

WALT DISNEY CO/
Form S-4/A
October 27, 2009
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As filed with the Securities and Exchange Commission on October 26, 2009

Registration No. 333-162063

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Amendment No. 1 to
FORM S-4
REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

THE WALT DISNEY COMPANY

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

7990
(Primary Standard Industrial
Classification Code Number)

95-4545390
(I.R.S. Employer
Identification No.)

500 South Buena Vista Street, Burbank, California 91521

(818) 560-1000

(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)

Alan N. Braverman

Senior Executive Vice President, General Counsel and Secretary

500 South Buena Vista Street, Burbank, California 91521

(818) 560-1000

(Name, address, including zip code, and telephone number, including area code, of agent for service)

Copies to:

Morton A. Pierce, Esq.	John N. Turitzin	Michael L. Zuppone, Esq.
Chang-Do Gong, Esq.	Executive Vice President	Carl R. Sanchez, Esq.
Dewey & LeBoeuf LLP	Office of the Chief Executive and General Counsel	Paul, Hastings, Janofsky & Walker LLP
1301 Avenue of the Americas	Marvel Entertainment, Inc.	75 East 55th Street, First Floor
New York, New York 10019	417 Fifth Avenue	New York, New York 10022
(212) 259-8000	New York, New York 10016	(212) 318-6000
	(212) 576-4000	

Approximate date of commencement of proposed sale of the securities to the public: As soon as practicable after the effectiveness of this registration statement and the satisfaction or waiver of all other conditions under the merger agreement described herein.

If the securities being registered on this Form are being offered in connection with the formation of a holding company and there is compliance with General Instruction G, check the following box. "

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. "

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If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. "

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of large accelerated filer, accelerated filer and smaller reporting company in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer Accelerated filer Non-accelerated filer Smaller reporting company
(Do not check if a smaller reporting company)

If applicable, place an X in the box to designate the appropriate rule provision relied upon in conducting this transaction:

Exchange Act Rule 13e-4(i) (Cross-Border Issuer Tender Offer)
Exchange Act Rule 14d-1(d) (Cross-Border Third-Party Tender Offer)

The registrant hereby amends this registration statement on such date or dates as may be necessary to delay its effective date until the registrant shall file a further amendment which specifically states that this registration statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until the registration statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.

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The information in this proxy statement/prospectus is not complete and may be changed. Disney may not sell these securities until the registration statement filed with the Securities and Exchange Commission, of which this document is a part, is declared effective. This proxy statement/prospectus is not an offer to sell these securities and it is not soliciting an offer to buy these securities in any jurisdiction where the offer, solicitation or sale is not permitted or would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. Any representation to the contrary is a criminal offense.

Subject to completion, dated October 26, 2009

[], 2009

To the Stockholders of Marvel Entertainment, Inc.:

You are cordially invited to attend a special meeting of stockholders of Marvel Entertainment, Inc., or Marvel, to be held on [], 2009 at the offices of Paul, Hastings, Janofsky & Walker LLP, 75 East 55th Street, New York, New York, which we refer to as the special meeting. As previously announced, Marvel and The Walt Disney Company, or Disney, entered into a merger agreement on August 31, 2009, which provides for a merger in which Marvel will become a wholly-owned subsidiary of Disney. At the effective time of the merger, each outstanding share of Marvel common stock (other than treasury shares held by Marvel, shares held by a subsidiary of Marvel or dissenting shares) will be converted into the right to receive \$30.00 in cash and 0.7452 shares of Disney common stock, subject to adjustment in certain circumstances based on the value of Disney common stock at the closing of the merger.

The amount of cash and Disney common stock into which each share of Marvel common stock will be converted will not be known at the time of the special meeting, because the merger will not be consummated until after the special meeting. Beginning at 9:00 a.m. on [], 2009, MacKenzie Partners, Inc., Marvel's proxy solicitor, will make current exchange ratio and merger consideration information available at the following toll-free number: (888) 407-8968. See The Merger Effects of the Merger; Merger Consideration Common Stock beginning on page 40 of the accompanying document for examples of possible adjustments to the consideration to be received per share of Marvel common stock in the merger based on a range of hypothetical closing date prices of Disney common stock.

Based on the number of fully diluted shares of Marvel common stock outstanding as of October 21, 2009, and based on the closing sale price of Disney common stock as of October 21, 2009, Disney expects to issue in the merger approximately 58.5 million shares of Disney common stock to the stockholders of Marvel (other than a subsidiary of Marvel) for the outstanding shares of Marvel, assuming there is no adjustment to the exchange ratio. The shares of Disney and Marvel common stock are traded on the New York Stock Exchange under the symbols DIS and MVL, respectively. On October 21, 2009, the closing sale price of Disney common stock was \$29.23.

We are asking you to vote to adopt the merger agreement at the special meeting. **The Marvel board of directors recommends that you vote FOR the adoption of the merger agreement and FOR the adjournment of the special meeting, if necessary to solicit additional proxies if there are insufficient votes to adopt the merger agreement at the time of the special meeting.** Only stockholders who hold shares of Marvel common stock at the close of business on [], 2009 will be entitled to vote at the special meeting.

The obligations of Disney and Marvel to complete the merger are subject to the conditions set forth in the merger agreement and summarized in the accompanying proxy statement/prospectus. More information about Disney, Marvel, the special meeting, the merger agreement and the merger is contained in the accompanying proxy statement/prospectus. **You are encouraged to read carefully the accompanying proxy statement/prospectus in its entirety, including the section titled Risk Factors beginning on page 22.**

Your vote is very important. Marvel cannot complete the merger unless the merger agreement is adopted by the affirmative vote of the holders of a majority of the outstanding shares of Marvel common stock entitled to vote at the special meeting. **Whether or not you expect to attend the special meeting in person, we urge you to submit your proxy as promptly as possible (1) through the internet, (2) by telephone or (3) by marking, signing and dating the enclosed proxy card and returning it in the postage-paid envelope provided.** If you hold your shares in street name, you should instruct your broker how to vote in accordance with your voting instruction card. If you do not submit your proxy, do not instruct your broker how to vote your shares or do not vote in person at the special meeting, it will have the same effect as a vote against the adoption of the merger agreement. If you have any questions about the merger, please call MacKenzie Partners, Inc., toll-free at (800) 322-2885 or call collect at (212) 929-5500.

On behalf of the Marvel board of directors, thank you for your continued support.

Sincerely,

Morton E. Handel

Chairman of the Board of Directors

Neither the Securities and Exchange Commission nor any state securities regulator has approved or disapproved the merger and other transactions described in this proxy statement/prospectus nor have they approved or disapproved the issuance of the Disney common stock to be issued in connection with the merger, or passed upon the accuracy or adequacy of this proxy statement/prospectus. Any representation to the contrary is a criminal offense.

The accompanying proxy statement/prospectus is dated [], 2009 and is first being mailed to stockholders of Marvel on or about [], 2009.

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ADDITIONAL INFORMATION

This proxy statement/prospectus incorporates important business and financial information about Disney and Marvel from documents that each company has filed with the Securities and Exchange Commission but that have not been included in or delivered with this proxy statement/prospectus. For a listing of documents incorporated by reference into this proxy statement/prospectus, please see **Where You Can Find Additional Information** beginning on page 108 of this proxy statement/prospectus.

Disney will provide you with copies of such documents relating to Disney (excluding all exhibits unless Disney has specifically incorporated by reference an exhibit in this proxy statement/prospectus), without charge, upon written or oral request to:

The Walt Disney Company

500 South Buena Vista Street

Burbank, California 91521

Shareholder Services Department

(818) 553-7200

Marvel will provide you with copies of such documents relating to Marvel (excluding all exhibits unless Marvel has specifically incorporated by reference an exhibit in this proxy statement/prospectus), without charge, upon written or oral request to:

Marvel Entertainment, Inc.

417 Fifth Avenue

New York, New York 10016

Corporate Secretary

(212) 576-4000

In addition, if you have questions about the merger or the proxy statement/prospectus, would like additional copies of the proxy statement/prospectus or the documents incorporated by reference into the proxy statement/prospectus or need to obtain proxy cards or other information related to the proxy solicitation, you may contact MacKenzie Partners, Inc., Marvel's proxy solicitor, at the address and telephone number listed below. You will not be charged for any of these documents that you request.

MacKenzie Partners, Inc.

105 Madison Avenue

New York, New York 10016

Tel: (800) 322-2885 (toll free) or (212) 929-5500 (call collect)

Email: proxy@mackenziepartners.com

In order for you to receive timely delivery of the documents in advance of the special meeting of Marvel stockholders, you must request the information no later than [], 2009.

ABOUT THIS PROXY STATEMENT/PROSPECTUS

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This proxy statement/prospectus, which forms a part of a registration statement on Form S-4 filed with the Securities and Exchange Commission by Disney, constitutes a prospectus of Disney under Section 5 of the Securities Act of 1933, as amended, which is referred to as the Securities Act in this proxy statement/prospectus, with respect to the shares of Disney common stock to be issued to Marvel stockholders in connection with the merger. This document also constitutes a proxy statement under Section 14(a) of the Securities Exchange Act of 1934, as amended, which is referred to as the Exchange Act in this proxy statement/prospectus, and a notice of meeting with respect to the meeting of Marvel stockholders to consider and vote upon, among other matters, the proposal to adopt the merger agreement.

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417 Fifth Avenue

New York, New York 10016

NOTICE OF SPECIAL MEETING OF STOCKHOLDERS

To Be Held on [], 2009

To the Stockholders of Marvel Entertainment, Inc.:

Notice is hereby given that a special meeting of stockholders of Marvel Entertainment, Inc., a Delaware corporation, which is referred to as Marvel, will be held on [], 2009 at [], local time, at the offices of Paul, Hastings, Janofsky & Walker LLP, 75 East 55th Street, New York, New York, for the following purposes:

1. To consider and vote on a proposal to adopt the Agreement and Plan of Merger, dated as of August 31, 2009, as the same may be amended from time to time, by and among The Walt Disney Company, a Delaware corporation, which is referred to as Disney, Maverick Acquisition Sub, Inc., a Delaware corporation and wholly owned subsidiary of Disney, Maverick Merger Sub, LLC, a Delaware limited liability company and wholly owned subsidiary of Disney, and Marvel, a copy of which is attached as Annex A to the proxy statement/prospectus accompanying this notice, which is referred to as the merger proposal.
2. To approve the adjournment of the special meeting, if necessary to solicit additional proxies if there are insufficient votes to approve the merger proposal at the time of the special meeting, which is referred to as the adjournment proposal.

The merger proposal is more fully described in the accompanying proxy statement/prospectus, which you should read carefully in its entirety before voting. **The Marvel board of directors unanimously recommends that you vote FOR the merger proposal and FOR the adjournment proposal.**

Only holders of record of Marvel's common stock at the close of business on [], 2009, which is referred to as the record date, are entitled to notice of and to vote at the special meeting or any adjournment or postponement thereof. A majority of the outstanding shares of Marvel common stock entitled to vote at the special meeting must be voted in favor of the adoption of the merger agreement in order for the merger to be completed. Therefore, your vote is very important. Your failure to vote your shares has the same effect as voting against the merger proposal.

Under Delaware law, holders of record of Marvel common stock who do not vote in favor of adoption of the merger agreement have the right to seek appraisal of the fair value of their shares of Marvel common stock if the merger is completed. To exercise your appraisal rights, you must strictly follow the procedures prescribed by Delaware law, including, among other things, submitting a written demand for appraisal to Marvel before the vote is taken on the merger proposal, and you must not vote in favor of the merger proposal. These procedures are summarized in the accompanying proxy statement/prospectus in the section titled "The Merger Appraisal Rights" beginning on page 69 (the text of the applicable provisions of Delaware law is included as Annex D to the accompanying proxy statement/prospectus).

All Marvel stockholders are cordially invited to attend the special meeting in person. **However, to assure your representation at the special meeting, please submit your proxy as promptly as possible using one of the following methods: (1) through the internet, (2) by telephone or (3) by marking, signing and dating the enclosed proxy card and returning it in the postage-paid envelope provided.** Any stockholder attending the special meeting may vote in person even if he or she has voted using the internet, telephone or proxy card.

By Order of the Board of Directors

Benjamin Dean

Secretary

New York, New York

[], 2009

IMPORTANT: WHETHER OR NOT YOU PLAN TO ATTEND THE SPECIAL MEETING, PLEASE SUBMIT YOUR PROXY AS PROMPTLY AS POSSIBLE USING ONE OF THE FOLLOWING METHODS: (1) THROUGH THE INTERNET, (2) BY TELEPHONE OR (3) BY MARKING, SIGNING AND DATING THE ENCLOSED PROXY CARD AND RETURNING IT IN THE POSTAGE-PAID ENVELOPE PROVIDED.

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QUESTIONS AND ANSWERS ABOUT THE MERGER AND THE SPECIAL MEETING

The following are some questions that you, as a stockholder of Marvel Entertainment, Inc. (which is referred to as Marvel in this proxy statement/prospectus) may have regarding the merger (as defined below) and the special meeting of Marvel stockholders (which is referred to as the special meeting in this proxy statement/prospectus), and brief answers to those questions. Marvel urges you to read carefully the remainder of this proxy statement/prospectus because the information in this section may not provide all the information that might be important to you with respect to the merger being considered at the special meeting. Additional important information is also contained in the annexes to, and the documents incorporated by reference in, this proxy statement/prospectus.

Q: Why am I receiving this proxy statement/prospectus?

A: The Walt Disney Company (which is referred to as Disney in this proxy statement/prospectus) has agreed to acquire Marvel under the terms of a merger agreement that is described in this proxy statement/prospectus. Please see *The Merger Agreement* beginning on page 74 of this proxy statement/prospectus. A copy of the merger agreement is attached to this proxy statement/prospectus as Annex A. This proxy statement/prospectus contains important information about the merger, the merger agreement and the special meeting, and you should read this proxy statement/prospectus carefully.

In order to complete the merger, Marvel stockholders must adopt the merger agreement, and all other conditions to the merger must be satisfied or waived. Marvel will hold the special meeting to obtain this approval.

Your vote is very important. Marvel encourages you to vote as soon as possible. The enclosed voting materials allow you to vote your Marvel shares without attending the special meeting. For more specific information on how to vote, please see the questions and answers below.

Q: Why are Disney and Marvel proposing the merger?

A: Disney and Marvel believe that combining the strengths of our two companies is in the best interests of each company and our respective stockholders. This acquisition combines Marvel's global brand and library of characters with Disney's creative skills, global portfolio of family entertainment, characters, theme parks and other franchises, and business structure that maximizes the value of creative properties across multiple platforms and territories. Disney's film distribution network and theme park, television and consumer products businesses provide a strong platform for extending the reach of the creative products produced by Marvel. By combining Marvel with Disney, Marvel stockholders will have the opportunity to participate in the benefits expected to be derived from the merger, which include a greater ability for Marvel to expand content creation and licensing businesses, and to build upon its brand and character properties by accessing Disney's numerous distribution channels. To review the reasons for the merger in greater detail, see *The Merger Recommendation of the Marvel Board of Directors and Its Reasons for the Merger* beginning on page 49 of this proxy statement/prospectus and *The Merger Disney's Reasons for the Merger* beginning on page 59 of this proxy statement/prospectus.

Q: What happens if the merger is not consummated?

A: If the merger agreement is not adopted by Marvel stockholders or if the merger is not completed for any other reason, you will not receive any payment for your shares of Marvel common stock in connection with the merger. Instead, Marvel will remain an independent public company and its common stock will continue to be listed and traded on the New York Stock Exchange (which is referred to as the NYSE in this proxy statement/prospectus). If the merger agreement is terminated under specified circumstances, Marvel may be

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required to pay Disney a termination fee of \$140 million or reimburse Disney for its reasonable out of pocket expenses (not to exceed \$10 million) as described under the caption "The Merger Agreement Termination; Termination Fee; Expenses" as described more fully on page 88 of this proxy statement/prospectus.

Q: When and where will the special meeting be held?

A: The special meeting of Marvel stockholders will be held on [], 2009 at [], local time, at the offices of Paul, Hastings, Janofsky & Walker LLP, 75 East 55th Street, New York, New York.

Q: Who can attend and vote at the special meeting?

A: All Marvel stockholders of record as of the close of business on [], 2009 (which is referred to as the record date in this proxy statement/prospectus) are entitled to notice of, and to vote at, the special meeting.

Q: What should I do now in order to vote on the proposals being considered at the special meeting?

A: Marvel stockholders as of the record date may vote by proxy by marking, signing and dating the enclosed proxy card and returning it in the postage paid envelope provided or by submitting a proxy over the internet or by telephone by following the instructions on the enclosed proxy card. If you hold Marvel common stock in "street name," which means your shares are held of record by a broker, bank or nominee, you must complete, sign, date and return the enclosed voting instruction form to the record holder of your shares with instructions on how to vote your shares. Please refer to the voting instruction form used by your broker, bank or nominee to see if you may submit voting instructions using the internet or telephone.

Additionally, you may also vote in person by attending the special meeting. If you plan to attend the special meeting and wish to vote in person, you will be given a ballot at the special meeting. Please note, however, that if your shares are held in "street name," and you wish to vote at the special meeting, you must bring a proxy from the record holder of the shares authorizing you to vote at the special meeting. Whether or not you plan to attend the special meeting, you should submit your proxy card or voting instruction form as described in this proxy statement/prospectus.

Q: If my shares of Marvel common stock are held in "street name" by my broker, bank or other nominee, will my broker, bank or other nominee vote my shares for me?

A: Your broker, bank or other nominee will only be permitted to vote your shares of Marvel common stock if you instruct your broker, bank or other nominee how to vote. You should follow the procedures provided by your broker, bank or other nominee regarding the voting of your shares of Marvel common stock. If you do not instruct your broker, bank or other nominee to vote your shares of Marvel common stock, your shares of Marvel common stock will not be voted and the effect will be the same as a vote "AGAINST" the adoption of the merger agreement, but will not have an effect on any vote to adjourn the special meeting.

Q: Do I need to send in my Marvel stock certificates now?

A: No. You should not send in your Marvel stock certificates now. Following the merger, a letter of transmittal will be sent to Marvel stockholders informing them where to deliver their Marvel stock certificates in order to receive the merger consideration, including any cash in lieu of a fractional share of Disney common stock. You should not send in your Marvel common stock certificates prior to

receiving this letter of transmittal.

Q: What will happen if I abstain from voting or fail to vote?

A: For the proposal to adopt the merger agreement, your failure to submit a proxy or vote in person at the special meeting, including abstentions and broker non-votes, will have the same effect as a vote against the adoption of the merger agreement.

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For the proposal to adjourn the special meeting, your abstention will have the same effect as a vote against the adjournment of the special meeting, but your failure to submit a proxy or vote in person at the special meeting, including broker non-votes, will have no effect on the outcome of any vote to adjourn the special meeting.

Q: Can I change my vote after I have delivered my proxy?

A: Yes. If your shares are held in street name you must contact your broker, bank or other nominee to change your vote. If you are a holder of record, you can change your vote at any time before your proxy is voted at the special meeting by:

delivering a signed written notice of revocation bearing a later date to the Secretary of Marvel;

signing and delivering a new, valid proxy bearing a later date;

submitting another proxy by telephone or on the internet (your latest telephone or internet voting instructions will be followed); or

attending the special meeting and voting in person, although your attendance alone will not revoke your proxy.

Q: What should I do if I receive more than one set of voting materials for the special meeting?

A: You may receive more than one set of voting materials for the special meeting, including multiple copies of this proxy statement/prospectus and multiple proxy cards or voting instruction forms. For example, if you hold your shares in more than one brokerage account, you will receive a separate voting instruction form for each brokerage account in which you hold shares. If you are a holder of record and your shares are registered in more than one name, you will receive more than one proxy card. Please complete, sign, date and return each proxy card and voting instruction form that you receive.

Q: What happens if I sell my shares of Marvel common stock before the special meeting?

A: The record date of the special meeting is earlier than the date of the special meeting and the date that the merger is expected to be completed. If you transfer your shares of Marvel common stock after the record date but before the special meeting, you will retain your right to vote at the special meeting, but will have transferred the right to receive the merger consideration to be received by Marvel stockholders in the merger. In order to receive the merger consideration, you must hold your shares through completion of the merger.

Q: Who can help answer my questions?

A: If you have any questions about the merger or how to submit your proxy, or if you need additional copies of this proxy statement/prospectus or the enclosed proxy card or voting instructions, you should contact:

MacKenzie Partners, Inc.

105 Madison Avenue

New York, New York 10016

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Tel: (800) 322-2885 (toll free) or (212) 929-5500 (call collect)

Email: proxy@mackenziepartners.com

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SUMMARY

The following is a summary that highlights information contained in this proxy statement/prospectus. This summary may not contain all of the information that may be important to you. For a more complete description of the merger agreement and the merger contemplated by the merger agreement, Disney and Marvel encourage you to read carefully this entire proxy statement/prospectus, including the attached annexes. In addition, Disney and Marvel encourage you to read the information incorporated by reference into this proxy statement/prospectus, which includes important business and financial information about Disney and Marvel that has been filed with the Securities and Exchange Commission, which is referred to as the SEC in this proxy statement/prospectus. You may obtain the information incorporated by reference into this proxy statement/prospectus without charge by following the instructions in the section titled "Where You Can Find Additional Information" beginning on page 108 of this proxy statement/prospectus.

The Companies

The Walt Disney Company

500 South Buena Vista Street

Burbank, California 91521

(818) 560-1000

The Walt Disney Company, together with its subsidiaries, is a diversified worldwide entertainment company with operations in five business segments: Media Networks, Parks and Resorts, Studio Entertainment, Consumer Products and Interactive Media.

The Media Networks segment is comprised of a domestic broadcast television network, television production and distribution operations, domestic television stations, cable networks, and domestic broadcast radio networks and stations.

In the Parks and Resorts segment, Disney owns and operates the Walt Disney World Resort in Florida, the Disneyland Resort in California, the Disney Vacation Club, the Disney Cruise Line and Adventures by Disney. Disney manages and has effective ownership interests of 51% and 47%, respectively, in Disneyland Paris and Hong Kong Disneyland Resort. Disney also earns royalties on revenues generated by the Tokyo Disney Resort in Japan, which is owned and operated by an unrelated entity. Disney's Walt Disney Imagineering unit designs and develops new theme park concepts and attractions as well as resort properties.

The Studio Entertainment segment produces and acquires live-action and animated motion pictures, direct-to-video programming, musical recordings and live stage plays. Disney distributes films that it produces and that it acquires (including its film and television library) in the theatrical, home entertainment and television markets.

The Consumer Products segment engages with licensees, manufacturers, publishers and retailers throughout the world to design, develop, publish, promote and sell a wide variety of products based on existing and new Disney characters and other Disney intellectual property. In addition to leveraging Disney's film and television properties, Consumer Products also develops new intellectual property with the potential of being used in Disney's other businesses. Disney also engages in retail and online distribution of products based on its characters and films through The Disney Store and DisneyShopping.com, respectively.

The Disney Interactive Media Group creates and delivers Disney-branded entertainment and lifestyle content across interactive media platforms. The primary operating businesses of the Disney Interactive Media Group are Disney Interactive Studios, which produces video games for global distribution, and Disney Online, which produces web sites and online virtual worlds in the United States and internationally. The Disney Interactive Media Group also manages Disney-branded mobile phone initiatives and provides technical infrastructure services to non Disney-branded websites, such as ABC.com and ESPN.com, and to its Disney-branded e-commerce websites, principally Disneyshopping.com and Walt Disney Parks and Resorts Online.

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Marvel Entertainment, Inc.

417 Fifth Avenue

New York, New York 10016

(212) 576-4000

Marvel Entertainment, Inc. and its subsidiaries constitute one of the world's most prominent character-based entertainment companies, with a proprietary library of over 5,000 characters. Marvel's library of characters is one of the oldest and most recognizable collections of characters in the entertainment industry, and includes Spider-Man, Iron Man, The Incredible Hulk, Captain America, Thor, The Avengers, Ghost Rider, The Fantastic Four, X-Men (including Wolverine), Blade, Daredevil, The Punisher, Namor the Sub-Mariner, Nick Fury, Silver Surfer and Ant-Man. Marvel operates in three integrated and complementary operating segments: Licensing, Publishing and Film Production.

Marvel's Licensing segment, which includes the operations of a joint venture with Sony Pictures Entertainment Inc., called Spider-Man Merchandising L.P., licenses its characters for use in a wide variety of products and media. In addition, as part of Marvel's efforts to build demand for its licensed consumer products, the Licensing segment has been producing animated television programming featuring Marvel characters, some of which began airing this year.

