

DISNEY (WALT) NYSE-DIS

RECENT PRICE **141.26** P/E RATIO **15.9** (Trailing: 15.9 Median: 16.0) RELATIVE P/E RATIO **0.93** DIV'D YLD **1.2%** VALUE LINE

TIMELINESS 1 Raised 6/21/19
SAFETY 1 Raised 2/13/09
TECHNICAL 2 Raised 8/2/19
 BETA .95 (1.00 = Market)

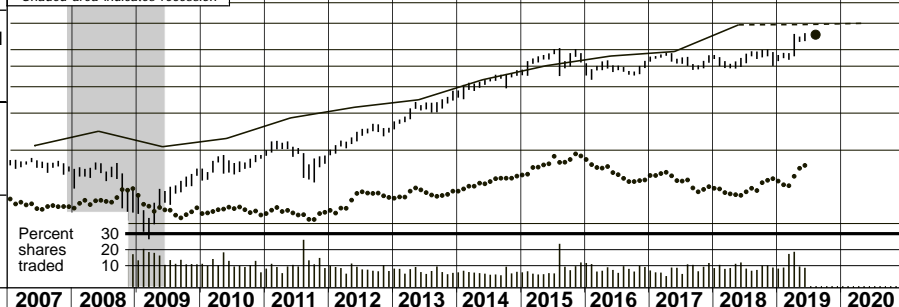
High:	35.0	32.8	38.0	44.3	53.4	76.5	95.9	122.1	106.8	116.1	120.2	145.4
Low:	18.6	15.1	28.7	28.2	37.9	50.2	69.9	90.0	86.3	96.2	97.7	105.9

Target Price Range
 2022 2023 2024

2022-24 PROJECTIONS
 Price Gain Ann'l Total
 High 195 (+40%) 10%
 Low 160 (+15%) 5%

Insider Decisions
 S O N D J F M A M
 to Buy 0 0 0 0 0 0 0 0 0 0 0 0 0
 Options 0 1 1 0 6 12 1 1 3 9 1
 to Sell 1 2 2 2 2 1 0 1 1

Institutional Decisions
 3Q2018 4Q2018 1Q2019
 to Buy 1091 1249 1690
 to Sell 861 847 640
 Hlds(000) 941137 951409 1157135



	1 yr.	3 yr.	5 yr.
THIS STOCK	35.4	49.5	74.8
VL ARITH. INDEX	-1.2	33.7	35.3

2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
13.23	15.05	15.91	16.61	18.10	20.76	19.88	20.07	23.21	23.49	25.02	28.71	32.79	34.77	36.76	39.94	39.60	45.55
1.19	1.70	2.03	2.32	2.81	3.28	2.77	3.03	3.79	4.26	4.63	5.76	6.71	7.45	7.84	10.49	10.50	10.65
.66	1.09	1.31	1.61	1.92	2.26	1.82	2.07	2.54	3.13	3.38	4.26	4.90	5.73	5.69	8.36	8.75	8.90
.21	.21	.24	.27	.31	.35	.35	.35	.40	.60	.75	.86	1.81	1.42	1.56	1.68	1.76	1.80
.51	.70	.91	.63	.80	.87	.96	1.11	2.02	2.10	1.55	1.95	2.67	2.98	2.42	3.00	2.75	2.65
11.63	12.77	13.06	15.42	15.67	17.73	18.55	19.78	21.22	22.09	25.24	26.45	27.83	27.04	27.54	32.78	53.05	61.95
2045.0	2043.0	2007.2	2064.0	1962.2	1822.9	1818.3	1896.9	1762.2	1800.0	1800.0	1700.0	1600.0	1600.0	1500.0	1488.0	1800.0	1800.0
28.0	21.8	20.4	17.1	17.8	14.2	12.5	15.7	15.1	13.6	17.1	18.6	20.9	17.7	18.5	12.6	Bold figures are Value Line estimates	
1.60	1.15	1.09	.92	.94	.85	.83	1.00	.95	.87	.96	.98	1.05	.93	.93	.68	18.0	
1.1%	.9%	.9%	1.0%	.9%	1.1%	1.5%	1.1%	1.0%	1.4%	1.3%	1.1%	1.8%	1.4%	1.5%	1.6%	1.00	
REVENUES PER SH 54.45																	
"Cash Flow" per sh 11.65																	
Earnings per sh 9.75																	
Div'ds Decl'd per sh 2.00																	
Cap'l Spending per sh 2.75																	
Book Value per sh 95.85																	
Common Shs Outst'g 1800.0																	
Avg Ann'l P/E Ratio 18.0																	
Relative P/E Ratio 1.00																	
Avg Ann'l Div'd Yield 1.1%																	

CAPITAL STRUCTURE as of 3/30/19
 Total Debt \$56961 mill. Due in 5 Yrs \$11840 mill.
 LT Debt \$37803 mill. LT Interest \$1000 mill.
 (Total interest coverage: 26.2x) (19% of Cap'l)
 Leases, Uncapitalized Annual rentals 681.0 mill.
 Pension Assets-10/18 \$12.72 bill.
 Oblig. \$14.50 bill.

Pfd Stock None
 Common Stock 1,799,698,922 shs. as of 5/1/19

MARKET CAP: \$254 billion (Large Cap)

CURRENT POSITION 2017 2018 3/30/19 (SMILL.)

