	**(5)**	(6)	**(22)**	(15)
Equity in the income of investees included in segment operating income	**215**	193	**659**	568
Amortization of TFCF intangible assets related to equity investees	**(4)**	(7)	**(11)**	(23)
Equity in the income of investees, net	**$ 211**	$ 186	**$ 648**	$ 545

A reconciliation of segment operating income to income from continuing operations before income taxes is as follows:

	Quarter Ended		Nine Months Ended	
	July 3, 2021	June 27, 2020	**July 3, 2021**	June 27, 2020
Segment operating income	**$ 2,382**	$ 1,099	**$ 6,179**	$ 7,502
Corporate and unallocated shared expenses	**(212)**	(179)	**(645)**	(604)
Restructuring and impairment charges (see Note 16)	**(35)**	(5,047)	**(562)**	(5,342)
Other income (expense), net (see Note 4)	**(91)**	382	**214**	382
Interest expense, net	**(445)**	(412)	**(1,089)**	(995)
TFCF and Hulu acquisition amortization[(1)]	**(604)**	(683)	**(1,826)**	(2,106)
Income (loss) from continuing operations before income taxes	**$ 995**	$ (4,840)	**$ 2,271**	$ (1,163)

[(1)] For the quarter ended July 3, 2021 amortization of intangible assets, step-up of film and television costs and intangibles related to TFCF equity investees were $434 million, $166 million and $4 million, respectively. For the nine months ended July 3, 2021 amortization of intangible assets, step-up of film and television costs and intangibles related to TFCF equity investees were $1,328 million, $487 million and $11 million, respectively. For the quarter ended June 27, 2020 amortization of intangible assets, step-up of film and television costs and intangibles related to TFCF equity investees were $486 million, $190 million, and $7 million, respectively. For the nine months ended June 27, 2020 amortization of intangible assets, step-up of film and television costs and intangibles related to TFCF equity investees were $1,470 million, $613 million and $23 million, respectively.

Goodwill

The changes in the carrying amount of goodwill for the nine months ended July 3, 2021 are as follows:

	Media Networks	Disney Parks, Experiences and Products	Studio Entertainment	Direct-to-Consumer & International	Disney Media and Entertainment Distribution	Total
Balance at October 3, 2020	$ 33,991	$ 5,550	$ 17,795	$ 20,353	$ —	$ 77,689
Segment recast [1]	(33,991)	—	(17,795)	(20,353)	72,139	—
Currency translation adjustments and other, net	—	—	—	—	146	146
Balance at July 3, 2021	**$ —**	**$ 5,550**	**$ —**	**$ —**	**$ 72,285**	**$ 77,835**

(1) Represents the reallocation of goodwill as a result of the Company recasting its segments.

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Revenues	9 Months Ended
	Jul. 03, 2021
Revenue from Contract with Customer [Abstract]	
Revenue from Contract with Customer	RevenuesThe Company has revenue recognition policies for its various operating segments that are appropriate to the circumstances of each business.

The following table presents our revenues by segment and major source:

	Quarter Ended July 3, 2021			Quarter Ended June 27, 2020		
	Disney Media and Entertainment Distribution	Disney Parks, Experiences and Products	**Consolidated**	Disney Media and Entertainment Distribution	Disney Parks, Experiences and Products	Consolidated
Affiliate fees	$ 4,431	$ —	**$ 4,431**	$ 4,304	$ —	$ 4,304
Advertising	3,163	—	**3,163**	1,901	1	1,902
Subscription fees	3,156	—	**3,156**	2,129	—	2,129
Theme park admissions	—	1,152	**1,152**	—	34	34
Resort and vacations	—	776	**776**	—	80	80
Retail and wholesale sales of merchandise, food and beverage	—	1,262	**1,262**	—	264	264
TV/SVOD distribution licensing	1,230	—	**1,230**	1,513	—	1,513
Theatrical distribution licensing	140	—	**140**	51	—	51
Merchandise licensing	1	789	**790**	8	520	528
Home entertainment	236	—	**236**	470	—	470
Other	324	362	**686**	338	166	504
	$ 12,681	$ 4,341	**$ 17,022**	$ 10,714	$ 1,065	$ 11,779

	Nine Months Ended July 3, 2021			Nine Months Ended June 27, 2020		
	Disney Media and Entertainment Distribution	Disney Parks, Experiences and Products	**Consolidated**	Disney Media and Entertainment Distribution	Disney Parks, Experiences and Products	Consolidated
Affiliate fees	$ 13,427	$ —	**$ 13,427**	$ 13,273	$ —	$ 13,273
Advertising	9,508	2	**9,510**	8,085	4	8,089
Subscription fees	8,702	—	**8,702**	5,251	—	5,251
Theme park admissions	—	2,298	**2,298**	—	3,655	3,655
Resort and vacations	—	1,722	**1,722**	—	3,088	3,088
Retail and wholesale sales of merchandise, food and beverage	—	3,336	**3,336**	—	4,161	4,161
TV/SVOD distribution licensing	4,023	—	**4,023**	4,747	—	4,747
Theatrical distribution licensing	280	—	**280**	2,062	—	2,062
Merchandise licensing	11	2,670	**2,681**	24	2,276	2,300
Home entertainment	755	—	**755**	1,555	—	1,555
Other	1,076	1,074	**2,150**	1,379	1,121	2,500
	$ 37,782	$ 11,102	**$ 48,884**	$ 36,376	$ 14,305	$ 50,681

The following table presents our revenues by segment and primary geographical markets:

	Quarter Ended July 3, 2021			Quarter Ended June 27, 2020		
	Disney Media and Entertainment Distribution	Disney Parks, Experiences and Products	**Consolidated**	Disney Media and Entertainment Distribution	Disney Parks, Experiences and Products	Consolidated
Americas	$ 10,409	$ 3,295	**$ 13,704**	$ 8,800	$ 585	$ 9,385
Europe	1,209	308	**1,517**	1,134	168	1,302
Asia Pacific	1,063	738	**1,801**	780	312	1,092
Total revenues	$ 12,681	$ 4,341	**$ 17,022**	$ 10,714	$ 1,065	$ 11,779

	Nine Months Ended July 3, 2021			Nine Months Ended June 27, 2020		
	Disney Media and Entertainment Distribution	Disney Parks, Experiences and Products	**Consolidated**	Disney Media and Entertainment Distribution	Disney Parks, Experiences and Products	Consolidated
Americas	$ 30,993	$ 8,165	**$ 39,158**	$ 29,179	$ 11,144	$ 40,323
Europe	3,721	1,062	**4,783**	4,035	1,647	5,682
Asia Pacific	3,068	1,875	**4,943**	3,162	1,514	4,676
Total revenues	$ 37,782	$ 11,102	**$ 48,884**	$ 36,376	$ 14,305	$ 50,681

Revenues recognized in the current and prior-year periods from performance obligations satisfied (or partially satisfied) in previous reporting periods primarily relate to revenues earned on TV/SVOD and theatrical distribution licensee sales on titles made available to the licensee in previous reporting periods. For the quarter ended July 3, 2021, $0.3 billion was recognized related to performance obligations satisfied as of April 3, 2021. For the nine months ended July 3, 2021, $1.0 billion was recognized related to performance obligations satisfied as of October 3, 2020. For the quarter ended June 27, 2020, $0.4 billion was recognized related to performance obligations satisfied as of March 28, 2020. For the nine months ended June 27, 2020, $1.1 billion was recognized related to performance obligations satisfied as of September 28, 2019.

As of July 3, 2021, revenue for unsatisfied performance obligations expected to be recognized in the future is $14 billion, which primarily relates to content to be delivered in the future under existing agreements with television station affiliates and TV/SVOD licensees. Of this amount, we expect to recognize approximately $2 billion in the remainder of fiscal 2021, $5 billion in fiscal 2022, $3 billion in fiscal 2023 and $4 billion thereafter. These amounts include only fixed consideration or minimum guarantees and do not include amounts related to (i) contracts with an original expected term of one year or less (such as most advertising contracts) or (ii) licenses of IP that are solely based on the sales of the licensee.

When the timing of the Company's revenue recognition is different from the timing of customer payments, the Company recognizes either a contract asset (customer payment is subsequent to revenue recognition and subject to the Company satisfying additional performance obligations) or deferred revenue (customer payment precedes the Company satisfying the performance obligations). Consideration due under contracts with payment in arrears is recognized as accounts receivable. Deferred revenues are recognized as (or when) the Company performs under the contract. Contract assets, accounts receivable and deferred revenues from contracts with customers are as follows:

	July 3, 2021	October 3, 2020
Contract assets	**$ 139**	$ 70
Accounts receivable		
Current	**11,315**	11,340
Non-current	**1,493**	1,789
Allowance for credit losses	**(243)**	(460)
Deferred revenues		
Current	**4,062**	3,688
Non-current	**579**	513

Contract assets primarily relate to certain multi-season TV/SVOD licensing contracts. Activity for the current and prior-year quarters related to contract assets was not material. The allowance for credit losses decreased from $460 million at October 3, 2020 to $243 million at July 3, 2021 primarily due to the adoption of new accounting guidance on the measurement of credit losses (see Note 17).

For the quarter and nine months ended July 3, 2021, the Company recognized revenues of $0.4 billion and $2.5 billion, respectively, of previously deferred revenue at October 3, 2020. The deferred revenue balance recognized in the current quarter primarily related to merchandise licensing and content sales, and the deferred revenue balance recognized in the current nine-month period primarily related to DTC services and merchandise licensing. For the quarter and nine months ended June 27, 2020, the Company recognized revenues of $0.3 billion and $3.1 billion, respectively, of previously deferred revenue at September 28, 2019. The deferred revenue balance recognized in the prior-year quarter primarily related to merchandise licensing, and the deferred revenue recognized in the prior-year nine month period primarily related to theme park admissions and vacation packages.

We evaluate our allowance for credit losses and estimate collectability of current and non-current accounts receivable based on historical bad debt experience, our assessment of the financial condition of individual companies with which we do business, current market conditions, and reasonable and supportable forecasts of future economic conditions. In times of economic turmoil, including COVID-19, our estimates and judgments with respect to the collectability of our receivables are subject to greater uncertainty than in more stable periods.

The Company has accounts receivable with original maturities greater than one year related to the sale of film and television program rights and vacation club properties. These receivables are discounted to present value at contract inception and the related revenues are recognized at the discounted amount.

The balance of film and television program sales receivables recorded in other non-current assets, net of an allowance for credit losses that is not material, was $0.9 billion as of July 3, 2021. The activity in the allowance for credit losses for the quarter and nine-month period ended July 3, 2021 was not material.

The balance of mortgage receivables recorded in other non-current assets, net of an allowance for credit losses that is not material, was $0.7 billion as of July 3, 2021. The activity in the allowance for credit losses for the quarter and nine-month period ended July 3, 2021 was not material.