Marvel's Publishing segment creates and publishes comic books and trade paperbacks principally in North America. Marvel has been publishing comic books since 1939. In addition to revenues from the sale of comic books and trade paperbacks, the Publishing segment derives revenues from sales of advertising and subscriptions and from other publishing activities, such as custom comics and digital media activities.

Until Marvel began producing its own films, Marvel's growth strategy was to increase exposure of its characters by licensing them to third parties for development as movies and television shows. The increased exposure creates revenue opportunities for Marvel through increased sales of toys and other licensed merchandise. Marvel's self-produced movies represent an expansion of that strategy that also increases its level of control in developing and launching character brands. Marvel's self-produced movies also offer Marvel an opportunity to participate in the films financial performance to a greater extent than Marvel could as a licensor. The first two films produced by the Film Production segment were *Iron Man* and *The Incredible Hulk*, both of which were released in the first half of 2008. Marvel is currently in post production on one film, *Iron Man 2*, scheduled to be released May 7, 2010, and it is in pre-production on another film, *Thor*, scheduled to be released May 20, 2011. In addition, Marvel is developing two other films, *The First Avenger: Captain America* and *The Avengers*, scheduled to be released on July 22, 2011 and May 4, 2012, respectively.

The Merger

(see page 40)

Disney and Marvel agreed to the acquisition of Marvel by Disney under the terms of the merger agreement that is described in this proxy statement/prospectus. Pursuant to the merger agreement, Maverick Acquisition Sub, Inc., a Delaware corporation and wholly owned subsidiary of Disney (which is referred to as Merger Sub in this proxy statement/prospectus), will merge with and into Marvel, with Marvel continuing as the surviving corporation (which is referred to as the merger in this proxy statement/prospectus). Immediately after the effective time of the merger, Marvel, as the surviving corporation in that merger, will be merged with and into Maverick Merger Sub, LLC, a wholly owned subsidiary of Disney (which is referred to as Merger LLC in this proxy statement/prospectus), with Merger LLC surviving and continuing as a wholly owned subsidiary of Disney (which is referred to as the upstream merger). In this proxy statement/prospectus, the merger and the upstream merger are sometimes collectively referred to as the transaction, and Merger LLC, which is the surviving entity following the upstream merger, is sometimes referred to as the surviving entity. It is intended that the upstream merger will be effected immediately after the effective time of the merger without further approval, authorization

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or direction from or by any of the parties to the merger agreement. Disney and Marvel have attached the merger agreement as Annex A to this proxy statement/prospectus. Disney and Marvel encourage you to read carefully the merger agreement in its entirety because it is the legal document that governs the merger.

Effects of the Merger; Merger Consideration

(see page 40)

At the effective time of the merger, each share of Marvel common stock held (i) as treasury shares by Marvel will remain issued, and no payment shall be made with respect to such shares, and (ii) by a subsidiary of Marvel will be converted into the right to receive that number of shares of Disney common stock equal to the quotient of (A) the sum of the amount of cash paid per share of Marvel common stock plus the product of 0.7452 shares of Disney common stock (which is referred to as the exchange ratio in this proxy statement/prospectus), subject to adjustment, as applicable, multiplied by the closing date price divided by (B) the closing date price. The closing date price is the lesser of (a) the closing price, (b) the average of the high and low sales prices and (c) the weighted average trading price, in each case, for one share of Disney common stock on the closing date of the merger as reported on the NYSE.

Except as described above, at the effective time of the merger by virtue of the merger and without any action on the part of the holders of any shares of Marvel common stock, each share of Marvel common stock issued and outstanding immediately prior to the effective time of the merger (other than dissenting shares and treasury shares and subject to adjustment for certain changes in Disney common stock or Marvel common stock such as reclassifications or stock splits) will be converted into the right to receive (i) \$30.00 in cash and (ii) 0.7452 shares of Disney common stock, subject to certain adjustments (which is referred to as the merger consideration in this proxy statement/prospectus). However, if the aggregate value of all shares of Disney common stock that would be issued pursuant to the merger (other than shares issued to a subsidiary of Marvel or a subsidiary of Disney), which is referred to as the total stock consideration in this proxy statement/prospectus, valued at the closing date price, is less than 40% of the sum of the total stock consideration plus the total amount of cash paid to Marvel stockholders (including cash paid in lieu of fractional shares and deemed paid in respect of dissenting shares), which sum is referred to as the total merger consideration in this proxy statement/prospectus, then the exchange ratio will be increased, and the amount of cash paid per share of Marvel common stock will be correspondingly decreased, until the total stock consideration equals 40% of the total merger consideration. This adjustment will be made in an effort to achieve the anticipated qualification of the transaction as a reorganization within the meaning of Section 368(a) of the Internal Revenue Code of 1986, as amended (which is referred to as the Internal Revenue Code in this proxy statement/prospectus). The adjustment will be made as follows: for each 0.0001 increase to the exchange ratio that is made, the amount of cash paid per share of Marvel common stock will be reduced by the product of 0.0001 multiplied by the average of \$26.84 and the closing date price. If such an adjustment is made when the closing date price is lower than \$26.84, the increase in the value of the per share stock consideration, based on the closing date price, will not fully offset the decrease in the per share cash consideration to be paid to Marvel stockholders. This is because the amount of additional shares of Disney common stock to be received by Marvel stockholders under the adjustment mechanism will be determined based on the closing date price of Disney common stock, whereas the corresponding reduction in the cash consideration will be made based on the average of \$26.84 (the closing price of Disney common stock on the last trading day before the merger agreement was executed) and the closing date price of Disney common stock. For examples of the possible adjustments to the merger consideration that would be paid per share of Marvel common stock based on a range of hypothetical closing date prices of Disney common stock, see The Merger Effects of the Merger; Merger Consideration Common Stock beginning on page 40 of this proxy statement/prospectus. Beginning at 9:00 a.m. on [], 2009, MacKenzie Partners, Inc., Marvel's proxy solicitor, will make current exchange ratio and merger consideration information available at the following toll-free number: (888) 407-8968.

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For purposes of the adjustment described above, the cash deemed paid in respect of dissenting shares will be that amount of cash equal to the number of dissenting shares multiplied by the sum of (i) the amount of cash paid per share of Marvel common stock plus (ii) the product of the exchange ratio multiplied by the closing date price (with the amounts described in (i) and (ii) determined without regard to the adjustment described in the previous paragraph).

Disney will not issue fractional shares of Disney common stock in the merger. As a result, Marvel stockholders will receive cash for any fractional share of Disney common stock that they would otherwise be entitled to receive in the merger. For a full description of the treatment of fractional shares, see *The Merger Agreement Fractional Shares* beginning on page 76 of this proxy statement/prospectus.

Disney intends to fund the cash portion of the merger consideration and other expenses of the transaction from cash resources, including cash on hand and the issuance of commercial paper supported by Disney's current credit facilities. Disney and Marvel expect to incur approximately \$35 million in aggregate fees and expenses in consummating the merger, including financial advisory fees and expenses, legal fees and expenses, accountants' fees and expenses, SEC registration fees, and printing and mailing expenses.

For a full description of the merger consideration, see *The Merger Agreement Effects of the Merger; Merger Consideration* beginning on page 74 of this proxy statement/prospectus.

Treatment of Marvel Stock Options, Restricted Stock and Deferred Stock Units

(see page 75)

Immediately prior to the merger, unvested options to purchase Marvel common stock will become fully vested and exercisable. Holders of all unexercised Marvel stock options outstanding immediately prior to the merger will be entitled to receive a cash payment in an amount equal to (i) the product of (A) the number of shares of Marvel common stock subject to the option and (B) the excess, if any, of (1) the value of the merger consideration, based on the closing price of Disney common stock on the closing date of the merger, over (2) the exercise price per share subject to the option, less (ii) withholding with respect to any applicable taxes. Each share of Marvel restricted stock outstanding immediately prior to the merger will vest in full and, as of the effective time of the merger, will entitle the holder to receive the merger consideration, less withholding with respect to applicable taxes. Holders of Marvel deferred stock units will be entitled to receive the merger consideration for each Marvel deferred stock unit held immediately prior to the merger, less withholding with respect to applicable taxes.

For a full description of the treatment of Marvel stock options, see *The Merger Agreement Treatment of Marvel Stock Options, Restricted Stock and Deferred Stock Units* beginning on page 75 of this proxy statement/prospectus.

Risk Factors

(see page 22)

In evaluating the merger agreement and the merger, you should carefully read this proxy statement/prospectus and especially consider the factors discussed in the section titled *Risk Factors* beginning on page 22 of this proxy statement/prospectus.

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The Special Meeting; Marvel Stockholders Entitled to Vote; Required Vote

(see page 37)

The special meeting of Marvel stockholders will be held on [], 2009 at [], local time, at the offices of Paul, Hastings, Janofsky & Walker LLP, 75 East 55th Street, New York, New York. At the special meeting, Marvel stockholders will be asked to:

consider and vote on the proposal to adopt the merger agreement; and

approve the proposal to adjourn the special meeting, if necessary to solicit additional proxies if there are insufficient votes to adopt the merger agreement at the time of the special meeting.

Only holders of record of Marvel common stock at the close of business on [], 2009, the record date, are entitled to notice of and to vote at the special meeting. As of the record date, there were [] shares of Marvel common stock outstanding and entitled to vote at the special meeting.

Marvel cannot complete the merger unless the merger agreement is adopted by the affirmative vote of the holders of a majority of the outstanding shares of Marvel common stock entitled to vote at the special meeting. The proposal to adjourn the special meeting, if necessary to solicit additional proxies if there are insufficient votes to adopt the merger agreement at the time of the special meeting, must be approved by the affirmative vote of the holders of a majority of the shares of Marvel common stock present in person or represented by proxy at the special meeting.

Recommendation of the Marvel Board of Directors

(see page 37)

The Marvel board of directors unanimously recommends that Marvel stockholders vote **FOR** the proposal to adopt the merger agreement and **FOR** the adjournment of the special meeting, if necessary to solicit additional proxies if there are insufficient votes to adopt the merger agreement at the time of the special meeting. The Marvel board of directors has determined that the merger agreement and the transactions contemplated by the merger agreement, including the merger, are advisable, fair to and in the best interests of Marvel and its stockholders. Accordingly, the Marvel board of directors has approved the merger agreement and the transactions contemplated by the merger agreement, including the merger.

Opinion of Marvel's Financial Advisor

(see page 51)

In connection with the merger, Merrill Lynch, Pierce, Fenner & Smith Incorporated (which is referred to as BofA Merrill Lynch in this proxy statement/prospectus), Marvel's financial advisor, delivered to the Marvel board of directors a written opinion, dated August 30, 2009, as to the fairness, from a financial point of view and as of the date of the opinion, of the consideration to be received by holders of Marvel common stock. The full text of the written opinion, which describes, among other things, the assumptions made, procedures followed, factors considered and limitations on the review undertaken, is attached as Annex C to this proxy statement/prospectus and is incorporated by reference herein in its entirety. **BofA Merrill Lynch provided its opinion to the Marvel board of directors for the benefit and use of the Marvel board of directors in connection with and for purposes of its evaluation of the consideration to be received by holders of Marvel common stock from a financial point of view. BofA Merrill Lynch's opinion does not address any other aspect of the merger and does not constitute a recommendation to any stockholder as to how to vote or act in connection with the proposed merger.**

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Ownership of Disney Following the Merger

(see page 75)

Based on the number of fully diluted shares of Marvel common stock outstanding as of October 21, 2009 and based on the closing sale price of Disney common stock as of October 21, 2009, Disney expects to issue in the merger, subject to adjustment as contemplated in the merger agreement, approximately (i) 58.5 million shares of Disney common stock for the outstanding shares of Marvel and (ii) 19.6 million shares of Disney common stock to a subsidiary of Marvel as consideration for shares of Marvel common stock held by such subsidiary, and which shares of Disney common stock to be held by such subsidiary will not be deemed outstanding. Based on the number of shares of Marvel common stock and the number of shares of Disney common stock outstanding on the record date, immediately after completion of the merger, former Marvel stockholders will own approximately []% of the then-outstanding shares of Disney common stock.

Stock Ownership of Marvel Directors and Executive Officers; Voting Agreement

(see pages 38 and 92)

As of the record date, the directors and executive officers of Marvel beneficially owned and were entitled to vote [] shares of Marvel common stock, which represent approximately []% of Marvel common stock outstanding on that date.

Concurrently with the execution and delivery of the merger agreement, Disney entered into a voting agreement with Isaac Perlmutter, the Chief Executive Officer of Marvel, certain of his affiliates and Marvel. Pursuant to the terms of the voting agreement, such stockholders agreed, among other things, to vote their respective shares of Marvel common stock in favor of the adoption of the merger agreement and approval of the merger and against the approval of any alternative transaction. Additionally, such stockholders have agreed, among other things, not to sell or transfer their respective shares of Marvel common stock, subject to certain exceptions, or to solicit any alternative transaction. The voting agreement will terminate upon the earliest to occur of the effective time of the merger and the termination of the merger agreement in accordance with its terms. For more information regarding the voting agreement, see The Voting Agreement beginning on page 92 of this proxy statement/prospectus. The voting agreement is also attached to this proxy statement/prospectus as Annex B.

Approximately 28,887,785 shares, or 36.[]% of Marvel common stock outstanding on the record date, are subject to the voting agreement. Accordingly, in addition to Mr. Perlmutter and his affiliates, the holders of approximately 13.[]% of Marvel's outstanding shares need to vote in favor of the proposal to adopt the merger agreement for it to be approved. As of the record date, Marvel's executive officers and directors, other than Mr. Perlmutter, beneficially owned and were entitled to vote approximately []% of Marvel's outstanding common stock.

Interests of Executive Officers and Directors of Marvel in the Merger

(see page 59)

In considering the recommendation of the Marvel board of directors with respect to the merger agreement and the merger, Marvel stockholders should be aware that certain executive officers and directors of Marvel have interests in the merger that may be different from, or in addition to, the interests of Marvel stockholders generally. These interests include:

the positions at Disney that certain Marvel executive officers are expected to hold upon completion of the merger, including Mr. Perlmutter's role in supervising Marvel businesses, as described in The Merger Agreement Post-Merger Management and Operations beginning on page 85 of this proxy statement/prospectus;

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the accelerated vesting of options held by Mr. Perlmutter as a result of the merger;

the cash payment for all options held by executive officers and directors as a result of the merger;

the accelerated vesting of restricted stock held by executive officers as a result of the merger;

the receipt of merger consideration for the Marvel deferred stock units held by David Maisel;

the deemed achievement of the target performance goal of each executive officer's 2009 annual performance award and the settlement of Mr. Perlmutter's 2009 performance award in cash rather than by the issuance of stock options;

severance benefits that could become payable to Marvel's executive officers; and

the continued indemnification and directors' and officers' insurance coverage of current Marvel directors and executive officers following the merger.

The Marvel board of directors was aware of these interests and considered them, among other matters, in making its recommendation. For estimates of the monetary benefits to be received by, and for a full description of the interests of, Marvel's executive officers and directors in the merger, please see "The Merger - Interests of Executive Officers and Directors of Marvel in the Merger" beginning on page 59 of this proxy statement/prospectus.

Listing of Disney Common Stock and Delisting and Deregistration of Marvel Common Stock

(see page 69)

Application will be made to have the shares of Disney common stock issued in the merger approved for listing on the NYSE. If the merger is completed, Marvel common stock will no longer be listed on the NYSE and will be deregistered under the Exchange Act, and Marvel will no longer file periodic reports with the SEC.

Appraisal Rights

(see page 69)

Under Delaware law, record holders of Marvel common stock who do not vote in favor of the adoption of the merger agreement and who properly demand appraisal rights will be entitled to seek appraisal for, and obtain payment in cash for the judicially determined fair value of, their shares of Marvel common stock if the merger is completed in lieu of receiving the merger consideration. This value could be more than, the same as, or less than the value of the merger consideration. The relevant provisions of the General Corporation Law of the State of Delaware (which is referred to as the DGCL in this proxy statement/prospectus) are included as Annex D to this proxy statement/prospectus. You are encouraged to read these provisions carefully and in their entirety. Moreover, due to the complexity of the procedures for exercising the right to seek appraisal, Marvel stockholders who are considering exercising such rights are encouraged to seek the advice of legal counsel. Failure to strictly comply with these provisions will result in loss of the right of appraisal. Please refer to the section titled "The Special Meeting" beginning on page 37 of this proxy statement/prospectus.

Conditions to Completion of the Merger

(see page 86)

The obligations of each of Disney and Marvel to complete the merger are subject to the satisfaction (or waiver) of the following conditions:

the adoption of the merger agreement by Marvel stockholders;

the expiration or termination of any waiting period under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended (which is referred to as the HSR Act in this proxy statement/

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prospectus) and, to the extent material, under any foreign antitrust, competition or pre-merger notification law, and the making or receipt of all other material foreign antitrust, competition, trade, premerger notification or other regulatory approvals as may be required to consummate the merger;

the absence of any actual or pending law or order which prohibits or threatens to prohibit the consummation of the transactions contemplated by the merger agreement;

the effectiveness of the registration statement on Form S-4 of which this proxy statement/prospectus is a part, and no pending or threatened stop order relating thereto;

the representations and warranties of the other party being true and correct, subject to certain materiality thresholds, as of the date of the merger agreement and as of the closing date of the merger;

the other party having performed or complied with, in all material respects, all of the covenants and agreements required to be performed or complied with by it under the merger agreement at or prior to the closing date of the merger;

the receipt of a certificate of an executive officer from the other party as to the satisfaction of the conditions relating to the representations and warranties of such party and the performance of the obligations of such party;

the absence of a material adverse effect on the other party since August 31, 2009; and

receipt by each party of an opinion of counsel, dated as of the closing date of the merger, to the effect that the merger and the upstream merger, considered together as a single integrated transaction for United States federal income tax purposes along with the other transactions effected pursuant to the merger agreement, will qualify as a reorganization within the meaning of Section 368(a) of the Internal Revenue Code and that each of Disney and Marvel will be a party to the reorganization within the meaning of Section 368(a) of the Internal Revenue Code.

In addition, (i) Marvel's obligation to complete the merger is subject to the shares of Disney common stock issuable to Marvel stockholders pursuant to the merger being authorized for listing on the NYSE and (ii) Disney's obligation to complete the merger is subject to Marvel delivering to Disney a certificate, establishing that Marvel is not a United States real property holding corporation within the meaning of the Internal Revenue Code and the Treasury Regulations thereunder, and Marvel has not been such a United States real property holding corporation within the five year period ending on the closing date of the merger.

Neither Disney nor Marvel can give any assurance that all of the conditions to the merger will either be satisfied or waived or that the merger will occur.

Expected Timing of the Merger

The merger is expected to be consummated within two business days after the special meeting, subject to regulatory approvals and satisfaction or waiver of the other conditions in the merger agreement.

Regulatory Matters

(see page 68)

The merger is subject to antitrust laws. Disney and Marvel have made their respective filings under applicable U.S. antitrust laws with the Antitrust Division of the United States Department of Justice, which is referred to as the Antitrust Division in this proxy statement/prospectus, and the United States Federal Trade Commission, which is referred to as the FTC in this proxy statement/prospectus. The waiting period

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initiated by these filings has expired. Disney and Marvel are also required to make applicable foreign antitrust filings and applicable foreign antitrust clearances, consents or approvals necessary for the completion of the merger have not yet been obtained. Under certain circumstances, Marvel may be required (subject to closing of the merger and

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Disney's consent) to divest assets or businesses, or those of its affiliates, in order to resolve any objections to the merger raised under any antitrust or competition law or action.

Marvel Is Prohibited From Soliciting Other Offers

(see page 81)

The merger agreement contains detailed provisions that prohibit Marvel and its subsidiaries, directors, officers, employees and representatives from, directly or indirectly, soliciting, initiating, or knowingly facilitating, inducing, encouraging or engaging in discussions or negotiations with any person or group with respect to an alternative transaction proposal (as defined in the section titled "The Merger Agreement - Marvel Is Prohibited From Soliciting Other Offers; Superior Proposal" beginning on page 81 of this proxy statement/prospectus) including an acquisition that would result in the person or group acquiring 20% or more of any class of equity securities of Marvel, a sale of assets or properties that constitute 20% or more of the fair market value of the assets and properties of Marvel and its subsidiaries, or a merger or other business combination. The merger agreement does not, however, prohibit the Marvel board of directors from considering and recommending to Marvel stockholders an alternative transaction proposal from a third party if specified conditions are met, including the payment of a termination fee as required under the merger agreement.

Termination of the Merger Agreement

(see page 88)

The merger agreement may be terminated at any time prior to the effective time of the merger by mutual written consent of Disney and Marvel. The merger agreement may also be terminated by either Disney or Marvel if, among other things and subject to the limitations set forth in the merger agreement:

the merger is not completed by May 31, 2010, subject to extension in certain circumstances;

a non-appealable final order is issued or granted by a governmental authority permanently prohibiting the merger;

Marvel stockholders fail to adopt the merger agreement; or

there is a continuing inaccuracy in the representations and warranties of the other party, or a failure to perform any covenant or agreement, in either case, such that the conditions to completion of the merger related to such representations, warranties and covenants would not be satisfied at the time of termination and have not been cured within 60 days of receipt of written notice from the terminating party.

Under circumstances specified in the merger agreement, Disney may terminate the merger agreement if:

Marvel materially breaches its obligations restricting it from soliciting any alternative transaction proposal (as defined in the section titled "The Merger Agreement - Marvel Is Prohibited From Soliciting Other Offers; Superior Proposal" beginning on page 81 of this proxy statement/prospectus); or

The Marvel board of directors:

(i) fails to include its recommendation that Marvel stockholders adopt the merger agreement in this proxy statement/prospectus;

- (ii) effects an adverse recommendation change (as defined in the section titled "The Merger Agreement - Obligation of the Marvel Board of Directors with Respect to Its Recommendation and Holding of a Stockholder Meeting" beginning on page 83 of this proxy statement/prospectus);

- (iii) approves or recommends any alternative transaction proposal;

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- (iv) fails to reaffirm publicly its recommendation of the merger agreement and the merger within 10 business days following public announcement of an alternative transaction proposal; or
- (v) within 10 business days following the commencement of a third-party tender or exchange offer for Marvel's capital stock, fails to issue a statement to Marvel stockholders disclosing that the Marvel board of directors recommends rejection of such tender or exchange offer.

Under certain circumstances specified in the merger agreement, Marvel may terminate the merger agreement in response to a superior proposal (as defined in the section titled "The Merger Agreement - Marvel Is Prohibited From Soliciting Other Offers; Superior Proposal" beginning on page 81 of this proxy statement/prospectus) in compliance with the no solicitation provision discussed above, provided Disney has received the termination fee described below.

Termination Fee

(see page 89)

Marvel has agreed to pay Disney \$140 million as a termination fee if:

the merger agreement is terminated by Disney because Marvel materially breaches its obligations under the no solicitation provision discussed above;

the merger agreement is terminated by Disney because (i) Marvel or the Marvel board of directors (A) fails to include its recommendation that Marvel stockholders adopt the merger agreement in this proxy statement/prospectus, (B) effects an adverse recommendation change (as defined in the section titled "The Merger Agreement - Obligation of the Marvel Board of Directors with Respect to Its Recommendation and Holding of a Stockholder Meeting" beginning on page 83 of this proxy statement/prospectus), (C) approves or recommends any alternative transaction proposal (as defined in the section titled "The Merger Agreement - Marvel Is Prohibited From Soliciting Other Offers; Superior Proposal" beginning on page 81 of this proxy statement/prospectus) or (D) fails to reaffirm publicly its recommendation of the merger agreement and the merger within 10 business days following public announcement of an alternative transaction proposal or (ii) within 10 business days following the commencement of a third-party tender or exchange offer for Marvel's capital stock, Marvel fails to issue a statement to Marvel stockholders disclosing that the Marvel board of directors recommends rejection of such tender or exchange offer;

the merger agreement is terminated by Marvel in response to a superior proposal (as defined in the section titled "The Merger Agreement - Marvel Is Prohibited From Soliciting Other Offers; Superior Proposal" beginning on page 81 of this proxy statement/prospectus) in compliance with the no solicitation provision discussed above;

(i) the merger agreement is terminated by Disney or Marvel because (A) the required approval of the stockholders of Marvel has not been obtained at the special meeting, (B) the merger has not been consummated by May 31, 2010, (C) Marvel intentionally and knowingly breaches a representation or warranty such that the closing condition related to such representations and warranties is not satisfied or (D) Marvel fails to perform its covenants in the merger agreement in a material respect, (ii) at the time of such termination, an alternative transaction proposal has been publicly announced and (iii) within 12 months of such termination, Marvel enters into an agreement with any third party to consummate, or consummates, any alternative transaction proposal (for the purposes of (ii) and (iii) above, "alternative transaction proposal" has the meaning given in the section titled "The Merger Agreement - Marvel Is Prohibited From Soliciting Other Offers; Superior Proposal" beginning on page 81 of this proxy statement/prospectus, except that all references in that section to 20% will be deemed to be references to 50%); or

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the merger agreement is terminated by Disney or Marvel because the required approval of the stockholders of Marvel has not been obtained at the special meeting and, at or prior to such time, Disney has the right to a termination fee for the reasons listed in the first two bullets above.