Cash Assets	4017	4150	10108
Receivables	8633	9334	14593
Inventory (Avg Cst)	1373	1392	1445
Other	1866	1949	8131
Current Assets	15889	16825	34277
Accts Payable	8855	9479	20503
Debt Due	6172	3790	19158
Other	4568	4591	4715
Current Liab.	19595	17860	44376

ANNUAL RATES Past 10 Yrs. Past 5 Yrs. Est'd '16-'18 to '22-'24

Revenues	7.0%	9.0%	6.5%
"Cash Flow"	12.0%	15.5%	5.0%
Earnings	13.0%	17.0%	6.5%
Dividends	17.5%	21.5%	4.5%
Book Value	6.0%	5.0%	22.5%

QUARTERLY REVENUES (\$ mill.) A

Fiscal Year Ends	Dec.Per	Mar.Per	Jun.Per	Sep.Per	Full Fiscal Year
2016	15244	12969	14277	13142	55632
2017	14784	13336	14238	12779	55137
2018	15351	14548	15228	14307	59434
2019	15303	14922	21500	19595	71320
2020	19500	19000	22275	21250	82025

EARNINGS PER SHARE A B

Fiscal Year Ends	Dec.Per	Mar.Per	Jun.Per	Sep.Per	Full Fiscal Year
2016	1.73	1.30	1.59	1.11	5.73
2017	1.55	1.50	1.51	1.13	5.69
2018	2.91	1.95	1.95	1.55	8.36
2019	1.86	3.53	1.85	1.51	8.75
2020	2.00	2.50	2.25	1.15	8.90

QUARTERLY DIVIDENDS PAID C

Calendar	Mar.Per	Jun.Per	Sep.Per	Dec.Per	Full Year
2015	1.15	--	.66	--	1.81
2016	.71	--	.71	--	1.42
2017	.78	--	.78	--	1.56
2018	.84	--	.84	--	1.68
2019	.88	--	--	--	--

Shares of The Walt Disney Company have gained a lot of momentum over the past few months. In fact, the stock has climbed more than 30% in value since the start of the year. DIS shares got a nice boost after the company outlined its near-term growth strategy, and gave further details about the upcoming rollout of the Disney+ platform. Plus, investors seem pleased about the addition of the bulk of Twenty First Century Fox's assets (completed in late March). For now, the issue is ranked (1) Highest for year-ahead relative price performance.

Disney's focus on better monetizing its brands and content should augur well. In fact, the addition of Fox's media assets will further augment Disney's powerhouse content library. The company's slate of potential blockbuster movie releases, including several entries in the Marvel Universe should continue to gain steam. Moreover, we are optimistic about Disney's direct-to-consumer strategy. It plans to launch digital streaming platform Disney+ in November. And soon thereafter, the company plans to migrate and develop exclusive content to its mobile and

online platforms (such as ESPN+). Consequently, we expect management will invest heavily in technological innovation. And the company may eye tuck-in accretive acquisitions.

The company may struggle in the back half of the year, but ought to put in a good showing for fiscal 2019. The Fox merger seems to be integrating nicely. However, the dilutive impact of the acquisition will weigh on the bottom line in the second half. Too, the consolidation of Hulu led to significant charges during the second fiscal quarter (which we decided to exclude from our earnings presentation) and will likely continue to drag on profits as the company purchases additional interest in the joint venture. Nevertheless, we look for share net to gain 5% this year, and for revenues, spurred by the acquisition, to jump 20%. While the top line likely advances another 15% in fiscal 2020, profits may inch up about 2%.

This blue chip offers modest long-term appreciation potential. As a result, we recommend patient investors wait for a pullback in price before jumping in.

Orly Seidman
August 2, 2019

BUSINESS: The Walt Disney Company operates Media Networks, incl. ABC and ESPN (41% of '18 revs.); Parks and Resorts: Disneyland, Walt Disney World (Magic Kingdom, Epcot, Hollywood Studios, Animal Kingdom), and a cruise line (34%); Studio Entertainment (17%); Consumer Products and Interactive Media (8%). Earns Tokyo Disneyland royalties. Manages Disneyland Paris and Hong Kong Disneyland. Acq. Pixar, 5/06; Marvel, 12/09; Lucas-Films, 12/12. Div. ABC Radio, 6/07. '18 depr. rate: 5.0%. Employs 201,000. Off. and dir., less than 1% of common stock; Vanguard, 6.8%; Blackrock, 6.2% (1/19 proxy). Chairman/CEO: Robert A. Iger. Inc.: DE. Addr.: 500 S. Buena Vista St., Burbank, CA 91521. Tel.: 818-560-1000. Internet: www.thewaltdisneycompany.com.

(A) Fiscal year ends Saturday closest to Sept. 30th. Fiscal 2009 contained 53 weeks.
 (B) Dil. eggs. Excl. nonrecurring gains/(losses): '03, (4¢); '04, 4¢; '05, (9¢); '06, 3¢; '07, 32¢;
 '08, 2¢; '09, 6¢; '10, (4¢); '11, (2¢). Excl. disc. ops.: '07, 1¢. Next eggs. report due early Nov.
 (C) Div'ds hist. paid in mid-Jan. Two div'ds paid in calendar 2012. Initiated semi-annual dividend in July '15.
 (D) Incl. intang., in fiscal '18: \$38.8 bill., \$26.61/sh. (E) In millions.

Company's Financial Strength A++
Stock's Price Stability 90
Price Growth Persistence 80
Earnings Predictability 85