Material United States Federal Income Tax Consequences of the Transaction

(see page 66)

Disney and Marvel expect that the transaction will qualify as a reorganization within the meaning of Section 368(a) of the Internal Revenue Code and that each of Disney and Marvel will be a party to the reorganization, and it is a condition to closing that each of Disney and Marvel receive opinions from legal counsel to that effect. If the transaction qualifies as a reorganization, a Marvel stockholder generally will recognize gain (but not loss), determined separately for each identifiable block of shares of Marvel common stock (generally, Marvel common stock acquired at different prices or at different times) that is exchanged in the transaction, in an amount equal to the lesser of (i) the amount of cash received in the transaction with respect to such block and (ii) the excess, if any, of (a) the sum of the amount of cash and the fair market value of the Disney common stock received in the transaction with respect to such block over (b) the Marvel stockholder's tax basis in its shares of Marvel common stock in such block.

A Marvel stockholder generally will recognize gain or loss with respect to cash received in lieu of a fractional share of Disney common stock in the transaction measured by the difference, if any, between the amount of cash received and the tax basis in such fractional share.

Marvel stockholders are urged to read the discussion in the section titled "The Merger - Material United States Federal Income Tax Consequences of the Transaction" beginning on page 66 of this proxy statement/prospectus and to consult their tax advisors as to the United States federal income tax consequences of the transaction, as well as the effects of state, local and non-United States tax laws.

Accounting Treatment

(see page 69)

In accordance with accounting principles generally accepted in the United States, Disney will account for the merger using the acquisition method of accounting for business combinations.

Comparison of Rights of Disney Stockholders and Marvel Stockholders

(see page 94)

Marvel stockholders, whose rights are currently governed by the Marvel restated certificate of incorporation, the Marvel amended and restated bylaws and Delaware law, will, upon completion of the merger, become stockholders of Disney and their rights will be governed by the Disney restated certificate of incorporation, the Disney amended and restated bylaws and Delaware law. As a result, Marvel stockholders will have different rights once they become Disney stockholders due to differences between the governing documents of Marvel and Disney. These differences are described in detail in the section titled "Comparison of Stockholder Rights" beginning on page 94 of this proxy statement/prospectus.

Litigation

(see page 72)

Marvel, its board of directors and Disney are named as defendants in purported class action lawsuits (which are referred to as the stockholder actions in this proxy statement/prospectus) brought by alleged Marvel stockholders challenging Marvel's proposed merger with Disney. The stockholder actions generally allege, among other things, that (i) each member of the Marvel board of directors breached his or her fiduciary duties to

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Marvel and its stockholders in authorizing the sale of Marvel to Disney, (ii) the merger does not maximize value to Marvel stockholders, (iii) the defendants failed to provide stockholders with allegedly material information related to the proposed transaction and (iv) Disney and Marvel aided and abetted the breaches of fiduciary duty allegedly committed by the members of the Marvel board of directors. The stockholder actions seek class action certification and equitable relief, including an injunction against consummation of the merger.

Marvel and Disney believe the claims asserted by the plaintiffs to be without merit and intend to vigorously defend against such claims.

Table of Contents**SELECTED SUMMARY HISTORICAL FINANCIAL DATA OF DISNEY**

The following table sets forth Disney's selected summary historical financial data as of the dates and for the periods indicated. Disney's historical consolidated statements of income and cash flow data set forth below for each of the five fiscal years in the period ended September 27, 2008 and the historical consolidated balance sheet data for each of the five fiscal year-ends in the period ended September 27, 2008, are derived from Disney's annual report for the fiscal year ended September 27, 2008. Disney's historical consolidated statements of income and cash flow data set forth below for each of the nine months ended June 27, 2009 and June 28, 2008, and the historical consolidated balance sheet data as of June 27, 2009 and June 28, 2008, are derived from Disney's unaudited interim quarterly reports for the quarters then ended.

You should read this information together with Management's Discussion and Analysis of Financial Condition and Results of Operations and with the consolidated financial statements and notes to the consolidated financial statements for the fiscal year ended September 27, 2008 included in Disney's Current Report on Form 8-K, dated February 3, 2009 and Quarterly Report on Form 10-Q for the fiscal quarter ended June 27, 2009 filed with the SEC, all of which are incorporated by reference in this proxy statement/prospectus. See Where You Can Find Additional Information beginning on page 108 of this proxy statement/prospectus.

(In millions except per share data)	Nine Months Ended:				Fiscal Year		
	June 27, 2009 ⁽¹⁾⁽⁸⁾	June 28, 2008 ⁽²⁾⁽⁸⁾	2008 ⁽³⁾⁽⁸⁾	2007 ⁽⁴⁾⁽⁵⁾⁽⁸⁾	2006 ⁽⁴⁾⁽⁶⁾⁽⁸⁾	2005 ⁽⁴⁾⁽⁷⁾⁽⁸⁾	2004 ⁽⁴⁾⁽⁹⁾
Statements of income							
Revenues	\$ 26,282	\$ 28,398	\$ 37,843	\$ 35,510	\$ 33,747	\$ 31,374	\$ 30,176
Income from continuing operations before the cumulative effect of accounting changes	2,412	3,667	4,427	4,674	3,304	2,460	2,223
Per common share							
Earnings from continuing operations before the cumulative effect of accounting changes							
Diluted	\$ 1.29	\$ 1.87	\$ 2.28	\$ 2.24	\$ 1.60	\$ 1.19	\$ 1.07
Basic	1.30	1.93	2.34	2.33	1.65	1.21	1.08
Dividends	0.35	0.35	0.35	0.31	0.27	0.24	0.21
Balance sheets							
Total assets	\$ 62,584	\$ 61,582	\$ 62,497	\$ 60,928	\$ 59,998	\$ 53,158	\$ 53,902
Long-term obligations	15,944	15,270	14,889	14,916	13,974	14,102	13,014
Shareholders' equity	34,296	32,779	32,323	30,753	31,820	26,210	26,081
Statements of cash flows							
Cash provided (used) by:							
Continuing operating activities	\$ 3,326	\$ 4,201	\$ 5,446	\$ 5,398	\$ 5,960	\$ 4,139	\$ 4,232
Continuing investing activities	(1,451)	(1,381)	(2,162)	(618)	(220)	(1,682)	(1,478)
Continuing financing activities	(1,748)	(3,901)	(3,953)	(3,619)	(5,166)	(2,899)	(2,704)

⁽¹⁾ For the nine months ended June 27, 2009, results include a gain on the sale of Disney's investment in two pay television services in Latin America (\$0.04 per diluted share) and restructuring and impairment charges (\$0.11 per diluted share), which collectively resulted in a net adverse impact of \$0.07 per diluted share.

⁽²⁾ For the nine months ended June 28, 2008, results include an accounting gain related to the acquisition of the Disney Stores North America and a gain on the sale of movies.com (together \$0.01 per diluted share) and the favorable resolution of certain income tax matters (\$0.03 per diluted share). These items collectively resulted in a net benefit of \$0.04 per diluted share.

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- (3) The fiscal 2008 results include an accounting gain related to the acquisition of the Disney Stores North America and a gain on the sale of movies.com (together \$0.01 per diluted share), the favorable resolution of certain income tax matters (\$0.03 per diluted share), and a bad debt charge for a receivable from Lehman Brothers (\$0.03 per diluted share). These items collectively resulted in a net benefit of \$0.01 per diluted share.
- (4) During fiscal 2007, Disney concluded the spin-off of the ABC Radio business and thus reports ABC Radio as discontinued operations for all periods presented (see Note 3 to the consolidated financial statements which is included in Disney's Current Report on Form 8-K, dated February 3, 2009 incorporated herein by reference for further discussion).
- (5) The fiscal 2007 results include gains from the sales of E! Entertainment and Us Weekly (\$0.31 per diluted share), the favorable resolution of certain income tax matters (\$0.03 per diluted share) and an equity-based compensation plan modification charge (\$0.01 per diluted share). Including the impact of rounding, these items collectively resulted in a net benefit of \$0.32 per diluted share.
- (6) During fiscal 2006, Disney acquired Pixar for approximately \$7.5 billion in stock. The fiscal 2006 results include gains on sales of a Spanish cable equity investment and Discover Magazine (\$0.02 per diluted share), the favorable resolution of certain income tax matters (\$0.02 per diluted share) and a net benefit associated with the Pixar acquisition (\$0.01 per diluted share). These items collectively resulted in a net benefit of \$0.05 per diluted share.
- (7) The fiscal 2005 results include the favorable resolution of certain income tax matters (\$0.06 per diluted share), a benefit from the restructuring of Euro Disney's borrowings (\$0.02 per diluted share), an income tax benefit from the repatriation of foreign earnings under the American Jobs Creation Act (\$0.02 per diluted share), a gain on the sale of the Mighty Ducks of Anaheim (\$0.01 per diluted share), a write-off of investments in leveraged leases (\$0.03 per diluted share), a write-down related to the MovieBeam venture (\$0.02 per diluted share), an impairment charge for a cable television investment in Latin America (\$0.01 per diluted share) and restructuring and impairment charges related to the sale of The Disney Stores North America (\$0.01 per diluted share). These items collectively resulted in a net benefit of \$0.04 per diluted share.
- (8) Disney adopted Statement of Financial Accounting Standards No. 123R, *Share Based Payment* (SFAS 123R) at the beginning of fiscal 2005. Pre-tax stock option compensation expense was \$214 million, \$213 million, \$241 million and \$248 million for fiscal 2008, 2007, 2006 and 2005, respectively. For the nine-month periods ended June 27, 2009 and June 28, 2008, pre-tax stock option compensation expense was \$166 million and \$156 million, respectively.
- (9) During fiscal 2004, Disney adopted FASB Interpretation No. 46R, *Consolidation of Variable Interest Entities* (FIN 46), and as a result, consolidated the balance sheets of Disneyland Resort Paris and Hong Kong Disneyland as of March 31, 2004 and the income and cash flow statements beginning April 1, 2004, the beginning of Disney's fiscal third quarter. Euro Disney's and Hong Kong Disneyland's operating results were accounted for on the equity method for the six-month period ended March 31, 2004. In addition, the 2004 results include the favorable resolution of certain income tax matters (\$0.06 per diluted share) and restructuring and impairment charges (\$0.02 per diluted share), which together resulted in a net benefit of \$0.04 per diluted share.

Table of Contents**SELECTED SUMMARY HISTORICAL FINANCIAL DATA OF MARVEL**

The following table sets forth Marvel's selected summary historical financial data as of the dates and for the periods indicated. Marvel's historical consolidated statement of income data set forth below for each of the five years in the period ended December 31, 2008, and the historical consolidated balance sheet data for each of the five years in the period ended December 31, 2008, are derived from Marvel's Current Report on Form 8-K, dated September 18, 2009. Marvel's historical consolidated statement of income data set forth below for each of the six months ended June 30, 2009 and June 30, 2008, and the historical consolidated balance sheet data as of June 30, 2009 and June 30, 2008 are derived from Marvel's unaudited interim quarterly reports.

You should read this information together with Management's Discussion and Analysis of Financial Condition and Results of Operations and with the consolidated financial statements and notes to the consolidated financial statements for the year ended December 31, 2008 included in Marvel's Current Report on Form 8-K, dated September 18, 2009, and Quarterly Report on Form 10-Q for the fiscal quarter ended June 30, 2009 filed with the SEC, all of which are incorporated by reference in this proxy statement/prospectus. See Where You Can Find Additional Information beginning on page 108 of this proxy statement/prospectus.

	Six Months Ended:		Year Ended December 31,				
	June 30, 2009	June 30, 2008	2008	2007	2006	2005	2004
(in thousands, except per share amounts)							
Statements of income data:							
Net sales	\$ 313,230	\$ 269,426	\$ 676,177	\$ 485,807	\$ 351,798	\$ 390,507	\$ 513,468
Operating income	126,144	172,690	367,974	274,429	112,560	171,167	224,413
Income before income tax expense	120,103	168,393	354,498	263,232	98,800	171,048	206,872
Net income	75,264	104,209	221,318	164,324	59,729	108,228	142,241
Net income attributable to Marvel Entertainment, Inc.	73,503	91,902	205,535	139,823	58,704	102,819	124,877
Basic earnings per share attributable to Marvel Entertainment, Inc.	0.94	1.18	2.63	1.75	0.71	1.03	1.17
Diluted earnings per share attributable to Marvel Entertainment, Inc.	0.94	1.17	2.61	1.70	0.67	0.97	1.10

	As of:		As of December 31,				
	June 30, 2009	June 30, 2008	2008	2007	2006	2005	2004
(in thousands)							
Balance sheet data:							
Working capital (deficit)	\$ 3,004	\$ (132,329)	\$ (57,708)	\$ (107,927)	\$ (67,094)	\$ 2,532	\$ 150,659
Total assets	820,529	921,212	936,714	817,358	615,330	570,057	714,814
Borrowings		261,727	213,001	289,126	50,200	25,800	
Other non-current debt							
Treasury stock	921,700	904,785	905,293	894,940	682,886	395,536	91,001
Total Marvel Entertainment, Inc. stockholders equity	456,139	281,404	396,691	181,503	254,891	360,600	546,500

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COMPARATIVE HISTORICAL AND UNAUDITED PRO FORMA PER SHARE DATA

The following table sets forth certain historical, pro forma combined and pro forma combined equivalent financial information. The pro forma combined and pro forma combined equivalent income and dividend per share data reflect the merger as if it had been effective at the beginning of the respective periods. The unaudited pro forma combined and pro forma combined equivalent income and dividend per share data for the nine months ended June 27, 2009 were prepared based on the unaudited consolidated financial statements for Disney for the nine months ended June 27, 2009 and of Marvel for the six months ended June 30, 2009 and the three months ended December 31, 2008. The unaudited pro forma combined and pro forma combined equivalent income and dividend per share data for the year ended September 27, 2008 were prepared based on the audited consolidated financial statements for Disney for the year ended September 27, 2008 and the unaudited financial statements for Marvel for the nine months ended September 30, 2008 and the three months ended December 31, 2007. The pro forma combined and pro forma combined equivalent net book value per share reflect the merger as if it had been effective on June 27, 2009 and were prepared based on the unaudited consolidated balance sheets of Disney as of June 27, 2009 and of Marvel as of June 30, 2009.

The pro forma data in the tables assume that the merger is accounted for using the acquisition method of accounting based on available information related to the merger and the companies' combined results of operations for the periods presented. As of the date of this document, Disney has not completed the detailed valuation studies necessary to arrive at the final estimates of the fair value of the Marvel assets to be acquired and liabilities to be assumed and the related allocations of purchase price, nor has it identified all the adjustments necessary to conform Marvel's data to Disney's accounting policies. However, the pro forma data includes certain adjustments to the historical book values of the assets and liabilities of Marvel as of June 30, 2009 to reflect preliminary estimates of the fair values necessary to prepare the unaudited pro forma combined and pro forma combined equivalent data. The fair value adjustments included in the unaudited pro forma combined and pro forma combined equivalent data represent management's best estimate of these adjustments based upon currently available information, including Disney's estimate of the total consideration paid in the merger. This preliminary purchase price allocation assigned value to certain tangible assets and liabilities and identifiable intangible assets, including Marvel's character library, film and television costs and the Marvel trademark and trade name with any excess over these fair values assigned to goodwill. Actual results may differ from this pro forma combined data once Disney has determined the final purchase price, completed the detailed valuation studies to finalize the purchase price allocation for Marvel and identified any necessary conforming accounting policy changes for Marvel. Accordingly, the final purchase price allocation, which will be determined subsequent to the closing of the merger, and its effect on results of operations, may differ materially from the pro forma combined amounts, although these amounts represent management's best estimates as of the date of this document.

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The pro forma combined and pro forma combined equivalent data are provided for illustrative purposes only and do not purport to represent what the actual consolidated results of operations nor the consolidated financial position of Disney would have been had the merger occurred on the dates assumed, nor are they necessarily indicative of future consolidated results of operations or consolidated financial position.

	Nine Months Ended June 27, 2009	Year Ended September 27, 2008
Disney historical data:		
Net income per basic share	\$ 1.30	\$ 2.34
Net income per diluted share	\$ 1.29	\$ 2.28
Cash dividends per share	\$ 0.35	\$ 0.35
Net book value per share	\$ 18.46	
Marvel historical data:		
Net income per basic share attributable to Marvel Entertainment, Inc.	\$ 1.75	\$ 2.19
Net income per diluted share attributable to Marvel Entertainment, Inc.	\$ 1.74	\$ 2.17
Cash dividends per share	\$	\$
Net book value per share attributable to Marvel Entertainment, Inc.	\$ 5.85	
Pro forma combined data:		
Net income per basic share	\$ 1.29	\$ 2.31
Net income per diluted share	\$ 1.28	\$ 2.24
Cash dividends per share	\$ 0.35	\$ 0.35
Net book value per share	\$ 18.76	
Pro forma combined equivalent data:		
Net income per basic share	\$ 0.96	\$ 1.72
Net income per diluted share	\$ 0.95	\$ 1.67
Cash dividends per share	\$ 0.26	\$ 0.26
Net book value per share	\$ 13.98	

Table of Contents**COMPARATIVE PER SHARE MARKET PRICE DATA**

Disney common stock trades on the NYSE under the symbol DIS. Marvel common stock trades on the NYSE under the symbol MVL.

The following table sets forth the high, low and closing prices for Disney common stock and Marvel common stock as reported on the NYSE, on August 28, 2009, the last trading day before Disney and Marvel announced the merger, and October 21, 2009. The table also includes the value of Marvel common stock on an equivalent price per share basis, as determined by reference to the value of merger consideration to be received in respect of each share of Marvel common stock in the merger (including the cash consideration of \$30.00 per share). These equivalent prices per share reflect the fluctuating value of the Disney common stock that Marvel stockholders would receive in exchange for each share of Marvel common stock (together with the amount of cash to be paid per share of Marvel common stock) if the merger was completed on either of these dates, applying the exchange ratio of 0.7452 shares of Disney common stock for each share of Marvel common stock.

	Disney Common Stock			Marvel Common Stock			Equivalent Value of Marvel Common Stock		
	High	Low	Close	High	Low	Close	High	Low	Close
August 28, 2009	\$ 27.08	\$ 26.59	\$ 26.84	\$ 38.80	\$ 38.14	\$ 38.65	\$ 50.18	\$ 49.81	\$ 50.00
October 21, 2009	\$ 29.96	\$ 29.20	\$ 29.23	\$ 51.86	\$ 51.21	\$ 51.21	\$ 52.33	\$ 51.76	\$ 51.78

The above table shows only historical comparisons. These comparisons may not provide meaningful information to Marvel stockholders in determining whether to adopt the merger agreement. Marvel stockholders are urged to obtain current market quotations for Disney and Marvel common stock and to review carefully the other information contained in this proxy statement/prospectus or incorporated by reference into this proxy statement/prospectus, when considering whether to adopt the merger agreement. See [Where You Can Find Additional Information](#) beginning on page 108 of this proxy statement/prospectus.

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RISK FACTORS

In addition to the other information included in this proxy statement/prospectus, including the matters addressed in Cautionary Statement Concerning Forward-Looking Statements beginning on page 36 of this proxy statement/prospectus, you should carefully consider the following risks before deciding whether to vote for the adoption of the merger agreement.

Risk Factors Related to the Merger

Although Disney and Marvel expect that the merger will result in benefits to the combined company, the combined company may not realize those benefits because of various challenges.

Disney and Marvel believe that the merger will combine Marvel's intellectual property portfolio and creative resources with Disney's portfolio of world-class family entertainment, characters and other franchises, resulting in new creative output and opportunities for exploitation and distribution via existing and future platforms that can drive future growth across the businesses of the combined company. Realizing the benefits anticipated from the merger will depend, in part, on the following:

preserving the creative processes of Marvel;

retaining key Marvel employees;

continued development of successful feature films and sequels to existing feature films, comic books, animated television series and other content; and

successfully integrating Marvel products into the combined company's various distribution channels.

The integration of a new company is a complex, costly and time-consuming process. This process may disrupt the business of either or both of the companies, and may not result in the full benefits expected by Disney and Marvel. There can be no assurance that the combination of Marvel with Disney will result in the realization of the anticipated benefits from the merger.

The issuance of shares of Disney common stock to Marvel stockholders in the merger will initially have a negative impact on the earnings per share of the combined company and will decrease the aggregate voting power of current Disney stockholders.

If the merger is completed, based on the number of fully diluted shares of Marvel common stock outstanding as of October 21, 2009 and based on the closing sale price of Disney common stock as of October 21, 2009, Disney expects (subject to adjustment as contemplated in the merger agreement) that approximately (i) 58.5 million shares of Disney common stock will be issued for the outstanding shares of common stock of Marvel and (ii) 19.6 million shares of Disney common stock will be issued to a subsidiary of Marvel as consideration for shares of Marvel common stock held by such subsidiary, and which shares of Disney common stock to be held by such subsidiary will not be deemed outstanding. Disney expects that the merger will initially result in lower earnings per share than would have been earned by Disney in the absence of the merger. In addition, the issuance of shares in connection with the merger will decrease the aggregate voting power of current Disney stockholders. Disney expects that over time the merger will yield benefits to the combined company such that the merger will ultimately be accretive to earnings per share. However, there can be no assurance that the increase in earnings per share expected in the long term will be achieved. In order to achieve increases in earnings per share as a result of the merger, the combined company will, among other things, need to effectively continue the successful operations of Marvel after the merger, develop successful new content (including future feature and animated films and television series or sequels to Marvel productions) based on Marvel characters and successfully integrate Marvel products into the combined company's various distribution channels.

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The price of Disney common stock may decline, which would decrease the value of the total merger consideration to be received by Marvel stockholders in the merger, based on both the decline in the value of the Disney common stock to be received and resulting adjustments to the exchange ratio and per share cash consideration.

The price of Disney common stock might decline from the \$26.84 price per share at the close of trading on August 28, 2009, the last full trading day prior to the public announcement of the merger and from the \$29.23 price per share at the close of trading on October 21, 2009. If the price of Disney common stock has declined upon the completion of the merger, the value of the merger consideration to be received by Marvel stockholders in the merger will decrease as compared to the value on the date the merger was announced or the date of this proxy statement/prospectus. See *The Merger Agreement Effects of the Merger; Merger Consideration Common Stock* beginning on page 75 of this proxy statement/prospectus.

If the aggregate value of all shares of Disney common stock that would be issued pursuant to the merger (other than shares issued to a subsidiary of Marvel) which is referred to as the total stock consideration in this proxy statement/prospectus, valued on the closing date of the merger, as reported on the NYSE at the lesser of (i) the closing price, (ii) the average of the high and low sales prices and (iii) the weighted average trading price of one share of Disney common stock (which lesser price is referred to as the closing date price in this proxy statement/prospectus), is less than 40% of the sum of the total stock consideration plus the total amount of cash paid to Marvel stockholders (including cash paid in lieu of fractional shares and deemed paid in respect of dissenting shares), which sum is referred to as the total merger consideration in this proxy statement/prospectus, then the exchange ratio will be increased, and the amount of cash paid per share of Marvel common stock will be correspondingly decreased, until the total stock consideration equals 40% of the total merger consideration. Specifically, for each 0.0001 increase to the exchange ratio that is made, the amount of cash paid per share of Marvel common stock will be reduced by the product of 0.0001 multiplied by the average of \$26.84 and the closing date price. See *The Merger Agreement Effects of the Merger; Merger Consideration Common Stock* beginning on page 75 of this proxy statement/prospectus.

Accordingly, if the closing date price of Disney common stock is less than \$26.84 per share, the per share cash consideration to be received by Marvel stockholders will be reduced to less than \$30.00, based on the adjustment formula described above. Additionally, even if the closing date price of Disney common stock is equal to or greater than \$26.84, the per share cash to be received by Marvel stockholders may be reduced to less than \$30.00 based on the adjustment formula described above depending on the amount of the cash payments that are deemed made for dissenting shares or cash payments made for fractional shares. If such an adjustment is made when the closing date price is lower than \$26.84, then the increase in the value of the per share stock consideration, based on the closing date price, will not fully offset the decrease in the per share cash consideration to be paid to Marvel stockholders. This is because the amount of additional shares of Disney common stock to be received by Marvel stockholders under the adjustment mechanism will be determined based on the closing date price of Disney common stock, whereas the corresponding reduction in the cash consideration will be made based on the average of \$26.84 (the closing price of Disney common stock on the last trading day before the merger agreement was executed) and the closing date price of Disney common stock.

In addition, because the time that the merger is completed will be later than the time of the special meeting, Marvel stockholders will not know the exact value of the Disney common stock that will be issued in the merger at the time they vote on the proposal to adopt the merger agreement. As a result, if the market price of Disney common stock at the completion of the merger is lower than the market price at the time of the special meeting, the merger consideration that Marvel stockholders will receive will be less than it would have been had the merger occurred on the date of the special meeting.

During the twelve-month period ending on October 21, 2009, the closing price of Disney common stock varied from a low of \$15.59 to a high of \$29.87, and ended that period at \$29.23. If the closing date price of Disney common stock is \$15.59, the adjusted exchange ratio would be 1.0271 (or \$16.01 worth of Disney common stock per share of Marvel common stock) and the cash consideration would be \$24.02 per share

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of Marvel common stock, resulting in \$40.03 of total merger consideration per share of Marvel common stock. If the closing date price of Disney common stock is \$29.87, the exchange ratio would be 0.7452 (or \$22.26 worth of Disney common stock per share of Marvel common stock) and the cash consideration would be \$30.00 per share of Marvel common stock, resulting in \$52.26 of total merger consideration per share of Marvel common stock. The foregoing examples assume that there are no cash payments made for fractional shares or deemed made in respect of dissenting shares (as described in *The Merger Effects of the Merger; Merger Consideration Fractional Shares* beginning on page 42 of this proxy statement/prospectus and in *The Merger Agreement Dissenting Shares* beginning on page 77 of this proxy statement/prospectus). Cash paid for such fractional shares or deemed paid in respect of dissenting shares will increase the cash paid to Marvel stockholders and therefore may require further adjustments to the exchange ratio and cash paid per share of Marvel common stock. Any adjustment to the exchange ratio and per share cash consideration will be based on the closing date price, which will not be determined until after Marvel stockholders have voted on the proposal to adopt the merger. Accordingly, a Marvel stockholder will not have an opportunity to change his or her vote after the final per share merger consideration has been determined. The closing price of Disney common stock on the closing date could be less than \$15.59 per share. There is no minimum closing price of Disney common stock on the closing date at which either Marvel or Disney may unilaterally terminate the merger agreement. Disney encourages you to obtain current market quotations for Disney common stock before you vote your shares. Beginning at 9:00 a.m. on [], 2009, MacKenzie Partners, Inc., Marvel's proxy solicitor, will make current exchange ratio and merger consideration information available at the following toll-free number: (888) 407-8968.

Disney and Marvel may be unable to obtain the regulatory approvals required to complete the merger.

The merger is subject to antitrust laws. Disney and Marvel have made their respective filings under applicable U.S. antitrust laws with the Antitrust Division and the FTC and the waiting period initiated by these filings has expired. Disney and Marvel are also required to make applicable foreign antitrust filings and applicable foreign antitrust clearances, consents or approvals necessary for the completion of the merger have not yet been obtained.

Under the terms of the merger agreement, if any objections are asserted with respect to the merger under any domestic or foreign antitrust competition laws or if any action is instituted challenging the merger by the Antitrust Division, FTC or other applicable governmental authority, Marvel must take all actions necessary to resolve these objections or actions in order to permit the merger to close as soon as reasonably practicable, including divesting assets or businesses (including its affiliates) in any manner. The obligations of Marvel to divest assets or businesses are conditioned upon the occurrence of the closing of the merger. Furthermore, Marvel may not take any actions in connection with divestitures of its assets or businesses without the prior written consent of Disney, other than divestitures related to assets or businesses of Marvel or its subsidiaries that are, individually or in the aggregate, immaterial to Marvel. In no event will Disney or its affiliates be required to divest assets or a business of Disney or its subsidiaries.

While Disney and Marvel expect to obtain any remaining required regulatory clearances, consents and approvals, Disney and Marvel cannot be certain that the approvals will be obtained, nor can they be certain that the approvals will be obtained within the time contemplated by the merger agreement. A delay in obtaining any remaining required clearances, consents and approvals might delay and may possibly prevent the completion of the merger.

The Antitrust Division, the FTC and others may challenge the merger on antitrust grounds after expiration of the waiting period under the HSR Act. Accordingly, at any time before or after the completion of the merger, the Antitrust Division, the FTC or others could take action under the antitrust laws as it deems necessary or desirable in the public interest, including without limitation seeking to enjoin the completion of the merger or to permit completion only subject to regulatory concessions or conditions. There can be no assurance that a challenge to the merger will not be made or that, if a challenge is made, it will not prevail.

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The merger agreement limits Marvel's ability to pursue alternatives to the merger.

The merger agreement contains provisions that make it more difficult for Marvel to sell its business to a party other than Disney. These provisions include the general prohibition on Marvel soliciting any alternative transaction proposal (as defined in the section titled "The Merger Agreement - Marvel Is Prohibited From Soliciting Other Offers; Superior Proposal" beginning on page 81 of this proxy statement/prospectus) or offer for a competing transaction, the requirement that Marvel pay a termination fee of \$140 million if the merger agreement is terminated in specified circumstances and the requirement that Marvel submit the merger agreement to a vote of Marvel stockholders even if the Marvel board of directors changes its recommendation, unless Marvel terminates the merger agreement to pursue a superior proposal and pays to Disney the \$140 million termination fee. See "The Merger Agreement - Termination; Termination Fee; Expenses" beginning on page 88 of this proxy statement/prospectus, and "The Merger Agreement - Obligation of Marvel Board of Directors with Respect to Its Recommendation and Holding of a Stockholder Meeting" beginning on page 83 of this proxy statement/prospectus.

These provisions might discourage a third party that might have an interest in acquiring all or a significant part of Marvel from considering or proposing that acquisition, even if that party were prepared to pay consideration with a higher per share value than the current proposed merger consideration. Furthermore, the termination fee may result in a potential competing acquiror proposing to pay a lower per share price to acquire Marvel than it might otherwise have proposed to pay.

Certain directors and executive officers of Marvel have interests in the merger that may be different from, or in addition to, the interests of Marvel stockholders.

When considering the Marvel board of directors' recommendation that Marvel stockholders vote in favor of the proposal to adopt the merger agreement, Marvel stockholders should be aware that some directors and executive officers of Marvel have interests in the merger that may be different from, or in addition to, the interests of Marvel stockholders. These interests include the employment of certain Marvel executive officers by Disney after the merger, the accelerated vesting of options held by Isaac Perlmutter, Marvel's Chief Executive Officer and Vice Chairman of the Marvel board of directors and the settlement of Mr. Perlmutter's 2009 performance award in cash rather than by the issuance of stock options, the accelerated vesting of restricted stock held by certain executive officers of Marvel, the receipt of merger consideration for the Marvel deferred stock units held by David Maisel, the Chairman of Marvel Studios, the cash payment for all options held by executive officers and non-employee directors of Marvel, the payment at target levels of each executive officer's 2009 annual performance award, the potential payment of severance benefits to Marvel's executive officers and the continued indemnification and insurance coverage of Marvel's directors and executive officers following the merger. As a result of these interests, these directors and officers could be more likely to vote to adopt the merger agreement than if they did not hold these interests, and may have reasons for doing so that are not the same as the interests of other Marvel stockholders. For estimates of the monetary benefits to be received by, and for a full description of the interests of, executive officers and directors of Marvel in the merger, see "The Merger - Interests of Executive Officers and Directors of Marvel in the Merger" beginning on page 59 of this proxy statement/prospectus.

The market price of Disney common stock after the merger may be affected by factors different from those currently affecting the shares of Disney or Marvel.

Upon completion of the merger, holders of Marvel common stock will become holders of Disney common stock. The businesses of Disney differ from those of Marvel in important respects and, accordingly, the results of operations of the combined company and the market price of shares of Disney common stock following the merger may be affected by factors different from those currently affecting the independent results of operations of Disney and Marvel. For a discussion of the businesses of Disney and Marvel and of certain factors to consider in connection with those businesses, see the documents incorporated by reference into this proxy statement/prospectus referred to under "Where You Can Find Additional Information" beginning on page 108 of this proxy statement/prospectus.

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The announcement and pendency of the merger could have an adverse effect on Marvel's stock price, business, financial condition, results of operations or business prospects.

The announcement and pendency of the merger could disrupt Marvel's businesses in the following ways, among others:

Marvel employees may experience uncertainty regarding their future roles with Disney, which might adversely affect Marvel's ability to retain, recruit and motivate key personnel;

the attention of Marvel management may be directed towards the completion of the merger and transaction-related considerations and may be diverted from the day-to-day business operations of Marvel, and matters related to the merger may require commitments of time and resources that could otherwise have been devoted to other opportunities that might have been beneficial to Marvel; and

customers, suppliers, licensees and other third parties with business relationships with Marvel may decide not to renew or seek to terminate, change and/or renegotiate their relationships with Marvel as a result of the merger, whether pursuant to the terms of their existing agreements with Marvel or otherwise.

Any of these matters could adversely affect the stock price or businesses of, or harm the financial condition, results of operations or business prospects of, Marvel.

Failure to complete the merger could negatively impact the stock price and the future business and financial results of Marvel.

If the merger is not completed, the ongoing businesses of Marvel may be adversely affected and, without realizing any of the benefits of having completed the merger, Marvel will be subject to a number of risks, including the following:

Marvel may be required to pay Disney a termination fee of \$140 million if the merger is terminated under certain circumstances (and in certain circumstances, Marvel would be obligated to reimburse Disney up to \$10 million of actual expenses incurred in connection with the merger, which would be credited against any termination fee paid to Disney), as described in the merger agreement and summarized in this proxy statement/prospectus;

Marvel will be required to pay certain costs relating to the merger, whether or not the merger is completed;

under the merger agreement, Marvel is subject to certain restrictions on the conduct of its business prior to completing the merger which may affect its ability to execute certain of its business strategies; and

matters relating to the merger (including integration planning) may require substantial commitments of time and resources by Marvel management, which could otherwise have been devoted to other opportunities that may have been beneficial to Marvel as an independent company.

Several lawsuits have been filed against Marvel, the members of the Marvel board of directors, Disney and certain subsidiaries of Disney challenging the merger, and an adverse judgment in such lawsuits may prevent the merger from becoming effective or from becoming effective within the expected timeframe.

Marvel, the members of the Marvel board of directors, Disney and, in one case, two Disney subsidiaries, Merger Sub and Merger LLC, which are referred to as the Acquisition Subsidiaries in this proxy statement/prospectus, are named as defendants in purported class action lawsuits brought by Marvel stockholders challenging the proposed merger, seeking, among other things, to enjoin the defendants from consummating the merger on the agreed-upon terms. If the plaintiffs are successful in obtaining an injunction prohibiting the parties from completing the merger on the agreed-upon terms, the injunction may prevent the completion of the merger.

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in the expected timeframe (or altogether). See "The Merger Litigation" beginning on page 72 of this proxy statement/prospectus for more information about the class action lawsuits related to the merger that have been filed.

Risk Factors Related to Disney

For an enterprise as large and complex as Disney, a wide range of factors could materially affect future developments and performance. The most significant factors affecting Disney's operations include the following:

Recent changes in U.S., global, or regional economic conditions could have a continuing adverse effect on the profitability of some or all of Disney's businesses.

The recent decline in economic activity in the United States and other regions of the world in which Disney does business has affected demand for some of Disney's products and services, and a continuation of this condition could adversely affect demand for any of Disney's businesses, thus reducing Disney's revenue and earnings. The decline in economic conditions has reduced and could continue to reduce spending at Disney's parks and resorts, purchase of or prices for advertising on Disney's broadcast or cable networks or owned stations, performance of Disney's home entertainment releases, and purchases of Disney-branded consumer products. A continuing decline in economic conditions could also reduce attendance at Disney's parks and resorts or prices that cable service providers pay for Disney's cable programming. Economic conditions have also and could continue to impair the ability of those with whom Disney does business to satisfy their obligations to Disney. In addition, an increase in price levels generally, or in price levels in a particular sector such as the energy sector, could result in a shift in consumer demand away from the entertainment and consumer products Disney offers, which could also adversely affect its revenues and, at the same time, increase its costs. Changes in exchange rates for foreign currencies may reduce international demand for Disney's products, increase its labor or supply costs in non-United States markets, or reduce the United States dollar value of revenue Disney receives from other markets.

Changes in public and consumer tastes and preferences for entertainment and consumer products could reduce demand for Disney's entertainment offerings and products and adversely affect the profitability of any of Disney's businesses.

Each of Disney's businesses creates entertainment or consumer products whose success depends substantially on consumer tastes and preferences that change in often unpredictable ways. The success of Disney's businesses depends on Disney's ability to consistently create and distribute filmed entertainment, broadcast and cable programming, online material, electronic games, theme park attractions, hotels and other resort facilities and consumer products that meet the changing preferences of the broad consumer market. Many of Disney's businesses increasingly depend on worldwide acceptance of its offerings and products outside the United States, and their success therefore depends on Disney's ability to successfully predict and adapt to changing consumer tastes and preferences outside as well as inside the United States. Moreover, Disney must often invest substantial amounts in film production, broadcast and cable programming, electronic games, theme park attractions, or hotels and other resort facilities before Disney learns the extent to which these products will earn consumer acceptance. If Disney's entertainment offerings and products do not achieve sufficient consumer acceptance, its revenue from advertising sales (which are based in part on ratings for the programs in which advertisements air) or subscription fees for broadcast and cable programming and online services, from theatrical film receipts or home video or electronic game sales, from theme park admissions, hotel room charges and merchandise, food and beverage sales, from sales of licensed consumer products or from sales of Disney's other consumer products and services may decline and adversely affect the profitability of one or more of Disney's businesses.

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Changes in technology and in consumer consumption patterns may affect demand for Disney's entertainment products or the cost of producing or distributing products.

The media, entertainment and internet businesses in which Disney participates depend significantly on Disney's ability to acquire, develop, adopt and exploit new technologies to distinguish Disney's products and services from those of its competitors. In addition, new technologies affect the demand for Disney's products, the time and manner in which consumers acquire and view some of Disney's entertainment products and the options available to advertisers for reaching their desired markets. For example:

the success of Disney's offerings in the home entertainment market depends in part on consumer preferences with respect to home entertainment formats, including DVD players and personal video recorders, as well as the availability of alternative home entertainment offerings and technologies, including web-based delivery of entertainment offerings; and

technological developments offer consumers an expanding array of entertainment options and if consumers favor options Disney has not yet fully developed rather than the entertainment products Disney offers, Disney's sales may be adversely affected.

The success of Disney's businesses is highly dependent on the existence and maintenance of intellectual property rights in the entertainment products and services Disney creates.

The value to Disney of its intellectual property rights is dependent on the scope and duration of Disney's rights as defined by applicable laws in the United States and abroad and the manner in which those laws are construed. If those laws are drafted or interpreted in ways that limit the extent or duration of Disney's rights, or if existing laws are changed, Disney's ability to generate revenue from its intellectual property may decrease, or the cost of obtaining and maintaining rights may increase.

The unauthorized use of Disney's intellectual property rights may increase the cost of protecting these rights or reduce Disney's revenues. New technologies such as the convergence of computing, communication, and entertainment devices, the falling prices of devices incorporating such technologies, and increased broadband internet speed and penetration have made the unauthorized digital copying and distribution of Disney's films, television productions and other creative works easier and faster and enforcement of intellectual property rights more challenging. There is evidence that unauthorized use of intellectual property rights in the entertainment industry generally is a significant and rapidly growing phenomenon. Inadequate laws or weak enforcement mechanisms to protect intellectual property in one country can adversely affect the results of Disney's operations worldwide, despite Disney's efforts to protect its intellectual property rights. These developments require Disney to devote substantial resources to protecting its intellectual property against unlicensed use and present the risk of increased losses of revenue as a result of unlicensed digital distribution of Disney's content and sales of unauthorized DVDs, Blu-ray discs and other products.

With respect to intellectual property developed by Disney and rights acquired by Disney from others, Disney is subject to the risk of challenges to its rights in intellectual property by third parties. Successful challenges to Disney's rights in intellectual property may result in increased costs for obtaining rights or the loss of the opportunity to earn revenue from the intellectual property that is the subject of challenged rights.

A variety of uncontrollable events may reduce demand for Disney's products and services, impair Disney's ability to provide its products and services or increase the cost of providing its products and services.

Demand for Disney's products and services, particularly its theme parks and resorts, is highly dependent on the general environment for travel and tourism. The environment for travel and tourism, as well as demand for other entertainment products, can be significantly adversely affected in the United States, globally or in specific regions as a result of a variety of factors beyond Disney's control, including: adverse weather conditions or natural disasters (such as excessive heat or rain, hurricanes and earthquakes); health concerns; international, political or military developments; and terrorist attacks. These events and others, such as fluctuations in travel and energy costs and computer virus attacks or other widespread computing or telecommunications failures, may

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also damage Disney's ability to provide its products and services or to obtain insurance coverage with respect to these events. In addition, Disney derives royalties from the sales of Disney's licensed goods and services by third parties and the management of businesses operated under brands licensed from Disney, and it is therefore dependent on the successes of those third parties for that portion of Disney's revenue. A wide variety of factors could influence the success of those third parties and if negative factors significantly impacted a sufficient number of Disney's licensees they could adversely affect the profitability of one or more of Disney's businesses. Disney obtains insurance against the risk of losses relating to some but not all of these events, and when insurance is obtained it is subject to deductibles, exclusions and caps. The types and levels of coverage it obtains vary from time to time depending on Disney's view of the likelihood of specific types and levels of loss in relation to the cost of obtaining coverage for such types and levels of loss.

Changes in Disney's business strategy or restructuring of Disney's businesses may increase Disney's costs or otherwise affect the profitability of its businesses.

As changes in Disney's business environment occur, Disney may need to adjust its business strategies to meet these changes or it may otherwise find it necessary to restructure its operations or particular businesses or assets. In addition, external events including acceptance of Disney's theatrical offerings and changes in macro-economic conditions may impair the value of its assets. When these changes or events occur, Disney may incur costs to change its business strategy and may need to write down the value of assets. Disney may also need to invest in new businesses that have short-term returns that are negative or low and whose ultimate business prospects are uncertain. In any of these events, Disney's costs may increase, Disney may have significant charges associated with the write-down of assets or returns on new investments may be lower than prior to the change in strategy or restructuring.

Turmoil in the financial markets could increase Disney's cost of borrowing and impede access to or increase the cost of financing its operations and investments.

U.S. and global credit and equity markets experienced significant disruption beginning in late 2008, making it difficult for many businesses to obtain financing on acceptable terms. In addition, equity markets experienced rapid and wide fluctuations in value. These conditions tended to increase the cost of borrowing and, if they recur, Disney's cost of borrowing could increase and it may be more difficult to obtain financing for its operations or investments. In addition, Disney's borrowing costs can be affected by short and long-term debt ratings assigned by independent rating agencies which are based, in significant part, on Disney's performance as measured by credit metrics such as interest coverage and leverage ratios. A decrease in these ratings would likely increase Disney's cost of borrowing and/or make it more difficult for it to obtain financing. The disruption in the global financial markets has also impacted some of the financial institutions with which Disney does business. A sustained decline in the financial stability of financial institutions could affect Disney's ability to secure credit-worthy counterparties for its interest rate and foreign currency hedging programs and could affect its ability to settle existing contracts.

Increased competitive pressures may reduce Disney's revenues or increase Disney's costs.

Disney faces substantial competition in each of its businesses from alternative providers of the products and services it offers and from other forms of entertainment, lodging, tourism and recreational activities. Disney also must compete to obtain human resources, programming and other resources it requires in operating its business. For example:

Disney's broadcast and cable networks, stations and online offerings compete for viewers with other broadcast, cable and satellite services as well as with home video products and internet usage.

Disney's broadcast and cable networks and stations compete for the sale of advertising time with other broadcast, cable and satellite services and the internet, as well as with newspapers, magazines, and billboards.

Disney's cable networks compete for carriage of their programming with other programming providers.

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Disney's broadcast and cable networks compete for the acquisition of creative talent and sports and other programming with other broadcast and cable networks.

Disney's theme parks and resorts compete for guests with all other forms of entertainment, lodging, tourism and recreation activities.

Disney's studio operations compete for customers with all other forms of entertainment.

Disney's studio operations, broadcast and cable networks and publishing businesses compete to obtain creative and performing talent, story properties, advertiser support, broadcast rights and market share.

Disney's consumer products segment competes in the character merchandising and other licensing, publishing, and retail activities with other licensors, publishers and retailers of character, brand and celebrity names.

Disney's interactive media video game operations compete primarily with other publishers of video game software and other types of home entertainment.

Competition in each of these areas may divert consumers from Disney's creative or other products, or to other products or other forms of entertainment, which could reduce Disney's revenue or increase its marketing costs. Competition for the acquisition of resources could increase the cost of producing Disney's products and services.

Sustained increases in costs of pension and postretirement medical and other employee health and welfare benefits may reduce Disney's profitability.

With more than 150,000 employees, Disney's profitability is substantially affected by costs of pension benefits and current and postretirement medical benefits. Disney may experience significant increases in these costs as a result of macro-economic factors, which are beyond Disney's control, including increases in the cost of health care. In addition, changes in investment returns and discount rates used to calculate pension expense and related assets and liabilities can be volatile and may have an unfavorable impact on Disney's costs in some years. These macro-economic factors as well as the decline in the fair value of pension plan assets may put upward pressure on the cost of providing pension and medical benefits and may increase future funding contributions. Although Disney has actively sought to control increases in these costs, there can be no assurance that it will succeed in limiting cost increases, and continued upward pressure could reduce the profitability of Disney's businesses.

Disney's results may be adversely affected if long-term programming or carriage contracts are not renewed on sufficiently favorable terms.

Disney enters into long-term contracts for both the acquisition and the distribution of media programming and products, including contracts for the acquisition of programming rights for sporting events and other programs, and contracts for the distribution of Disney's programming to cable service providers. As these contracts expire, Disney must renew or renegotiate the contracts, and if it is unable to renew them on acceptable terms, it may lose programming rights or distribution rights. Even if these contracts are renewed, the cost of obtaining programming rights may increase (or increase at faster rates than Disney's historical experience) or the revenue from distribution of programs may be reduced (or increase at slower rates than Disney's historical experience). With respect to the acquisition of programming rights, particularly sports programming rights, the impact of these long-term contracts on Disney's results over the term of the contracts depends on a number of factors, including the strength of advertising markets, effectiveness of marketing efforts and the size of viewer audiences. There can be no assurance that revenues from programming based on these rights will exceed the cost of the rights plus the other costs of producing and distributing the programming.

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Changes in regulations applicable to Disney's businesses may impair the profitability of its businesses.

Disney's broadcast networks and television stations are highly regulated, and each of its other businesses is subject to a variety of United States and overseas regulations. These regulations include:

United States FCC regulation of Disney's television and radio networks, Disney's national programming networks, and Disney's owned television stations;

Environmental protection regulations;

Federal, state and foreign privacy and data protection laws and regulations;

Regulation of the safety of consumer products and theme park operations;

Imposition by foreign countries of trade restrictions or motion picture or television content requirements or quotas; and

Domestic and international tax laws or currency controls.

Changes in any of these regulatory areas may require Disney to spend additional amounts to comply with the regulations, or may restrict Disney's ability to offer products and services that are profitable.

Labor disputes may disrupt Disney's operations and adversely affect the profitability of any of Disney's businesses.

A significant number of employees in various of Disney's businesses are covered by collective bargaining agreements, including employees of its theme parks and resorts as well as writers, directors, actors, production personnel and others employed in its media networks and studio operations. In addition, the employees of licensees who manufacture and retailers who sell Disney's consumer products may be covered by labor agreements with their employers. In general, a labor dispute involving Disney's employees or the employees of Disney's licensees or retailers who sell Disney's consumer products may disrupt Disney's operations and reduce Disney's revenues, and resolution of disputes may increase Disney's costs.

Provisions in Disney's corporate documents and Delaware state law could delay or prevent a change of control, even if that change would be beneficial to stockholders.

Disney's restated certificate of incorporation contains a provision regulating the ability of stockholders to bring matters for action before annual and special meetings and authorizes the Disney board of directors to issue and set the terms of preferred stock. The regulations on stockholder action could make it more difficult for any person seeking to acquire control of Disney to obtain stockholder approval of actions that would support this effort. The issuance of preferred stock could effectively dilute the interests of any person seeking control or otherwise make it more difficult to obtain control. In addition, provisions of Disney's restated certificate of incorporation require supermajority shareholder approval of some acquisition transactions, and Disney is subject to the anti-takeover provisions of the DGCL, which could have the effect of delaying or preventing a change of control in some circumstances.

The seasonality of certain of Disney's businesses could exacerbate negative impacts on Disney's operations.

Each of Disney's businesses is normally subject to seasonal variations, as follows:

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Revenues in Disney's Media Networks segment are subject to seasonal advertising patterns and changes in viewership levels. In general, advertising revenues are somewhat higher during the fall and somewhat lower during the summer months. Affiliate revenues are typically collected ratably throughout the year. Certain affiliate revenues at ESPN are deferred until annual programming commitments are met, and these commitments are typically satisfied during the second half of Disney's fiscal year, which generally results in higher revenue recognition during this period;

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Revenues in Disney's Parks and Resorts segment fluctuate with changes in theme park attendance and resort occupancy resulting from the seasonal nature of vacation travel and local entertainment excursions. Peak attendance and resort occupancy generally occur during the summer months when school vacations occur and during early-winter and spring-holiday periods;

Revenues in Disney's Studio Entertainment segment fluctuate due to the timing and performance of releases in the theatrical, home entertainment, and television markets. Release dates are determined by several factors, including competition and the timing of vacation and holiday periods;

Revenues in Disney's Consumer Products segment are influenced by seasonal consumer purchasing behavior and by the timing and performance of theatrical releases and cable programming broadcasts; and

Revenues in Disney's Interactive Media segment fluctuate due to the timing and performance of video game releases which are determined by several factors, including theatrical releases and cable programming broadcasts, competition and the timing of holiday periods.

Accordingly, if a short term negative impact on Disney's business occurs during a time of high seasonal demand (such as hurricane damage to its parks during the summer travel season), the effect could have a disproportionate effect on the results of that business for the year.

Risk Factors Related to Marvel

Exposure to economic downturn.

Recent turmoil in the financial markets has adversely affected economic activity in the United States and other regions of the world in which Marvel does business. There is evidence that this is affecting demand for some of Marvel's products and Marvel's licensees' products, and a continued decline in economic activity could adversely affect demand for any of Marvel's businesses, thus reducing Marvel's revenue. A sustained decline in economic conditions could negatively impact the performance of Marvel's theatrical and home entertainment releases, the royalties Marvel receives on sales of licensed consumer products and the sales of Marvel's trade paperbacks, comic books and advertising. These conditions could also impair the ability of those with whom Marvel does business to satisfy their obligations to Marvel, which could also harm Marvel's business.

Exposure to tightening of credit markets.

U.S. and global credit markets have recently undergone significant disruption, making it difficult for many businesses to obtain financing on acceptable terms. If these conditions continue or worsen, Marvel's costs of borrowing may increase, Marvel's existing corporate and/or film facility lenders might violate their commitments to lend, and Marvel might be unable to obtain other financing. Marvel's licensees and publishing retailers may also have increased cost of borrowings and more difficulties in obtaining financing for their operations. Marvel's \$100 million corporate line of credit is scheduled to expire on March 31, 2011. While Marvel expects to be able to extend this line of credit, and has used it only on occasion, Marvel's inability to extend or replace this line of credit could harm Marvel's business.

Dependence on a single distributor to the direct market.

Sales of Marvel's publications to the direct market represent most of its Publishing segment's net sales. Marvel distributes its publications to the direct market solely through Diamond Comic Distributors, Inc. Diamond handles the vast majority of all comic book publishers' direct market distribution. If Diamond were to fail to perform under Marvel's distribution agreement or if it were to experience financial difficulties, Marvel's distribution to the direct market could be severely disrupted and Marvel might be unable to find an adequate replacement distributor.

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Financial difficulties of licensees.

Marvel has licensed to other parties the exclusive right to manufacture and sell various character families in important merchandise categories such as footwear, costumes and interactive games. Marvel's revenues could be adversely affected if those licensees or any of Marvel's other significant non-exclusive licensees, many of whom have significant future payment obligations to Marvel, experience financial difficulties or bankruptcy.

A decrease in the level of media exposure or popularity of Marvel's characters.

If movies or television programs based on Marvel characters are not successful, or if certain Marvel characters lose some of their popularity, Marvel's ability to interest potential licensees in the use of Marvel characters in general could be substantially diminished, as could the royalties Marvel receives from licensees.

Changing consumer preferences.

Marvel's products (and those of Marvel's licensees) are subject to changing consumer preferences. In particular, products based on feature films are, in general, successfully marketed for only a limited period of time following the film's release. Existing product lines might not retain their current popularity or new products developed by Marvel or Marvel's licensees might not meet with the same success as current products. Marvel and its licensees might not accurately anticipate future trends or be able to successfully develop, produce and market products to take advantage of market opportunities presented by those trends. Part of Marvel's strategy (and the strategy of many of Marvel's licensees) is to make products based on the anticipated success of feature film releases and TV broadcasts. If these releases and broadcasts are not successful, these products may not be sold profitably or even at all. In addition, demand for Marvel-branded merchandise could decrease in the event of safety problems in products produced and sold by Marvel's licensees.

Movie- and television-production delays and cancellations.

Marvel does not control the decision to proceed with the production of films and television programs based on characters that Marvel licenses to studios, and Marvel does not control the timing of the releases of those films and programs. Delays or cancellations of proposed films and television programs could have an adverse effect on Marvel's business. Dates Marvel expresses for the anticipated release of films and launch dates for television programs are anticipated dates only and those events could be delayed or, in some instances, even canceled.

Concentration of toy licensing in one licensee.

Most of Marvel's toy licensing revenue is generated under a license with Hasbro, Inc. Disruption to Marvel's relationship with Hasbro or financial difficulties of Hasbro could adversely affect Marvel's licensing revenues. In addition, the retail toy business is highly concentrated, and an adverse change in the relationship between Hasbro and one or more of its major customers could have a material adverse effect on Marvel. The bankruptcy or other lack of success of one or more significant toy retailers could materially decrease Marvel's earnings under the Hasbro license. The current economic turmoil increases the likelihood of those retailers' suffering financial difficulties.

Uncertainties in the film production business.

Marvel has only recently entered into the film-production business, with the release in 2008 of Marvel's first two self-produced films. Marvel has to make significant up-front investments in film development costs and will not be able to borrow those amounts from its film finance facility if for some reason the film in development does not meet the lenders' conditions for funding. If the lenders' conditions are met, repayment of their loan will depend on the film's financial success and, with respect to all of Marvel's future self-produced films, Marvel will be responsible for funding 33% of the budget itself. Should proceeds from the films be insufficient to repay the

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loan, Marvel could lose the film rights to some important Marvel characters. In addition, Marvel's consolidated statements of net income (also known as Marvel's income statement or profit and loss statement) will reflect any losses suffered by the film facility even if Marvel does not have to fund those losses, and as a result, the volatility of Marvel's consolidated financial results could increase. Among the factors that might cause the developments described above, or other material adverse developments concerning Marvel's film-production operations, are the following:

Marvel might be unable to attract and retain creative talent. The success of Marvel's film-production activities depends to a degree on Marvel's ability to hire, retain and motivate top creative talent. Making movies is an activity that requires the services of individuals, such as actors, directors and producers, who have unusual creative talents. Individuals with those talents may be more difficult to identify, hire and retain than are individuals with general business management skills. Marvel has to hire and retain creative talent to assist Marvel in making Marvel's movies. If Marvel experiences difficulty in hiring, retaining or motivating creative talent, the production of Marvel's films could be delayed or the success of Marvel's films could be adversely affected.

Marvel will be exposed to changes in fortune on the part of key talent. Marvel may find itself partially dependent on key talent (actors, writers, directors) in Marvel's most successful movie franchises. A key actor's incapacitation or damaged reputation, for instance, could impair Marvel's ability to profit from that actor's performance in future films.

Marvel's films might be less successful economically than Marvel anticipates. Marvel cannot predict the economic success of any of its films because the revenue derived from the distribution of a film depends primarily upon its acceptance by the public, which cannot be accurately predicted. The economic success of a film also depends upon the public's acceptance of competing films, critical reviews, the availability of alternative forms of entertainment and leisure time activities, piracy and unauthorized recording, transmission and distribution of films, general economic conditions, weather conditions and other tangible and intangible factors, none of which can be predicted with certainty. Marvel expects to release a limited number of films per year as part of the film facility. The commercial failure of just one of those films could have a material adverse effect on Marvel's results of operations in both the year of release and in the future.

Marvel's films might be more expensive to make than Marvel anticipates. Marvel expects that the film facility will provide the capital required to produce Marvel's films. Expenses associated with producing the films could increase beyond the facility's limit, however, because of a range of things such as an escalation in compensation rates of talent and crews working on the films or in the number of personnel required to work on films, or because of creative problems or difficulties with technology, special effects and equipment. In addition, unexpected circumstances sometimes cause film productions to exceed budget.

Marvel's film productions might be disrupted or delayed. Marvel's movies productions are subject to long and inflexible schedules. Disruptions or delays to those schedules, by a union strike or by any other event, could cause Marvel to incur additional costs, miss an anticipated release date or go for long periods without releasing a movie, and could hurt Marvel's associated licensing and toy programs.

Marvel might be disadvantaged by changes or disruptions in the way films are distributed. The manner in which consumers access film content has undergone rapid and dramatic changes. Some ancillary means of distribution, such as the DVD market, have gained importance, while others have faded. Marvel cannot assure that new distribution channels will be as profitable for the film industry as are today's channels or that Marvel will successfully exploit any new channels. Marvel can also not assure that current distribution channels, such as the DVD market, will maintain their profitability. In addition, films and related products are distributed internationally and are subject to risks inherent in international trade, including war and acts of terrorism, instability of foreign governments or economies, fluctuating foreign exchange rates and changes in laws and policies affecting the trade of movies and related products.

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Marvel might lose potential sales because of piracy of films and related products. With technological advances, the piracy of films and related products has increased. Unauthorized and pirated copies of Marvel's films will reduce the revenue generated by those films and related products.

Marvel is primarily dependent on a single distributor for each film. If Marvel's studio distributor (Paramount or, in the case of The Incredible Hulk and its sequels, Universal) were to fail to perform under its distribution agreement or if it were to experience financial difficulties, Marvel's ability to distribute its films and to receive proceeds from its films could be impaired.

Marvel will depend on its studio distributors for revenue and certain expense information related to the accounting for film-production activities. Because of Paramount's and Universal's role as distributor and paymaster of the film facility films, Marvel will depend on them to have internal controls over financial reporting related to the films they distribute and to provide Marvel with timely and accurate financial and other information related to Marvel's films. Paramount's and Universal's internal controls might not remain sufficient to allow Marvel to meet its internal control obligations. Marvel may be unable to effectively create compensating controls to detect and prevent errors or irregularities in Paramount's and Universal's accounting to Marvel and others.

Marvel might fail to meet the conditions set by the lenders for the funding of films. An initial funding of films by the film facility will be made only if the lenders' conditions are met. Those conditions include Marvel obtaining a completion bond and production insurance. To obtain a completion bond Marvel will need to have in place the main operational pieces to producing a film, including approved schedules for production, cash flow and delivery, an approved budget, an approved screenplay and the key members of the production crew, including the director and producer. Marvel might not be able to satisfy those conditions and obtain a completion bond. In addition, there are very few companies that provide completion bonds in the amounts that Marvel will require, and if the company with which Marvel has so far made arrangements were to exit the business, Marvel might be unable to obtain a completion bond under any circumstances. If the lenders' conditions are not met, the film in question will not be funded and Marvel will be forced to absorb the up-front film development costs, which could be material, by using its own funds.

Marvel might fail to meet the tests imposed by the lenders for the funding of films beyond the first four. In order for more than four films to be funded by the film facility, Marvel will have to pass an interim asset test. If the interim asset test is not passed, the film facility may be cut short and, because fewer films will be available to repay the lenders, Marvel's risk of losing film rights to some of Marvel's characters will increase.

Cash flows from Marvel's films might be insufficient to pay Marvel's interest costs under the film facility. Future interest on film facility borrowings must be paid from the films' net collections, rather than from any of Marvel's other sources of cash. If cash flow from the films were to dip, even temporarily, below the point required to pay interest under the facility, and below the interest and liquidity reserves that are required to be maintained (\$31.4 million at December 31, 2008), then Marvel would be in default and could be barred by the film facility lenders from making any future borrowings under the facility.

The film facility's lenders might default. If one or more of the banks in Marvel's film facility's lending consortium were to default in making a required funding and if Marvel were unable to arrange for a replacement bank, the amount available to Marvel under the film facility would drop by the amount of the defaulting bank's unused commitment and Marvel's film productions could be disrupted as a result.

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CAUTIONARY STATEMENT CONCERNING FORWARD-LOOKING STATEMENTS

This proxy statement/prospectus and the other documents incorporated by reference into this proxy statement/prospectus contain or may contain forward looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements can be identified by the fact that they do not relate strictly to historical or current facts. Disney and Marvel have based these forward-looking statements on Disney's or Marvel's current expectations about future events. Further, statements that include the words such as may, will, project, might, expect, believe, anticipate, intend, could, would, estimate, continue or pursue, or the negative of these words or other words or expressions of similar nature may identify forward-looking statements. These forward-looking statements are found at various places throughout this proxy statement/prospectus and the other documents incorporated by reference. These forward-looking statements, including, without limitation, those relating to future actions, new projects, strategies, future performance and the outcome of contingencies such as future financial results, in each case relating to Disney or Marvel, respectively, wherever they occur in this proxy statement/prospectus or the other documents incorporated by reference herein, are necessarily estimates reflecting the best judgment of the respective managements of Disney and Marvel and involve a number of risks and uncertainties that could cause actual results to differ materially from those suggested by the forward-looking statements. These forward-looking statements should, therefore, be considered in light of various important factors, including those set forth in this proxy statement/prospectus and incorporated by reference into this proxy statement/prospectus. In addition to the risk factors identified elsewhere, important factors that could cause actual results to differ materially from estimates or projections contained in the forward-looking statements include, without limitation:

legal or regulatory proceedings or other matters that affect the timing or ability to complete the transactions as contemplated;

the possibility that the expected synergies from the proposed merger will not be realized, or will not be realized within the anticipated time period or that the businesses will not be integrated successfully;

the possibility of disruption from the merger making it more difficult to maintain business and operational relationships;

the possibility that the merger does not close, including but not limited to, due to the failure to satisfy the closing conditions;

any actions taken by either of the companies, including but not limited to, restructuring or strategic initiatives (including capital investments or asset acquisitions or dispositions); and

developments beyond the companies' control, including but not limited to: changes in domestic or global economic conditions, competitive conditions and consumer preferences; adverse weather conditions or natural disasters; health concerns; international, political or military developments; and technological developments.

You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this proxy statement/prospectus or, in the case of documents incorporated by reference, as of the date of those documents. Neither Disney nor Marvel undertakes any obligation to publicly update or release any revisions to these forward-looking statements to reflect events or circumstances after the date of this proxy statement/prospectus or to reflect the occurrence of unanticipated events, except as required by law.

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THE SPECIAL MEETING OF MARVEL STOCKHOLDERS

Date, Time and Place

The special meeting of Marvel stockholders will be held on [], 2009 at [], local time, at the offices of Paul, Hastings, Janofsky & Walker LLP, 75 East 55th Street, New York, New York.

Matters to be Considered at the Special Meeting

At the special meeting, Marvel stockholders will be asked to:

consider and vote on a proposal to adopt the merger agreement; and

approve the adjournment of the special meeting, if necessary to solicit additional proxies if there are insufficient votes to adopt the merger agreement at the time of the special meeting.

Marvel Board of Directors Recommendation

The Marvel board of directors has carefully reviewed and considered the terms and conditions of the merger agreement. Based on its review, the Marvel board of directors has unanimously determined that the merger agreement and the transactions contemplated thereby, including the merger, are advisable, fair to and in the best interests of Marvel and its stockholders and recommends that you vote **FOR** the adoption of the merger agreement and **FOR** the adjournment of the special meeting, if necessary to solicit additional proxies if there are insufficient votes to adopt the merger agreement at the time of the special meeting.

Record Date, Outstanding Shares and Voting Rights

Only holders of record of Marvel common stock at the close of business on [], 2009, the record date, are entitled to notice of and to vote at the special meeting. These stockholders are entitled to cast one vote for each share of Marvel common stock held as of the record date on each matter properly submitted for the vote of stockholders at the special meeting. As of the record date, there were [] shares of Marvel common stock outstanding and entitled to vote at the special meeting.

Vote Required to Approve Each Proposal

Merger Proposal. The proposal to adopt the merger agreement must be approved by the affirmative vote of the holders of a majority of the outstanding shares of Marvel common stock entitled to vote at the special meeting.

Adjournment Proposal. The proposal to adjourn the special meeting must be approved by the affirmative vote of the holders of a majority of the shares of Marvel common stock present in person or represented by proxy at the special meeting and entitled to vote at the special meeting.

Quorum; Abstentions; Broker Non-Votes

A quorum of stockholders is necessary to hold a valid special meeting. The presence in person or by proxy at the special meeting of holders of shares representing a majority of Marvel's outstanding common stock constitutes a quorum. Abstentions will be counted as present in determining whether a quorum exists. Accordingly, the presence at the Marvel special meeting, either in person or by proxy, of holders of at least [] shares of Marvel common stock will be required to establish a quorum. If a quorum is not present, the Marvel special meeting may be adjourned to a later date, such date not to exceed ten business days from the date of the adjournment.

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Because the required vote of Marvel stockholders to adopt the merger agreement is based upon the number of outstanding shares of Marvel common stock entitled to vote rather than upon the shares actually voted, the failure by the holders of any such shares to submit a proxy or vote in person at the special meeting, including abstentions, will have the same effect as a vote against the adoption of the merger agreement. For the proposal to adjourn the special meeting, if your shares of Marvel common stock are present and entitled to vote, but you abstain, it will have the same effect as a vote against such proposal. The failure by the holder of any shares of Marvel common stock to submit a proxy or vote in person at the special meeting will have no effect on the outcome of the proposal to adjourn the special meeting.

A NYSE member broker who holds shares in street name for a customer has the authority to vote on certain items if the broker does not receive instructions from the customer. Neither the proposal to adopt the merger agreement nor the proposal to adjourn the special meeting is considered a routine matter and, accordingly, brokers will not have discretionary voting authority to vote your shares at the Marvel special meeting. Because the proposal to adopt the merger agreement must be approved by a majority of the outstanding shares of Marvel common stock, the beneficial owner's failure to provide voting instructions will have the same effect as votes against the proposal to adopt the merger agreement. Proxies that are not voted on the proposal to adjourn because the beneficial owner failed to provide instructions will not be deemed to be present and entitled to vote on that proposal and thus will not affect the outcome of the vote on that proposal. Broker non-votes will, however, be counted for purposes of determining whether a quorum exists at the special meeting.

Voting Agreement with Isaac Perlmutter and Certain of His Affiliates; Beneficial Ownership of Marvel's Directors and Executive Officers

Concurrently with the execution and delivery of the merger agreement, on August 31, 2009, Disney entered into a voting agreement with Isaac Perlmutter, the Chief Executive Officer of Marvel, certain of his affiliates and Marvel. Pursuant to the terms of the voting agreement, these stockholders agreed to, among other things, vote their respective shares of Marvel common stock in favor of the adoption of the merger agreement and approval of the merger and against the approval of any alternative transaction. Additionally, these stockholders have agreed, among other things, not to sell or transfer their respective shares of Marvel common stock, subject to certain exceptions, or to solicit any alternative transaction. The voting agreement will terminate upon the earliest to occur of the effective time of the merger and the termination of the merger agreement in accordance with its terms. For more information regarding the voting agreement, see "The Voting Agreement" beginning on page 92 of this proxy statement/prospectus. The voting agreement is also attached to this proxy statement/prospectus as Annex B.

Approximately 28,887,785 shares, or 36.[]% of Marvel common stock outstanding on the record date, are subject to the voting agreement. Accordingly, in addition to Mr. Perlmutter and his affiliates, the holders of approximately 13.[]% of Marvel's outstanding shares need to vote in favor of the proposal to adopt the merger agreement for it to be approved. As of the record date, the directors and executive officers of Marvel, other than Mr. Perlmutter, beneficially owned and were entitled to vote [] shares of Marvel common stock, representing approximately []% of Marvel common stock outstanding on that date.

Voting of Proxies

Submitting a proxy by telephone or using the internet.

A stockholder may submit a proxy for his or her shares by calling the toll-free number indicated on the enclosed proxy card and following the recorded instructions or by accessing the website indicated on the enclosed proxy card and following the instructions provided. When a stockholder submits a proxy by telephone or through the internet, his or her proxy is recorded immediately. Marvel encourages its stockholders to submit their proxies using these methods whenever possible.

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Submitting a proxy card.

All shares entitled to vote and represented by properly executed proxies received prior to the special meeting, and not revoked, will be voted at the special meeting in accordance with the instructions indicated on those proxies. If no instructions are indicated on a properly executed proxy, the shares represented by that proxy will be voted as recommended by the Marvel board of directors.

Voting by attending the special meeting.

A stockholder may also vote his or her shares in person at the special meeting. If a stockholder attends the special meeting, he or she may vote in person, and any previous proxies that were submitted by the stockholder, whether by telephone, internet or mail, will be superseded by the vote that such stockholder casts at the special meeting. If a stockholder whose shares are held in street name wishes to vote at the special meeting, the stockholder must bring a proxy from the record holder of the shares authorizing the stockholder to vote at the special meeting.

Revocability of Proxies

If a stockholder submitted a proxy by telephone, through the internet or by returning a proxy card, such stockholder may change his or her vote before the special meeting.

A stockholder who submitted a proxy by telephone or through the internet may later change his or her vote by thereafter submitting a timely and valid telephone or internet proxy, as the case may be, or by following the instructions in the next paragraph.

A stockholder of record may revoke any proxy given pursuant to this solicitation at any time before it is voted by (i) delivering to Marvel's Secretary, at or before the taking of the vote at the special meeting, a written notice of revocation or a duly executed proxy, in either case dated later than the previously submitted proxy relating to the same shares, or (ii) attending the special meeting and voting in person (although mere attendance at the special meeting will not of itself revoke a proxy). Any written notice of revocation or subsequent proxy must be received by Marvel's Secretary prior to the taking of the vote at the special meeting. Such written notice of revocation or subsequent proxy should be hand-delivered to Marvel's Secretary or sent to Marvel's Secretary, Marvel Entertainment, Inc., 417 Fifth Avenue, New York, New York 10016. If a stockholder's shares are held in street name, such stockholder must contact his or her banker, bank or other nominee to change his or her vote.

Solicitation of Proxies; Expenses

Marvel will bear the cost of soliciting proxies. Marvel requests that brokerage houses and other custodians, nominees and fiduciaries forward solicitation materials to the beneficial owners of shares of Marvel's common stock held of record by those intermediaries. Marvel will reimburse those brokers and other fiduciaries for their reasonable out-of-pocket expenses incurred when the solicitation materials are forwarded. Marvel has also made arrangements with MacKenzie Partners, Inc. to assist it in soliciting proxies. Marvel estimates it will pay MacKenzie Partners, Inc. a fee of approximately \$7,500. Marvel has also agreed to reimburse MacKenzie Partners, Inc. for reasonable out-of-pocket expenses and disbursements incurred in connection with the proxy solicitation and to indemnify MacKenzie Partners, Inc. against certain losses, claims, damages, liabilities and expenses. Proxies may also be solicited by certain of Marvel's directors, officers, and regular employees, without additional compensation, personally or by telephone, telegram, letter, electronic mail or facsimile.

Stockholders should not send stock certificates with their proxies

A letter of transmittal with instructions for the surrender of Marvel common stock certificates will be mailed to Marvel stockholders shortly after completion of the merger.

Assistance

If you need assistance in completing your proxy card or have questions regarding the special meeting, please contact Marvel's proxy solicitor, MacKenzie Partners, Inc., at (800) 322-2885 (toll free) or (212) 929-5500 (call collect).

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THE MERGER

The following is a description of the material aspects of the merger, including the merger agreement. While Disney and Marvel believe that the following description covers the material terms of the merger, the description may not contain all of the information that is important to you. Disney and Marvel encourage you to read carefully this entire proxy statement/prospectus, including the merger agreement attached to this proxy statement/prospectus as Annex A, for a more complete understanding of the merger.

Effects of the Merger; Merger Consideration

Treasury Shares

At the effective time of the merger, each share of Marvel common stock held (i) as treasury shares by Marvel, will remain issued, and no payment shall be made with respect to such shares, and (ii) by a subsidiary of Marvel will be converted into the right to receive that number of shares of Disney common stock equal to the quotient of (A) the sum of the amount of cash paid per share of Marvel common stock plus the product of the exchange ratio (subject to adjustment, as applicable) multiplied by the closing date price divided by (B) the closing date price. The closing date price is the lesser of (a) the closing price, (b) the average of the high and low sales prices and (c) the weighted average trading price, in each case, for one share of Disney common stock on the closing date of the merger as reported on the NYSE.

Common Stock

Except as described above, at the effective time of the merger, by virtue of the merger and without any action on the part of the holders of any shares of Marvel common stock, each share of Marvel common stock issued and outstanding immediately prior to the effective time of the merger (other than dissenting shares and treasury shares and subject to adjustment for certain changes in Disney common stock or Marvel common stock such as reclassifications or stock splits) will be converted into the right to receive (i) \$30.00 in cash and (ii) 0.7452 shares of Disney common stock. However, if the aggregate value of all shares of Disney common stock that would be issued pursuant to the merger (other than shares issued to a subsidiary of Marvel or a subsidiary of Disney) which is referred to as the total stock consideration in this proxy statement/prospectus, valued at the closing date price, is less than 40% of the sum of the total stock consideration plus the total amount of cash paid to Marvel stockholders (including cash paid in lieu of fractional shares and deemed paid in respect of dissenting shares), which sum is referred to as the total merger consideration in this proxy statement/prospectus, then the exchange ratio will be increased, and the amount of cash paid per share of Marvel common stock will be correspondingly decreased, until the total stock consideration equals 40% of the total merger consideration. This adjustment will be made in an effort to achieve the anticipated qualification of the transaction as a reorganization within the meaning of Section 368(a) of the Internal Revenue Code. The adjustment will be made as follows: for each 0.0001 increase to the exchange ratio that is made, the amount of cash paid per share of Marvel common stock will be reduced by the product of 0.0001 multiplied by the average of \$26.84 and the closing date price. If such an adjustment is made when the closing date price is lower than \$26.84, the increase in the value of the per share stock consideration, based on the closing date price, will not fully offset the decrease in the per share cash consideration to be paid to Marvel stockholders. This is because the amount of additional shares of Disney common stock to be received by Marvel stockholders under the adjustment mechanism will be determined based on the closing date price of Disney common stock, whereas the corresponding reduction in the cash consideration will be made based on the average of \$26.84 (the closing price of Disney common stock on the last trading day before the merger agreement was executed) and the closing date price of Disney common stock.

For purposes of the adjustment described above, the cash deemed paid in respect of dissenting shares will be that amount of cash equal to the number of dissenting shares multiplied by the sum of (i) the amount of cash paid per share of Marvel common stock plus (ii) the product of the exchange ratio multiplied by the closing date price (with the amounts described in (i) and (ii) determined without regard to the adjustment described in the previous paragraph).

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The table below illustrates, based on a range of hypothetical closing date prices of Disney common stock, the adjustments to the exchange ratio and cash paid per share of Marvel common stock with respect to Marvel stockholders that receive Disney common stock and cash in the transaction, as well as the resulting value of the merger consideration to be received per share of Marvel common stock by such stockholders. **This table has been included for illustrative purposes only and assumes that there are no cash payments made for fractional shares (as described below) or deemed made in respect of dissenting shares (as described in The Merger Agreement Dissenting Shares beginning on page 77 of this proxy statement/prospectus). Cash paid with respect to such fractional shares or deemed paid in respect of dissenting shares will increase the cash paid to Marvel stockholders and therefore require further adjustments to the exchange ratio and cash paid per share of Marvel common stock with respect to Marvel stockholders that receive Disney common stock and cash in the transaction. As the actual closing date price of Disney common stock may be outside of the range of the amounts set forth below and the actual amount of the cash payments to be made for fractional shares and deemed made in respect of dissenting shares cannot be determined as of the date of this proxy statement/prospectus, the actual exchange ratio and cash paid per share of Marvel common stock and the actual value of the merger consideration received per share of Marvel common stock may vary from the amounts described below. Beginning at 9:00 a.m. on [], 2009, MacKenzie Partners, Inc., Marvel's proxy solicitor, will make current exchange ratio and merger consideration information available at the following toll-free number: (888) 407-8968.**

Disney Closing	Adjusted	Cash Paid	Value of Disney Common Stock	Value of Merger Consideration
Date Price	Exchange Ratio	Per Marvel Share	Per Marvel Share	Paid Per Marvel Share
\$35.00	0.7452	\$30.00	\$26.08	\$56.08
\$34.50	0.7452	\$30.00	\$25.71	\$55.71
\$34.00	0.7452	\$30.00	\$25.34	\$55.34
\$33.50	0.7452	\$30.00	\$24.96	\$54.96
\$33.00	0.7452	\$30.00	\$24.59	\$54.59
\$32.50	0.7452	\$30.00	\$24.22	\$54.22
\$32.00	0.7452	\$30.00	\$23.85	\$53.85
\$31.50	0.7452	\$30.00	\$23.47	\$53.47
\$31.00	0.7452	\$30.00	\$23.10	\$53.10
\$30.50	0.7452	\$30.00	\$22.73	\$52.73
\$30.00	0.7452	\$30.00	\$22.36	\$52.36
\$29.50	0.7452	\$30.00	\$21.98	\$51.98
\$29.00	0.7452	\$30.00	\$21.61	\$51.61
\$28.50	0.7452	\$30.00	\$21.24	\$51.24
\$28.00	0.7452	\$30.00	\$20.87	\$50.87
\$27.50	0.7452	\$30.00	\$20.49	\$50.49
\$27.00	0.7452	\$30.00	\$20.12	\$50.12
\$26.84	0.7452	\$30.00	\$20.00	\$50.00
\$26.00	0.7595	\$29.62	\$19.75	\$49.37
\$25.50	0.7684	\$29.39	\$19.59	\$48.99
\$25.00	0.7776	\$29.16	\$19.44	\$48.60
\$24.50	0.7871	\$28.93	\$19.28	\$48.21
\$24.00	0.7969	\$28.69	\$19.12	\$47.81
\$23.50	0.8070	\$28.45	\$18.96	\$47.41
\$23.00	0.8174	\$28.20	\$18.80	\$47.00

Disney intends to fund the cash portion of the merger consideration and other expenses of the transaction from cash resources, including cash on hand and the issuance of commercial paper supported by Disney's current credit facilities. Disney and Marvel expect to incur approximately \$35 million in aggregate fees and expenses in consummating the merger, including financial advisory fees and expenses, legal fees and expenses, accountants' fees and expenses, SEC registration fees, and printing and mailing expenses.

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Fractional Shares

Disney will not issue fractional shares of Disney common stock in the merger. As a result, Marvel stockholders will receive cash for any fractional share of Disney common stock that they would otherwise be entitled to receive in the merger. For a full description of the treatment of fractional shares, see *The Merger Agreement Fractional Shares* beginning on page 76 of this proxy statement/prospectus.

Background of the Merger

Marvel has historically pursued a strategy of increasing the exposure of its characters through movies and television shows to create revenue opportunities through increased sales of toys and other licensed merchandise and self-production of feature films based on Marvel characters. Marvel has continuously pursued other opportunities for character brand enhancement with various entertainment enterprises, including Disney, which holds the right to distribute the majority of Marvel's pre-2000 animation library and the X-Men Evolution (2000-2003) animated television series which is aired in the United States on the Disney XD cable network.

Disney's senior management has regularly evaluated and periodically reviewed with the Disney board of directors business development strategies, including strategic acquisitions that could potentially enhance Disney's business priorities of creating high quality family-oriented entertainment, embracing leading-edge technologies and expanding its global presence. As part of this review, Disney identified Marvel, in light of its global brand and intellectual property portfolio, as a possible candidate for a strategic transaction that would build on the preexisting business relationship between the two companies.

On February 18, 2009, David Maisel, Chairman of Marvel Studios, met with Robert A. Iger, President and Chief Executive Officer of Disney as they had periodically in the past to discuss ways in which the relationship between the two companies could be expanded. During that meeting, Mr. Iger expressed an interest in hearing from Mr. Maisel about Marvel's business, and Mr. Maisel addressed key publicly disclosed developments in Marvel's business and his views regarding business projects and possible joint ventures that Marvel might need to consider in the future. At that same meeting, Mr. Iger addressed a wide range of strategic opportunities that the companies might possibly explore, including some form of business combination, and expressed an interest in meeting with Isaac Perlmutter, Vice Chairman and Chief Executive Officer of Marvel, at some point. Given the general nature of the discussion, Mr. Maisel did not take any action as a result of his meeting with Mr. Iger or mention Mr. Iger's comments to Mr. Perlmutter, or to anyone else at Marvel, nor did Mr. Maisel or Mr. Iger follow-up with one another concerning Mr. Iger's interest in meeting Mr. Perlmutter.

On May 26, 2009, Mr. Maisel telephoned Mr. Iger and scheduled a meeting with him for June 2, 2009. At their meeting on June 2, 2009, Mr. Iger and Mr. Maisel discussed a range of potential strategic opportunities that their companies could pursue with each other, including an animated television programming joint venture. Mr. Iger expressed his interest in exploring any of these opportunities, including some form of business combination. Mr. Maisel indicated that he was not authorized to discuss a business combination on behalf of Marvel, but advised that he would pass on the interest expressed by Mr. Iger to Mr. Perlmutter. Mr. Iger asked Mr. Maisel to arrange a meeting with Mr. Perlmutter on June 9, 2009 when Mr. Iger planned to be in New York on other business. Mr. Maisel advised Mr. Iger that he first wanted to alert Mr. Perlmutter to Mr. Iger's interest in meeting with him and to brief Mr. Perlmutter on Disney's potential interest in a business combination before any meeting between Mr. Iger and Mr. Perlmutter was arranged. That same day, Mr. Maisel informed Mr. Perlmutter of Mr. Iger's interest in pursuing the array of strategic opportunities discussed during the meeting. On or about that same day, Mr. Perlmutter informed Morton E. Handel, chairman of the Marvel board of directors, of the meeting and the opportunities Disney was open to pursuing with Marvel. Mr. Handel agreed that Marvel's management should explore further Disney's interest in these opportunities.

On or about June 8, 2009, Mr. Perlmutter contacted Jeffrey Kaplan, a managing director of BofA Merrill Lynch, with whom Marvel had a longstanding business relationship, to request that BofA Merrill Lynch provide an overview of Disney's business given Disney's potential interest in pursuing the identified opportunities,

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including a potential business combination between the companies. At Marvel's request, BofA Merrill Lynch agreed to serve as its financial advisor to evaluate the possible combination and assist with Marvel's discussions with Disney.

On June 11, 2009, Mr. Perlmutter, John Turitzin, Executive Vice President and General Counsel of Marvel, and Mr. Maisel met with Mr. Kaplan and Benjamin Braun, a managing director of BofA Merrill Lynch. Mr. Kaplan reviewed BofA Merrill Lynch's initial analysis of Disney's business and described the complementary businesses and strategic benefits of a combination with Disney that would combine Marvel's global brand and library with Disney's global entertainment organization and infrastructure. Mr. Kaplan also reviewed the potential for alternative transactions between Marvel and other entertainment companies, and reviewed considerations, including competitive, philosophical and/or financial reasons, as to why Disney may have been best positioned to deliver the highest value in any business combination as compared to other potential suitors. Mr. Kaplan also reviewed considerations as to why those other potential suitors were less likely to be interested or able to compete on value. After discussion, a consensus developed that the value offered by Disney would have to be significant and that such value would have to begin with the number 5 in order to offer a sufficient premium to the Marvel stock price at the time. The meeting participants also discussed the operational risks and challenges that Marvel would have to overcome as an independent company to achieve a share price of \$50 or higher. After further discussion, a consensus formed that it would be preferable to seek merger consideration paid entirely or substantially in Disney stock due to the deferred tax treatment generally afforded stock consideration in a merger and the belief that Disney's stock had significant upside potential. On or about June 12, 2009, at the direction of Mr. Perlmutter, Mr. Kaplan had a discussion with Mr. Handel covering topics similar to those discussed on June 11 with Messrs. Perlmutter, Turitzin and Maisel. Following these meetings, Messrs. Perlmutter and Handel determined it was advisable to pursue further discussions with Disney on the terms described above.

On June 12, 2009, Mr. Maisel called Mr. Iger and advised him that Mr. Perlmutter was willing to entertain discussions regarding a possible business combination.

On June 16, 2009, Mr. Maisel attended a series of meetings at Disney's Burbank, California offices with Mr. Iger and then with Thomas Staggs, Disney's Senior Executive Vice President and Chief Financial Officer, and Kevin Mayer, Disney's Executive Vice President for Corporate Strategy, Business Development and Technology, during which Mr. Maisel reported that Mr. Perlmutter was open to the opportunity to discuss a strategic business combination with Disney and then discussed, among other things, Marvel's character brands, potential synergies to be obtained from a business combination and Marvel's future business initiatives and expected financial gains when implemented. During this meeting, Mr. Maisel emphasized that, among other things, Disney would need to propose paying consideration for Marvel with a per share value starting with the number 5 to be paid entirely or substantially in Disney stock. Mr. Staggs advised that Disney was not likely to agree to the per share value level suggested by Marvel and was not willing to offer the merger consideration in the form of all or substantially all in Disney stock.

Subsequently, Mr. Maisel had telephone discussions with Mr. Mayer during which Mr. Maisel explained various publicly disclosed aspects of Marvel's business and previously disclosed developments that Marvel senior management believed would justify Disney paying a premium for Marvel stock.

On June 21, 2009, Mr. Perlmutter updated Mr. Handel regarding the discussions with Disney and his plans for a meeting with Mr. Iger later in the week.

On June 23 and 24, 2009, at the regularly scheduled meeting of the Disney board of directors, in the course of reviewing Disney's overall strategy, Disney's management advised the Disney board of directors of recent discussions with Marvel and discussed the rationale for a possible acquisition of Marvel.

On June 25 and 29, 2009, Mr. Perlmutter and Mr. Iger met to discuss, among other things, the possible benefit of combining Disney's and Marvel's businesses and developing Marvel's brand through Disney's global organization and infrastructure.

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On July 8, 2009, members of Disney's management participated in a meeting with Mr. Maisel in Disney's Burbank, California offices, with representatives of BofA Merrill Lynch participating by telephone. Mr. Maisel discussed publicly available information and advised Disney's management that Marvel needed some indication of the value and the mix of consideration payable for Marvel stock before Marvel's management could present Disney's interest in pursuing a business combination for consideration by the Marvel board of directors. Mr. Maisel expressed that Marvel's management expected Disney common stock to be a significant part of the consideration to be received by Marvel stockholders.

On July 10, 2009, Mr. Staggs contacted Mr. Kaplan to propose a value range of \$46 to \$48 per share of Marvel common stock to be paid in a to-be-determined mix of Disney common stock and cash. Based on prior discussions with Marvel's management, Mr. Kaplan indicated to Mr. Staggs that he believed the Marvel board of directors would find the proposed per share pricing range to be insufficient, but that Marvel was willing to continue further discussions with Disney and to provide Disney with further information in an effort to convince it to increase the value of Disney's preliminary proposal, subject to the execution of a non-disclosure agreement.

On July 14, 2009, Mr. Perlmutter and Mr. Handel informed fellow Marvel director, James F. Halpin, of Disney's interest in pursuing a potential business combination, the status of the discussions and their views of the benefits to be derived from the business combination.

On July 16, 2009, Disney and Marvel entered into a mutual non-disclosure agreement governing, among other things, the provision of nonpublic information for each party's use in evaluating the proposed transaction. Thereafter and continuing until the execution of the merger agreement on August 31, 2009, the management teams of Disney and Marvel, together with their financial and legal advisors, performed due diligence on each other through a series of meetings, telephonic discussions and review of nonpublic information.

On July 28 and 29, 2009, the Marvel board of directors held a regularly scheduled meeting to, among other things, review Marvel's second quarter financial results. On July 28, at the conclusion of the formal board meeting agenda, all members of Marvel management (other than Mr. Perlmutter) left the meeting and the Marvel board of directors proceeded into an executive session. BofA Merrill Lynch's preliminary overview of Disney's business and operating segments was provided by Mr. Handel to the directors at the board meeting. Mr. Handel and Mr. Perlmutter informed the Marvel board of directors of Disney's interest in pursuing a potential business combination with Marvel and of the status of discussions and due diligence to date. They informed the Marvel board of directors that Disney had indicated that it was considering a proposal reflecting a value range of \$46 to \$48 per share of Marvel common stock and that Marvel's senior management had informed Disney that management believed that Disney would need to increase its proposed valuation range in order for the Marvel board of directors to support a transaction with Disney. The directors expressed that they were encouraged by the range of values proposed by Disney, but they agreed that the valuation range indicated by Disney was not sufficient to obtain the Marvel board of directors' approval and supported management's efforts to obtain merger consideration with a per share value starting with the number 5. After thorough discussion of the potential transaction, the complementary nature of the respective companies' businesses and the value that a combination would create for Marvel stockholders, a consensus developed that management should continue to pursue discussions with Disney related to a possible business combination between the two companies. In connection therewith, the Marvel board of directors discussed (and subsequently approved, by unanimous written consent) the formation of a special transaction committee comprised of independent directors Mr. Handel (chairman), Mr. Halpin and Sid Ganis to (i) monitor and oversee management's review, analysis and negotiation of a potential transaction with Disney or any other transaction proposed by a person interested in purchasing Marvel, (ii) conduct its own review and analysis of any potential transaction as deemed appropriate by the committee and (iii) make a recommendation, if deemed appropriate by the committee, to the Marvel board of directors with respect to the Disney proposal or any other proposal to acquire Marvel. The Board appointed these directors to the special transaction committee given their collective extensive knowledge of Marvel's business, prior experience with public company acquisitions and significant experience in the entertainment industry. Mr. Handel was appointed as chairman of the special transaction committee because of the leadership role he has

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played on the board of directors, his regular involvement with significant company initiatives and his involvement as a director of other public companies that have gone through a sale process.

On August 3, 2009, at a special meeting of the Disney board of directors, Disney's management updated the Disney board of directors on discussions with Marvel. Disney's management discussed with the Disney board of directors the rationale for the transaction, information regarding Marvel learned during diligence investigations completed through the date of the meeting, and management's analysis of the value of Marvel on a stand-alone basis and combined with Disney's business. Following this discussion, the Disney board of directors concurred with management's proposal to continue discussions with Marvel regarding the proposed transaction with a view to management presenting a recommendation to the Disney board of directors within the next several weeks.

Subsequently on August 3, 2009, Mr. Staggs contacted Mr. Kaplan to indicate that Disney had increased its offer to \$50, payable in a combination of cash and Disney common stock, provided that the portion of Disney common stock did not meaningfully exceed 40% of the consideration. Price discussions between Mr. Kaplan and Mr. Staggs continued on August 4, 2009. Mr. Kaplan attempted to obtain a price in the range of \$51 to \$52 per share of Marvel common stock, but Mr. Staggs informed Mr. Kaplan that Disney was not willing to increase its price above \$50. Mr. Kaplan acknowledged that an agreement at that price might be possible, provided that other material terms of the transaction could be resolved.

On August 11, 2009, Disney, through its legal counsel Dewey & LeBoeuf LLP, which is referred to as Dewey & LeBoeuf in this proxy statement/prospectus, delivered initial drafts of the merger agreement and voting agreement to Marvel and its legal counsel, Paul, Hastings, Janofsky & Walker LLP, which is referred to as Paul Hastings in this proxy statement/prospectus. The merger agreement and the voting agreement presented by Dewey & LeBoeuf contained, among other provisions, deal protection measures that Marvel considered objectionable. The merger agreement presented by Dewey & LeBoeuf required, as a condition to Disney's willingness to enter into a business combination with Marvel, that Marvel agree to, among other things, a force the vote provision (whereby Marvel would be required to submit the Disney transaction to Marvel stockholders even in the presence of a superior bid for Marvel by a third party), a break-up fee in the amount of 4% of the transaction value payable by Marvel to Disney in the event the merger agreement were terminated under certain circumstances and a prohibition on the ability of the Marvel board of directors to change its recommendation to Marvel stockholders that they vote in favor of the Disney transaction unless a third party made a superior proposal to Marvel. In addition, Disney's draft would have required as a condition to entering into the merger agreement that Mr. Perlmutter (and his affiliates) agree to vote all of the Marvel shares of common stock beneficially owned by them (representing approximately 37% of the outstanding shares of common stock of Marvel) in favor of the Disney transaction and against all other alternative transactions for a period of 18 months after the termination of the merger agreement.

On or about August 18, 2009, Marvel retained Richards, Layton & Finger, P.A., which is referred to as Richards Layton in this proxy statement/prospectus, as Delaware special counsel, to advise on various matters in connection with the proposed merger, including the appropriateness of the deal protection measures requested by Disney. During the period between August 17 and August 30, 2009, Disney and Marvel and their respective representatives and advisors completed their due diligence reviews and negotiated the substantive terms and conditions of the merger agreement and voting agreement. The parties engaged in significant negotiations over the method for balancing the mix of consideration, the scope and degree of representations and warranties and post-signing operating covenants, the conditions to closing, the deal protection measures and other terms of the merger.

On August 19, 2009, Mr. Staggs and Mr. Kaplan spoke by phone to review the progress of the discussions to date and to discuss the proposed purchase consideration. Mr. Staggs confirmed that Disney was not prepared to offer more than \$50 per share, with a maximum of approximately 40% of the consideration to be paid in Disney common stock. The parties tentatively agreed to that price, subject to resolution of remaining material terms of the definitive agreements and subject to approval by the Disney and Marvel boards of directors.

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On August 23, 2009, Paul Hastings advised the Marvel board of directors concerning the directors' fiduciary duties to the Marvel stockholders in light of the potential transaction with Disney, as well as certain substantive and procedural governance matters.

On August 24, 2009, Mr. Perlmutter and Mr. Handel met with Mr. Iger and Mr. Staggs to discuss business points that remained unresolved in the merger agreement and voting agreement.

On August 27, 2009, a meeting of Marvel's special transaction committee was held with Marvel's financial and legal advisors. Representatives of Paul Hastings and Richards Layton advised the special transaction committee regarding the status of the negotiations, unresolved business and legal points and the proposed timetable for concluding negotiations. In particular, the special transaction committee noted that Disney was insisting that, as a condition to its willingness to sign the merger agreement, Mr. Perlmutter and certain of his affiliates agree to vote their shares of common stock (representing approximately 37% of the outstanding common stock of Marvel) in favor of the Disney transaction and, for a tail period of 18 months after the termination of the merger agreement with Disney, against any other alternative business combination transaction. In addition, the special transaction committee was advised that Disney was insisting on a force the vote provision. The special transaction committee told Marvel's advisors that they would not recommend a transaction to the Marvel board of directors that contained a force the vote provision or an 18 month tail on Mr. Perlmutter's voting agreement as they felt such provisions would unduly restrict the ability of the Marvel board of directors to entertain and enter into any alternative transactions that might be proposed by a third party during the pendency of the Disney transaction. Representatives of BofA Merrill Lynch then provided a presentation to the special transaction committee regarding its preliminary financial analysis of the proposed transaction.

Over the next several days, the legal and financial advisor representatives of Marvel continued negotiations with Mr. Mayer, other members of Disney management and Disney's legal advisors with respect to the merger agreement. During those negotiations, Marvel indicated that it was willing to agree to a break-up fee equal to 2.9% of the transaction value in exchange for concessions by Disney on the other deal protection measures being requested by Disney. Through further negotiations, Disney agreed, among other things, to eliminate the force the vote provision and allow Marvel to terminate the merger agreement to pursue a superior proposal if the Marvel board of directors concluded that failing to do so might reasonably be expected to be a breach of its fiduciary duties, to eliminate the 18 month tail on Mr. Perlmutter's voting agreement (thereby resulting in the voting agreement terminating simultaneously with any termination of the merger agreement), to lower the break-up fee from 4% to 3.5% of the transaction value (with which Marvel ultimately agreed) and to permit the Marvel board of directors to change its recommendation to Marvel stockholders to vote for the Disney transaction for any reason if the Marvel board of directors believed it had a fiduciary duty to do so. Therefore, no further objections were raised by the special transaction committee.

On August 28, 2009, a meeting of the Marvel board of directors was held with its financial and legal advisors. Representatives of BofA Merrill Lynch, Paul Hastings and Richards Layton reviewed the transaction structure, the value and mix of consideration to be paid to Marvel stockholders, the material terms of the proposed transaction, including the deal protection measures, the status of the negotiations and the proposed timetable for concluding negotiations. In particular, Paul Hastings thoroughly reviewed for the Marvel board of directors the deal protection measures contained in the merger agreement and voting agreement, including the no-shop provision, the change of recommendation provision, the size of the break-up fee and the conditions pursuant to which such fee would become payable, as well as the conditions under which the merger agreement could be terminated. Representatives from BofA Merrill Lynch then reviewed with the Marvel board of directors their preliminary financial analysis of the proposed transaction.

Negotiations of the terms and conditions of the merger were substantially concluded on August 29, 2009 and near-final drafts of the merger agreement and voting agreement, along with other supporting documentation, were circulated to the Marvel board of directors. In addition, BofA Merrill Lynch provided materials to the Marvel board of directors regarding its financial analysis of the proposed transaction with Disney.

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On August 30, 2009, a meeting of the Marvel board of directors was held to consider the proposed merger, the merger agreement, the voting agreement and an amendment to Marvel's stockholder rights plan in connection with the Disney transaction. The meeting was attended by members of Marvel's senior management, representatives of Paul Hastings, Richards Layton and BofA Merrill Lynch. At this meeting, Mr. Handel updated the Marvel board of directors on the status of negotiations with Disney. Representatives from Paul Hastings and Richards Layton and Mr. Turitzin reviewed with members of the Marvel board of directors their fiduciary duties with respect to considering and voting upon the proposed transaction and the principal terms of the merger agreement and the voting agreement. Outside counsel advised the Marvel board of directors with respect to the interplay of the deal protection measures contained in the merger agreement and voting agreement with the Marvel board of directors' fiduciary duties in the event of any potential superior proposal received following execution of the merger agreement with Disney. In this regard, the legal advisors also reviewed with the Marvel board of directors the provisions related to the board's ability to consider other proposals and of the conditions pursuant to which the break-up fee would be payable by Marvel to Disney. In response to questions from the Marvel board of directors, representatives from Paul Hastings and Richards Layton discussed with the Marvel board of directors the analysis and steps the directors would have to undertake in order to consider an alternative transaction proposal (as defined in the section titled "The Merger Agreement - Marvel Is Prohibited From Soliciting Other Offers; Superior Proposal" beginning on page 81 of this proxy statement/prospectus) during the pendency of the Disney transaction and the conditions under which Marvel could terminate the Disney merger agreement, including to pursue an alternative transaction proposal. In response to a question from the Marvel board of directors, outside legal counsel advised the Marvel board of directors that, in their respective opinions, the overall package of deal protection measures on which Disney was insisting as a condition to entering into the merger agreement provided the Marvel board of directors with sufficient flexibility to entertain bona fide alternative proposals, were consistent with the Marvel board of directors' fiduciary duties and were not coercive to Marvel stockholders.

In light of its ability to consider any alternative transaction proposal that it deemed to be, or to be reasonably likely to lead to, a superior proposal (as defined in the section titled "The Merger Agreement - Marvel Is Prohibited From Soliciting Other Offers; Superior Proposal" beginning on page 81 of this proxy statement/prospectus) during the pendency of the Disney transaction and its belief that Disney would most likely be willing to pay more for Marvel than other bidders because of the strategic fit between Disney and Marvel, the Marvel board of directors concluded that the terms of the transaction provided Marvel with sufficient opportunity for a market check. In addition, the Marvel board of directors believed that, because of the strategic fit between Disney and Marvel, Marvel would be more valuable as part of Disney than it would be if it remained independent. Finally, the Marvel board of directors determined that, if Marvel remained independent, achieving a stock market price of \$50 per share could not be guaranteed, likely would not be achieved in the short-term and would be subject to operational risks, such as those discussed under "Risk Factors - Risks Factors Related to Marvel" on page 32.

Mr. Turitzin reviewed various interests of Mr. Perlmutter and other officers in the transaction, including operating policies to be implemented following the merger that would provide for Mr. Perlmutter to continue to oversee and manage the licensing and publishing segments of Marvel's business. Mr. Turitzin also discussed with the Marvel board of directors amendments requested by Disney to the employment agreements of Messrs. Perlmutter and Turitzin and Kenneth West, Marvel's Chief Financial Officer. With respect to Messrs. Perlmutter, Turitzin and West, the amendments would provide, if the merger occurs, that for so long as Marvel and Disney complied in all material respects with the operating policies discussed above, good reason to resign would not arise through any diminution of the executives' duties. With respect to Mr. Turitzin and Mr. West, the amendments would also provide, if the merger occurs, that the consummation of any of the transactions contemplated by the merger agreement would not provide either executive with good reason to terminate his employment or otherwise constitute a material breach of either employment agreement. In addition, Mr. Turitzin reviewed for the Marvel board of directors the treatment in the merger of outstanding stock options held by employees of Marvel and, in particular, noted that the vesting of Mr. Perlmutter's options would accelerate in connection with the merger. Mr. Turitzin also advised the Marvel board of directors of alternatives with respect

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to the disposition of executive cash bonus award arrangements and Mr. Perlmutter's performance-based equity bonus award arrangement in light of the merger, including with respect to the timing and amount of such awards. Mr. Turitzin noted that any decision regarding those matters would be made by the compensation committee of the Marvel board of directors. Mr. Perlmutter was present during Mr. Turitzin's presentation on these matters and for the presentation regarding the voting agreement he entered into, but did not express an opinion on these matters. Mr. Perlmutter was not present at the compensation committee meeting that followed, at which these matters were discussed and resolutions determining these matters were adopted. For a discussion of the interests of certain directors and officers in the merger, see the section titled "The Merger - Interests of Executive Officers and Directors of Marvel in the Merger" beginning on page 59 of this proxy statement/prospectus.

Representatives of BofA Merrill Lynch next reviewed with the Marvel board of directors its financial analysis of the proposed merger. BofA Merrill Lynch described for the Marvel board of directors how the total value of the consideration would fluctuate between signing and closing as the Disney stock price fluctuated and how fluctuations in Disney's stock price could impact the consideration received by Marvel stockholders as the consideration mix was adjusted to maintain the stock portion of the consideration at 40%. BofA Merrill Lynch then described the tax-free nature of the stock portion of the consideration to be received by Marvel stockholders. BofA Merrill Lynch continued with its discussion of its financial analysis which covered various analyses it performed in order to assess the fairness of the consideration to be received by Marvel stockholders.

The Marvel board of directors then discussed various strategic merits and risks of the proposed transaction and the uniqueness of the opportunity presented by Disney. After that discussion, BofA Merrill Lynch delivered to the Marvel board of directors the oral opinion of BofA Merrill Lynch, which was subsequently confirmed by delivery of a written opinion dated August 30, 2009, to the effect that, as of that date and based on and subject to various assumptions and limitations described in such opinion, the consideration to be received by holders of Marvel common stock in the merger was fair, from a financial point of view, to those holders. After discussion and consideration of the foregoing, the Marvel board of directors unanimously (including all members of the special transaction committee) determined that the merger agreement and the transactions contemplated thereby, including the merger, on the terms discussed at the meeting, were advisable, fair to, and in the best interests of Marvel and its stockholders, approved the merger agreement, the voting agreement and the amendment to Marvel's stockholder rights plan, resolved to recommend that Marvel stockholders adopt the merger agreement and directed that the merger agreement be submitted to Marvel stockholders for adoption at a meeting of Marvel stockholders.

Also on August 30, 2009, a special meeting of the Disney board of directors was held to consider management's recommendation of the proposed transaction with Marvel. Present at the meeting were members of Disney's senior management and financial and legal advisors who advised on the legal and financial terms of the merger. At this meeting, management presented its recommendation that a transaction be agreed to on the terms presented to the Disney board of directors, along with further information on management's evaluation of Marvel's business on a stand-alone and combined basis. Following discussion, the Disney board of directors approved the transaction and authorized management to enter into the merger agreement and the voting agreement.

On August 31, 2009, following the meetings of the board of directors of each of Disney and Marvel, the merger agreement was executed by Disney and Marvel and Mr. Perlmutter and Marvel entered into the voting agreement with Disney. For a discussion of the merger agreement and the voting agreement, see the sections titled "The Merger Agreement" beginning on page 74 of this proxy statement/prospectus and "The Voting Agreement" beginning on page 92 of this proxy statement/prospectus.

Before the NYSE opened on August 31, 2009, Disney and Marvel issued a joint press release announcing the execution of the merger agreement.

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Recommendation of the Marvel Board of Directors and Its Reasons for the Merger

The Marvel board of directors has determined that the merger agreement and the transactions contemplated thereby, including the merger, are advisable, fair to, and in the best interests of Marvel and its stockholders, has approved the merger agreement, the voting agreement and the amendment to Marvel's stockholder rights plan and has resolved to recommend the adoption of the merger agreement to Marvel stockholders. The Marvel board of directors consulted with senior management, as well as its legal counsel and financial advisors, in reaching its decision to approve the merger agreement. The Marvel board of directors took into account a number of factors in its deliberations concerning the merger including, but not limited to, the following:

As a result of combining Marvel's character brands with Disney's global entertainment organization and infrastructure, Marvel stockholders, who will receive approximately 40% of the merger consideration in Disney stock, will have an opportunity to participate in the future success of the combined business of Marvel and Disney. The Marvel board of directors believes the combination with Disney is likely to produce more value for Marvel stockholders than would be produced as a stand-alone business given challenges in its business and the opportunities to develop Marvel's character brands within a uniquely positioned integrated entertainment company such as Disney. The challenges facing Marvel's business on a stand-alone basis include the following:

The challenges disclosed under Risk Factors Risk Factors related to Marvel on page 32 of this proxy statement/prospectus;

Marvel's need to engage a studio to distribute its films;

Marvel's lack of its own television network on which to air the programs it develops;

Marvel's need to finance its films; and

Marvel's relative lack of size and diversification.

Following the merger, Marvel stockholders who continue to hold shares of Disney common stock will participate as equity owners of Disney, a much larger and integrated entertainment company with more diversified earnings than Marvel.

By combining Marvel with Disney, Marvel stockholders who continue to hold the shares of Disney common stock they will receive in the merger will realize the benefits expected from the synergies derived from integration with Disney's live-action and animated film and other media development and distribution capabilities and expansive consumer product distribution channels.

The terms of the merger and the merger agreement are in the best interests of Marvel stockholders in light of the following considerations:

information regarding historical market prices of Marvel common stock, including recent all time high trading prices, in light of the fact that the per share value of the merger consideration was significantly in excess of those all time high trading prices and the uncertainty of achieving a \$50 stock price as discussed below;

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the conclusion that achieving the \$50 per share price in the future as a stand alone business would necessitate a consistently high level of operating performance, and the recognition that success in achieving such performance is subject to adverse factors such as labor strikes, execution risk, risk that box office success and commercial acceptance of Marvel products will not continue and external industry and general economic conditions;

the judgment that Marvel's strategic fit with Disney's business presents the optimum platform for commercialization of Marvel's character brands in comparison to other entertainment companies;

the conclusion that Marvel's favorable film financing will not be renewed, and the risk that Marvel might have to commit more of its balance sheet in the future to obtain required financing of films;

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the likelihood that Marvel would enter into one or more strategic alliances (*e.g.* theme parks, international joint ventures and television alliances) that would make Marvel less attractive to other potential acquirers;

information regarding recent historical market prices of Disney common stock reflecting potential upside for stockholders;

the prices paid in comparable transactions involving other entertainment and media companies, as well as the trading performance for comparable companies in these industries as described below in the section titled "The Merger" Opinion of Marvel's Financial Advisor "Marvel Financial Analyses" Selected Precedent Transaction Analysis" on page 55 of this proxy statement/prospectus, against which the terms of the merger compared favorably;

the relative financial performance and condition, assets, liabilities, business operations and prospects of each of Marvel and Disney, which indicated that the merger consideration was fair to, and in the best interests of, Marvel and its stockholders;

the belief that the terms of the merger agreement, including the parties' mutual representations and warranties, covenants, and closing conditions, are reasonable and that the prospects for successful consummation of the transaction are high;

the analyses of Marvel's management, financial advisors and legal advisors, including information relating to the due diligence review that was conducted regarding Disney's business; and

the opinion of BofA Merrill Lynch, dated August 30, 2009, to the Marvel board of directors as to the fairness, from a financial point of view, as of the date of the opinion, of the consideration to be received by holders of Marvel common stock, as more fully described below in the section titled "The Merger" Opinion of Marvel's Financial Advisor" beginning on page 51 of this proxy statement/prospectus.

The terms of the merger agreement, including the termination fee, in the view of the Marvel board of directors, would not preclude a proposal for an alternative acquisition transaction involving Marvel.

The fact that the merger agreement allows the Marvel board of directors to terminate the merger agreement if a superior proposal is received from a third party and to change or withdraw its recommendation if the Marvel board of directors determines that the failure to change its recommendation would be inconsistent with its fiduciary duties under applicable law, subject to compliance with certain procedural requirements and payment of a termination fee under certain circumstances.

The Marvel board of directors also considered a number of potentially negative factors in its deliberations concerning the merger, including:

the risk that Marvel's unique creative culture will not be maintained, resulting in a negative impact to Marvel's business following the merger;

the challenges confronted in integrating companies that rely significantly on the creative talent of their creative employees;

the potential loss of key Marvel employees critical to Marvel's creative process and the ongoing success of its business;

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the general risks associated with successfully integrating the businesses of separate companies;

the potential loss of control over the strategic direction and future operations of Marvel following the merger;

the interests of the officers and directors of Marvel in the merger, including the matters described under "The Merger - Interests of Executive Officers and Directors of Marvel in the Merger" beginning on page 59 of this proxy statement/prospectus and the impact of the merger on Marvel stockholders and employees;

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the fact that the voting agreement and certain provisions of the merger agreement may have the effect of discouraging proposals for alternative acquisition transactions involving Marvel, including superior proposals. The merger agreement restrictions include (i) a restriction on Marvel's ability to solicit proposals for alternative transactions; (ii) the requirement that the Marvel board of directors submit the merger agreement to Marvel stockholders for adoption in certain circumstances, even if it withdraws its recommendation for the merger; and (iii) the requirement that Marvel pay a termination fee of \$140 million to Disney in certain circumstances following the termination of the merger agreement;

the risk that conditions to the merger will not be satisfied and may not be completed in a timely manner, if at all;

the substantial fees and expenses associated with completing the merger; and

the other risks described above under "Risk Factors" beginning on page 22 of this proxy statement/prospectus.

This discussion of information and factors considered by the Marvel board of directors is not intended to be exhaustive but is intended to summarize all material factors considered by the Marvel board of directors. In view of the wide variety of factors considered in connection with its evaluation of the merger and the complexity of these matters, the Marvel board of directors did not find it useful, and did not attempt, to quantify, rank or otherwise assign any relative or specific weights to the factors that it considered in reaching its determination to approve the merger and the merger agreement. In addition, individual members of the Marvel board of directors may have given differing weights to different factors. The Marvel board of directors concluded that the potential benefits of the merger outweighed the potential negative factors and that, overall, the proposed merger had greater potential benefits for Marvel stockholders than other strategic alternatives. After taking into account all of the factors set forth above, the Marvel board of directors unanimously agreed that the merger agreement and the transactions contemplated thereby, including the merger, were advisable, fair to and in the best interests of Marvel and its stockholders and that Marvel should enter into the merger agreement.

Opinion of Marvel's Financial Advisor

Marvel has retained BofA Merrill Lynch to act as Marvel's financial advisor in connection with the merger. BofA Merrill Lynch is an internationally recognized investment banking firm which is regularly engaged in the valuation of businesses and securities in connection with mergers and acquisitions, negotiated underwritings, secondary distributions of listed and unlisted securities, private placements and valuations for corporate and other purposes. Marvel selected BofA Merrill Lynch to act as Marvel's financial advisor in connection with the merger on the basis of BofA Merrill Lynch's experience in transactions similar to the merger, its reputation in the investment community and its familiarity with Marvel and its business.

On August 30, 2009, at a meeting of the Marvel board of directors held to evaluate the merger, BofA Merrill Lynch delivered to the Marvel board of directors an oral opinion, which was confirmed by delivery of a written opinion dated August 30, 2009, to the effect that, as of the date of the opinion and based on and subject to various assumptions and limitations described in its opinion, the consideration to be received by holders of Marvel common stock in the merger was fair, from a financial point of view, to such holders.

The full text of BofA Merrill Lynch's written opinion to the Marvel board of directors, which describes, among other things, the assumptions made, procedures followed, factors considered and limitations on the review undertaken, is attached as Annex C to this proxy statement/prospectus and is incorporated by reference herein in its entirety. The following summary of BofA Merrill Lynch's opinion is qualified in its entirety by reference to the full text of the opinion. BofA Merrill Lynch delivered its opinion to the Marvel board of directors for the benefit and use of the Marvel board of directors in connection with and for purposes of its evaluation of the consideration to be received by holders of Marvel common stock in the merger from a financial point of view. BofA Merrill Lynch's opinion does not address any other aspect of the merger and does not constitute a recommendation to any stockholder as to how to vote or act in connection with the proposed merger or any related matter.

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In connection with rendering its opinion, BofA Merrill Lynch:

reviewed certain publicly available business and financial information relating to Marvel and Disney;

reviewed certain internal financial and operating information with respect to the business, operations and prospects of Marvel furnished to or discussed with BofA Merrill Lynch by the management of Marvel, including certain financial forecasts relating to Marvel prepared by the management of Marvel and reflecting varying assumptions as to Marvel's studio box office and theatrical licensing results, referred to herein as the Marvel management forecasts, and discussed with the management of Marvel its assessments as to the relative likelihood of achieving the future financial results reflected in the Marvel management forecasts;

reviewed certain publicly available financial forecasts relating to Marvel, referred to herein as the Marvel public forecasts;

reviewed certain internal financial and operating information with respect to the business, operations and prospects of Disney furnished to or discussed with BofA Merrill Lynch by the management of Disney, including certain financial forecasts relating to Disney prepared by the management of Disney, referred to herein as the Disney management forecasts;

reviewed certain publicly available financial forecasts relating to Disney, referred to herein as the Disney public forecasts;

discussed the past and current business, operations, financial condition and prospects of Marvel with members of senior management of Marvel, and discussed the past and current business, operations, financial condition and prospects of Disney with members of senior managements of Marvel and Disney;

reviewed the trading histories for Marvel common stock and Disney common stock and a comparison of such trading histories with each other and with the trading histories of other companies BofA Merrill Lynch deemed relevant;

compared certain financial and stock market information of Marvel and Disney with similar information of other companies BofA Merrill Lynch deemed relevant;

compared certain financial terms of the merger to financial terms, to the extent publicly available, of other transactions BofA Merrill Lynch deemed relevant;

reviewed the potential pro forma financial impact of the merger on the future financial performance of Disney, including the potential effect on Disney's estimated earnings per share;

reviewed the merger agreement and the voting agreement; and

performed such other analyses and studies and considered such other information and factors as BofA Merrill Lynch deemed appropriate.

In arriving at its opinion, BofA Merrill Lynch assumed and relied upon, without independent verification, the accuracy and completeness of the financial and other information and data publicly available or provided to or otherwise reviewed by or discussed with it and relied upon the

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assurances of the managements of Marvel and Disney that they were not aware of any facts or circumstances that would make such information or data inaccurate or misleading in any material respect. With respect to the Marvel management forecasts, BofA Merrill Lynch was advised by Marvel, and assumed, that they were reasonably prepared on bases reflecting the best currently available estimates and good faith judgments of the management of Marvel as to the future financial performance of Marvel under the alternative scenarios reflected therein. With respect to the Disney management forecasts, BofA Merrill Lynch was advised by Disney, and assumed, with Marvel's consent, that they were reasonably prepared on bases reflecting the best currently available estimates and good faith judgments of the management of Disney as to the future financial performance of Disney. BofA Merrill Lynch did not make or was not provided with any independent evaluation or appraisal of the assets or liabilities (contingent or

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otherwise) of Marvel or Disney, nor did it make any physical inspection of the properties or assets of Marvel or Disney. BofA Merrill Lynch did not evaluate the solvency or fair value of Marvel or Disney under any state, federal or other laws relating to bankruptcy, insolvency or similar matters. BofA Merrill Lynch assumed, at the direction of Marvel, that the merger would be consummated in accordance with its terms, without waiver, modification or amendment of any material term, condition or agreement and that, in the course of obtaining the necessary governmental, regulatory and other approvals, consents, releases and waivers for the merger, no delay, limitation, restriction or condition, including any divestiture requirements or amendments or modifications, would be imposed that would have an adverse effect on Marvel, Disney or the contemplated benefits of the merger. BofA Merrill Lynch also assumed, at the direction of Marvel, that the merger and the upstream merger, considered together as a single integrated transaction for United States federal income tax purposes, will qualify as a reorganization under the provisions of Section 368(a) of the Internal Revenue Code of 1986, as amended.

BofA Merrill Lynch expressed no view or opinion as to any terms or other aspects of the merger (other than the merger consideration to the extent expressly specified in its opinion), including, without limitation, the form or structure of the merger. BofA Merrill Lynch was not requested to, and it did not, solicit indications of interest or proposals from third parties regarding a possible acquisition of all or any part of Marvel or any alternative transaction. BofA Merrill Lynch's opinion was limited to the fairness, from a financial point of view, of the consideration to be paid to the holders of Marvel common stock and no opinion or view was expressed with respect to any consideration received in connection with the merger by the holders of any other class of securities, creditors or other constituencies of any party. In addition, no opinion or view was expressed with respect to the fairness (financial or otherwise) of the amount, nature or any other aspect of any compensation to any of the officers, directors or employees of any party to the merger, or class of such persons, relative to the merger consideration. Furthermore, no opinion or view was expressed as to the relative merits of the merger in comparison to other strategies or transactions that might be available to Marvel or in which Marvel might engage or as to the underlying business decision of Marvel to proceed with or effect the merger. BofA Merrill Lynch did not express any opinion as to what the value of Disney common stock actually would be when issued or the prices at which Marvel common stock or Disney common stock would trade at any time, including following announcement or consummation of the merger. In addition, BofA Merrill Lynch expressed no opinion or recommendation as to how any stockholder should vote or act in connection with the merger or any related matter. Except as described above, Marvel imposed no other limitations on the investigations made or procedures followed by BofA Merrill Lynch in rendering its opinion.

BofA Merrill Lynch's opinion was necessarily based on financial, economic, monetary, market and other conditions and circumstances as in effect on, and the information made available to BofA Merrill Lynch as of, the date of its opinion. It should be understood that subsequent developments may affect its opinion, and BofA Merrill Lynch does not have any obligation to update, revise or reaffirm its opinion. The issuance of BofA Merrill Lynch's opinion was approved by BofA Merrill Lynch's Americas Fairness Opinion (and Valuation Letter) Committee.

The following represents a brief summary of the material financial analyses presented by BofA Merrill Lynch to the Marvel board of directors in connection with its opinion. **The financial analyses summarized below include information presented in tabular format. In order to fully understand the financial analyses performed by BofA Merrill Lynch, the tables must be read together with the text of each summary. The tables alone do not constitute a complete description of the financial analyses performed by BofA Merrill Lynch. Considering the data set forth in the tables below without considering the full narrative description of the financial analyses, including the methodologies and assumptions underlying the analyses, could create a misleading or incomplete view of the financial analyses performed by BofA Merrill Lynch.** For purposes of the Marvel Financial Analyses summarized below, the implied per share merger consideration value refers to the \$50.00 implied per share value of the consideration to be received by holders of Marvel common stock, based on the per share cash portion of the consideration of \$30.00 and the implied per share value of the stock portion of the consideration on August 28, 2009 of \$20.00. In arriving at its opinion, BofA Merrill Lynch did not consider any adjustment to the merger consideration that may occur pursuant to the terms of the merger agreement.

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Marvel Financial Analyses

Selected Publicly Traded Companies Analysis. BofA Merrill Lynch reviewed publicly available financial and stock market information for Marvel and the following six publicly traded companies in the film entertainment and diversified entertainment industries:

Film Entertainment:

DreamWorks Animation SKG, Inc. (DreamWorks)

Diversified Entertainment:

CBS Corporation

News Corporation

Time Warner Inc.

Viacom Inc.

The Walt Disney Company

BofA Merrill Lynch, in the exercise of its professional judgment and based upon its knowledge of the media and entertainment industry, determined that DreamWorks was the only publicly traded pure play studio/licensing company other than Marvel. BofA Merrill Lynch included the other companies in its analysis because BofA Merrill Lynch determined that the diversified entertainment companies were the only public companies with diversified business lines that offered an appropriate reference for Marvel.

BofA Merrill Lynch reviewed, among other things, (i) enterprise values of Marvel and the selected publicly traded companies, calculated as equity values based on closing stock prices on August 28, 2009, plus debt, less cash, as a multiple of calendar year 2010 estimated earnings before interest, taxes, depreciation and amortization, commonly referred to as EBITDA (which, in the case of Marvel was 9.5x, and in the case of the selected publicly traded companies ranged from a low of 5.5x to a high of 9.0x) and (ii) per share equity values, based on closing stock prices on August 28, 2009, of Marvel and the selected publicly traded companies as a multiple of calendar year 2010 estimated earnings per share, commonly referred to as EPS (which, in the case of Marvel was 17.4x, and in the case of the selected publicly traded companies ranged from a low of 10.9x to a high of 14.0x).

BofA Merrill Lynch reviewed per share equity values, based on closing stock prices on August 28, 2009, of DreamWorks and Marvel as a multiple of next twelve month, commonly referred to as NTM, estimated EPS (which, in the case of DreamWorks was 15.7x, and in the case of Marvel was 21.5x). BofA Merrill Lynch then applied a range of multiples of NTM EPS to corresponding data of Marvel from 16.0x to 22.0x in order to calculate an implied per share equity value reference range for Marvel. Estimated financial data of the selected publicly traded companies and Marvel were based on publicly available research analysts' estimates. This analysis indicated the following approximate implied per share equity value reference range for Marvel as compared to the implied per share merger consideration, and BofA Merrill Lynch observed that the implied per share merger consideration value was greater than the implied per share equity value reference range for Marvel:

Implied Per Share Equity

Implied Per Share Merger

Value Reference Range for

Consideration Value

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Marvel NTM EPS

\$28.75 - \$39.50

\$50.00

No company used in this analysis is identical or directly comparable to Marvel. Accordingly, an evaluation of the results of this analysis is not entirely mathematical. Rather, this analysis involves complex considerations and judgments concerning differences in financial and operating characteristics and other factors that could affect the public trading or other values of the companies to which Marvel was compared.

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Selected Precedent Transactions Analysis. BofA Merrill Lynch reviewed, to the extent publicly available, financial information relating to the following five selected transactions involving companies in the film entertainment and diversified entertainment industries:

Announcement Date	Acquiror	Target
January 24, 2006	The Walt Disney Company	Pixar
December 11, 2005	Viacom Inc.	DreamWorks SKG, Inc.
January 10, 2005	News Corporation	Fox Entertainment Group, Inc.
September 13, 2004	Sony Corporation, Comcast Corporation & Private Equity consortium	Metro-Goldwyn-Mayer Inc.
May 12, 2004	General Electric Company	Vivendi Universal

BofA Merrill Lynch included these transactions in its analysis because, in the exercise of its professional judgment and based upon its knowledge of the media and entertainment industry, BofA Merrill Lynch identified these transactions as the most relevant recent transactions in which the targets were, like Marvel, large film-based content production companies.

BofA Merrill Lynch reviewed, among other things, transaction values, calculated as the enterprise value implied for the target company based on the consideration payable in the selected transaction, as a multiple of the target company's EBITDA for the year prior to the transaction (which ranged from 13.2x to 19.1x), the year of the transaction (which ranged from 7.1x to 14.2x) and the year following the transaction (which ranged from 10.5x to 12.3x). BofA Merrill Lynch then applied to Marvel's fiscal year 2010 estimated EBITDA (1) a range of multiples of EBITDA for the year following the transaction derived from the selected transactions of 10.5x to 12.5x and (2) the multiple derived from the Disney/Pixar transaction of EBITDA for the year following the transaction (which was 16.5x) in order to calculate an implied per share equity value reference range for Marvel. Estimated financial data of the selected transactions were based on publicly available information. Estimated financial data of Marvel were based on the Marvel management forecasts. This analysis indicated the following approximate implied per share equity value reference range for Marvel, as compared to the implied per share merger consideration, and BofA Merrill Lynch observed that the implied per share merger consideration value was greater than the implied per share equity value reference range for Marvel based on its 2010 estimated EBITDA and less than the implied per share equity value for Marvel implied by the Disney/Pixar forward EBITDA multiple:

Implied Per Share Equity	Implied Per Share Equity	Implied Per Share Merger
Value Reference Range for	Value for Marvel Implied by Disney/ Pixar Forward EBITDA Multiple	Consideration Value
Marvel 2010 Estimated EBITDA		
\$42.00 - \$49.75	\$65.25	\$50.00

Because the multiple derived from the Disney/Pixar transaction was significantly higher than the multiples derived from the other selected transactions, BofA Merrill Lynch presented the per share equity value reference range for Marvel implied by the Disney/Pixar transaction separately from the range implied by the other selected transactions.

No company, business or transaction used in this analysis is identical or directly comparable to Marvel or the merger. Accordingly, an evaluation of the results of this analysis is not entirely mathematical. Rather, this analysis involves complex considerations and judgments concerning differences in financial and operating characteristics and other factors that could affect the acquisition or other values of the companies, business segments or transactions to which Marvel and the merger were compared.

Discounted Cash Flow Analysis. BofA Merrill Lynch performed a discounted cash flow analysis of Marvel to calculate the estimated present value of the standalone unlevered, after-tax free cash flows that Marvel could generate during Marvel's fiscal years 2010 through 2012 based on the Marvel management forecasts and the

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Marvel public forecasts. BofA Merrill Lynch calculated terminal values for Marvel by applying terminal multiples of 8.5x to 10.5x to Marvel's normalized fiscal year 2012 estimated EBITDA. The cash flows and terminal values were then discounted to present value as of December 31, 2009 using discount rates ranging from 10.0% to 12.0%. This analysis indicated the following approximate implied per share equity value reference ranges for Marvel as compared to the implied per share merger consideration, and BofA Merrill Lynch observed that the implied per share merger consideration value was greater than the implied per share equity value reference ranges for Marvel based on Marvel management cases 1 and 2 and on Marvel public forecasts, and was within the implied per share equity value reference range for Marvel based on Marvel management case 3:

With respect to Marvel management case 1, Marvel management case 2 and Marvel management case 3, BofA Merrill Lynch has been advised by Marvel as follows:

Marvel management case 1, Marvel management case 2 and Marvel management case 3 reflect what Marvel management viewed, at the time the forecasts were prepared, as a conservative case, a mid-case and an upside case, respectively, with respect to Marvel's future financial results. Marvel believes the assumptions used as a basis for these forecasts were reasonable at the time the forecasts were prepared, given the information Marvel had at the time.

In preparing these forecasts, Marvel assumed the following:

Marvel releases one film in 2010 and two films per year in each subsequent year;

feature film-related licensing revenue in amounts based on historical licensing revenue levels achieved on films based on similar Marvel characters; and

non-feature film-related licensing revenue, publishing revenue and corporate overhead remain relatively flat over the forecasted period.

No assurances can be given that these assumptions will accurately reflect future conditions.

As noted above, with respect to the Marvel management forecasts, BofA Merrill Lynch was advised by Marvel, and assumed, that they were reasonably prepared on bases reflecting the best currently available estimates and good faith judgments of the management of Marvel as to the future financial performance of Marvel under the alternative scenarios reflected therein.

Marvel	Implied Per Share Equity Value			Implied Per Share Merger Consideration Value
	Reference Range for Marvel			
Management Case 1	Marvel Management Case 2	Marvel Management Case 3	Marvel Public Forecasts	
\$20.50 - \$26.00	\$27.00 - \$34.50	\$47.25 - \$59.75	\$30.00 - \$38.50	\$50.00

Discounted Analyst Price Targets. BofA Merrill Lynch reviewed 11 recent publicly available research analyst price targets for Marvel and observed that the range of the research analyst 12-month share price targets was \$31.00 to \$50.00, with a median of \$42.00. BofA Merrill Lynch then discounted back one year at Marvel's 11.6% estimated cost of equity, the range of the research analyst 12-month share price targets. This analysis indicated the following approximate reference range (and median) for Marvel, as compared to the implied per share merger consideration:

Per Share Equity Value

Reference Range for Marvel	Median	Implied Per Share Merger Consideration Value
\$27.75 - \$44.75	\$37.75	\$50.00

Disney Financial Analyses

Discounted Cash Flow Analysis. BofA Merrill Lynch performed a discounted cash flow analysis of Disney to calculate the estimated present value of the standalone unlevered, after-tax free cash flows that Disney could generate based on forecasts relating to Disney that were available to BofA Merrill Lynch. BofA Merrill Lynch

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calculated terminal values for Disney by applying terminal multiples of 7.5x to 9.5x to Disney's estimated final year EBITDA. The cash flows and terminal values were then discounted to present value as of December 31, 2009 using discount rates ranging from 9.0% to 10.0%. This analysis indicated the following approximate implied per share equity value reference range for Disney as compared to the closing price of Disney common stock on August 28, 2009:

Implied Per Share Equity Value	Closing Trading Price of Disney Common
Reference Range for Disney	Stock on August 28, 2009
\$28.50 - \$39.00	\$26.84

Sum-of-the-Parts Analysis. BofA Merrill Lynch calculated a range of implied equity values per share of Disney common stock assuming a hypothetical separate valuation of each of Disney's Media Networks, Parks and Resorts, Studio Entertainment, Consumer Products, Interactive Media and Corporate segments. BofA Merrill Lynch applied a range of selected multiples to estimated fiscal year 2010 EBITDA for each division. Estimated financial data were based on publicly available information. This analysis indicated the following approximate implied per share equity value reference range for Disney as compared to the closing price of Disney common stock on August 28, 2009:

Implied Per Share Equity Value	Closing Trading Price of Disney Common
Reference Range for Disney	Stock on August 28, 2009
\$24.50 - \$28.50	\$26.84

Discounted Analyst Price Targets. BofA Merrill Lynch reviewed 17 recent publicly available research analyst price targets for Disney and observed that the range of the research analyst 12-month share price targets was \$22.00 to \$34.00, with a median of \$29.00. BofA Merrill Lynch then discounted back one year at Disney's 11.0% estimated cost of equity, the range of the research analyst 12-month share price targets. This analysis indicated the following approximate reference range (and median) for Disney, as compared to the closing price of Disney common stock on August 28, 2009:

Per Share Equity Value		Closing Trading Price of Disney Common
Reference Range for Disney	Median	Stock on August 28, 2009
\$19.75 - \$30.75	\$26.25	\$26.84

Pro Forma Accretion/Dilution Analysis

BofA Merrill Lynch reviewed the potential pro forma financial effect of the merger on Disney's fiscal years 2010 through 2012 estimated EPS, without taking into account any potential synergies, and both with and without assumptions that Disney would repurchase some of its common stock issued in connection with the merger. Estimated financial data of Disney were based on the Disney public forecasts and estimated financial data of Marvel were based on the Marvel management forecasts and the Marvel public forecasts. Based on the merger consideration, this analysis indicated that the merger could be dilutive to Disney's estimated EPS for fiscal years 2010 through 2012, other than with respect to one case of the Marvel management forecasts, pursuant to which the merger could be accretive to Disney's estimated EPS for fiscal year 2012. The actual results achieved by the combined company may vary from projected results and the variations may be material.

Other Factors

In rendering its opinion, BofA Merrill Lynch also reviewed and considered other factors, including:

historical trading prices of Marvel common stock and Disney common stock during the one-year period ended August 28, 2009; and

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the relationship between movements in Marvel common stock and Disney common stock during the five-year period ended August 28, 2009, including the daily ratio of the closing price of Marvel common stock to the closing price of Disney common stock during such period, and the average of this ratio calculated over various periods ended August 28, 2009.

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Miscellaneous

As noted above, the discussion set forth above is a summary of the material financial analyses presented by BofA Merrill Lynch to the Marvel board of directors in connection with its opinion and is not a comprehensive description of all analyses undertaken by BofA Merrill Lynch in connection with its opinion. The preparation of a financial opinion is a complex analytical process involving various determinations as to the most appropriate and relevant methods of financial analysis and the application of those methods to the particular circumstances and, therefore, a financial opinion is not readily susceptible to partial analysis or summary description. In arriving at its opinion, BofA Merrill Lynch considered the results of all of its analyses as a whole and did not attribute any particular weight to any analysis or factor it considered. BofA Merrill Lynch believes that its analyses summarized above must be considered as a whole. BofA Merrill Lynch further believes that selecting portions of its analyses and the factors considered or focusing on information presented in tabular format, without considering all analyses and factors or the narrative description of the analyses, could create a misleading or incomplete view of the processes underlying BofA Merrill Lynch's analyses and opinion. The fact that any specific analysis has been referred to in the summary above is not meant to indicate that such analysis was given greater weight than any other analysis referred to in the summary.

In performing its analyses, BofA Merrill Lynch considered industry performance, general business and economic conditions and other matters, many of which are beyond the control of Marvel and Disney. The estimates of the future performance of Marvel and Disney in or underlying BofA Merrill Lynch's analyses are not necessarily indicative of actual values or actual future results, which may be significantly more or less favorable than those estimates or those suggested by BofA Merrill Lynch's analyses. These analyses were prepared solely as part of BofA Merrill Lynch's analysis of the fairness, from a financial point of view, of the consideration to be received by holders of Marvel common stock in the merger and were provided to the Marvel board of directors in connection with the delivery of BofA Merrill Lynch's opinion. The analyses do not purport to be appraisals or to reflect the prices at which a company might actually be sold or the prices at which any securities have traded or may trade at any time in the future. Accordingly, the estimates used in, and the ranges of valuations resulting from, any particular analysis described above are inherently subject to substantial uncertainty and should not be taken to be BofA Merrill Lynch's view of the actual values of Marvel or Disney.

The type and amount of consideration payable in the merger was determined through negotiations between Marvel and Disney, rather than by any financial advisor, and was approved by the Marvel board of directors. The decision to enter into the merger agreement was solely that of the Marvel board of directors. As described above, BofA Merrill Lynch's opinion and analyses were only one of many factors considered by the Marvel board of directors in its evaluation of the proposed merger and should not be viewed as determinative of the views of the Marvel board of directors or the management of Marvel with respect to the merger or the consideration to be received by holders of Marvel common stock.

Marvel has agreed to pay BofA Merrill Lynch for its services in connection with the merger an aggregate fee of \$20 million, which is contingent upon the consummation of the merger. Marvel also has agreed to reimburse BofA Merrill Lynch for certain of its expenses incurred in connection with BofA Merrill Lynch's engagement and to indemnify BofA Merrill Lynch, any controlling person of BofA Merrill Lynch and each of their respective directors, officers, employees, agents and affiliates against specified liabilities, including liabilities under the federal securities laws.

BofA Merrill Lynch and its affiliates comprise a full service securities firm and commercial bank engaged in securities, commodities and derivatives trading, foreign exchange and other brokerage activities, and principal investing as well as providing investment, corporate and private banking, asset and investment management, financing and financial advisory services and other commercial services and products to a wide range of companies, governments and individuals. In the ordinary course of their businesses, BofA Merrill Lynch and its affiliates invest on a principal basis or on behalf of customers or manage funds that invest, make or hold long or short positions, finance positions or trade or otherwise effect transactions in the equity, debt or other securities or financial instruments (including derivatives, bank loans or other obligations) of Marvel, Disney and certain of their respective affiliates.

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BofA Merrill Lynch and its affiliates in the past have provided, currently are providing, and in the future may provide investment banking, commercial banking and other financial services to Marvel and Disney and have received or in the future may receive compensation for the rendering of these services.

Disney's Reasons for the Merger

Disney believes that the creation of high-quality branded content is a key driver of success across many of its businesses and that this content is useful across a variety of traditional and new platforms and throughout the world. The acquisition of Marvel supports Disney's strategic priorities of creating high quality content, embracing leading-edge technologies and strengthening its global presence. In approving the transaction, the Disney board of directors considered a variety of factors related to these strategic priorities, including the following material factors:

The addition of Marvel's global brand and library of characters is expected to strengthen and extend Disney's ability to provide high-quality, family-oriented entertainment;

Disney's film distribution network and television and consumer products businesses provide a strong platform for extending the reach of the creative products produced by Marvel, including outside of North America;

Marvel's creative content is well suited to emerging digital entertainment platforms, including new video game technologies and mobile video;

There is an opportunity to develop entertainment and products based on characters, like Iron Man, that were not well-known outside of Marvel's core fan community and to further mine Marvel's intellectual property portfolio;

The acquisition will bring to Disney the creative and business teams at Marvel that have built successful licensing, publishing and film businesses around the Marvel characters; and

The recent financial performance of Marvel's business and prospects for improved performance of its business when combined with Disney, based on other factors identified above.

In view of the wide variety of factors considered in connection with its evaluation of the merger and the complexity of these matters, the Disney board of directors did not find it useful, and did not attempt, to quantify, rank or otherwise assign any relative or specific weights to the factors that it considered in reaching its determination to approve the merger and the merger agreement. In addition, individual members of the Disney board of directors may have given differing weights to different factors. The Disney board of directors conducted an overall analysis of the factors described above, including through discussions with, and inquiry of, Disney's management and outside legal and financial advisors regarding certain of the matters described above.

Interests of Executive Officers and Directors of Marvel in the Merger

In considering the recommendation of the Marvel board of directors with respect to the merger, Marvel stockholders should be aware that certain executive officers and directors of Marvel have interests in the merger that may be different from, or in addition to, the interests of Marvel stockholders generally. The Marvel board of directors was aware of the interests described below and considered them, among other matters, when adopting the merger agreement and recommending that Marvel stockholders vote to adopt the merger agreement. These interests are summarized below.

Employment of Marvel Executive Officers by Disney after the Merger

Isaac Perlmutter, who is currently Chief Executive Officer and Vice-Chairman of the Board of Directors of Marvel, will serve as the President and most senior executive officer with regard to the Marvel Characters licensing and publishing businesses, reporting to Robert A. Iger, Disney's

President and Chief Executive Officer.

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During the first quarter of each of 2006, 2007 and 2008, Marvel's compensation committee granted Mr. Perlmutter an incentive compensation award pursuant to which he would, depending on the extent to which Marvel met certain performance goals expressed in terms of Marvel's operating income for the year of the award, be entitled to receive up to \$4.3 million in restricted shares of Marvel common stock during the first quarter of the following year (each such award was actually settled on March 2 of the following year). However, with respect to the grant made during the first quarter of 2008 that was to be paid out in restricted stock on March 2, 2009 (or, if later, the first business day after the filing of Marvel's annual report on Form 10-K), Marvel's compensation committee determined to replace the grant of restricted stock with a grant of stock options of equal value. Accordingly, on March 2, 2009, Mr. Perlmutter was granted 514,354 options to purchase Marvel common stock. The options had a value of \$4.3 million (using a Black-Scholes valuation consistent with past Marvel practices) and an exercise price of \$25.86 per share (the closing price of Marvel's common stock on the immediately preceding trading day), which was the fair market value of Marvel's common stock on the date of issuance under the terms of Marvel's 2005 Stock Incentive Plan. The stock option agreement relating to these options provides that one third of these options are to vest on each of March 2, 2010, 2011 and 2012, and the options are to expire on March 2, 2013. Marvel's compensation committee determined to switch the means of settling Mr. Perlmutter's award from restricted stock to stock options because the committee believed stock options would provide a more significant performance incentive to Mr. Perlmutter in light of Mr. Perlmutter's equity stake in Marvel of approximately 37%.

Mr. Perlmutter's original employment agreement with Marvel was entered into in November 2001 and was to expire in November 2007. In May 2004, Mr. Perlmutter's employment agreement was amended to extend its term to November 2009. In or about late December 2008 and January 2009, Morton E. Handel, chairman of the Marvel board of directors, and James F. Halpin, chairman of Marvel's compensation committee, began discussing an extension of Mr. Perlmutter's employment agreement. After negotiations between Marvel's compensation committee, through Marvel's general counsel, and Mr. Perlmutter, through his counsel, on March 23, 2009, Mr. Perlmutter entered into a new executive employment agreement with Marvel. The new employment agreement provided for, among other things, the grant to Mr. Perlmutter on March 23, 2009 of stock options to purchase 750,000 shares of Marvel's common stock at a price of \$23.15 per share (the closing price of Marvel's common stock on the immediately preceding trading day), which was the fair market value of Marvel's common stock on the date of issuance under the terms of Marvel's 2005 Stock Incentive Plan. The stock option agreement relating to these options provides that one third of these options are to vest on each of March 23, 2010, 2011 and 2012, and the options are to expire on March 23, 2013.

The terms of the stock option agreements relating to the stock option grants made to Mr. Perlmutter on March 2, 2009 and March 23, 2009 provide that the options become fully vested and exercisable upon a change in control (as defined in the agreements) and his employment agreement provides that the options will become fully vested and exercisable if he is terminated by Marvel without cause (as defined in his employment agreement). Because the merger of Disney and Marvel constitutes a change in control under his agreements, Mr. Perlmutter's options will become fully vested immediately prior to the completion of the merger. No other executive officers or directors hold unvested Marvel options.

All holders of Marvel options will receive, in cancellation of their Marvel options, a cash payment in an amount equal to (i) the product of (A) the number of shares of Marvel common stock subject to the option and (B) the excess, if any, of (1) the value of the merger consideration, based on the closing price of Disney common stock on the closing date of the merger over (2) the exercise price per share subject to the option, less (ii) withholding with respect to any applicable taxes.

The following table sets forth the aggregate number of shares subject to Mr. Perlmutter's unvested Marvel stock options that will become fully vested in connection with the merger, their exercise price and the estimated amount of cash Mr. Perlmutter will receive for them. The table also sets forth the aggregate number of shares subject to executive officers' and directors' vested Marvel stock options and the estimated amount of cash they

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will receive for them. The table assumes (i) that there are no cash payments deemed made in respect of dissenting shares or made for fractional shares and (ii) a per share value of the merger consideration of \$51.78, equal to the sum of \$30.00 cash per share, plus \$21.78, which is the value of 0.7452 of a share of Disney common stock based on the \$29.23 closing price of Disney common stock on the NYSE on October 21, 2009. However, the actual amount of cash payable in cancellation of the options may vary and cannot be determined until the closing date of the merger.

Name	Aggregate Shares Subject to Vested Options	Aggregate Shares Subject to Unvested Option to be Accelerated in the Merger	Exercise Price of Option	Estimated Cash Payment for Options
Isaac Perlmutter		514,354 750,000	\$ 25.86 \$ 23.15	\$ 13,332,056 \$ 21,472,500
Kenneth P. West	55,000		\$ 3.73	\$ 2,642,750
David Maisel	175,000		\$ 17.32	\$ 6,030,500
Sid Ganis	30,000 7,500 34,500		\$ 5.53 \$ 11.63 \$ 19.41	\$ 1,387,500 \$ 301,125 \$ 1,116,765
James F. Halpin	37,500		\$ 19.41	\$ 1,213,875
Morton E. Handel	37,500		\$ 11.63	\$ 1,505,625
Richard L. Solar	30,000 7,500 37,500		\$ 5.53 \$ 11.63 \$ 19.41	\$ 1,387,500 \$ 301,125 \$ 1,213,875

Payout of David Maisel's Deferred Stock Units

David Maisel, Chairman of Marvel Studios, holds deferred stock units (initially restricted but now fully vested) with respect to 35,966 shares of Marvel common stock. Immediately prior to the merger, these units will expire and Mr. Maisel will be entitled to receive the per share merger consideration for each Marvel deferred stock unit held immediately prior the merger, less withholding with respect to applicable taxes.

The following table sets forth the aggregate number of shares of Marvel common stock subject to Mr. Maisel's deferred stock units that will expire in connection with the merger, and the estimated merger consideration he will receive for those units. The table assumes that (i) there are no cash payments deemed made in respect of dissenting shares or made for fractional shares and (ii) Marvel stockholders receive \$30.00 in cash plus 0.7452 shares of Disney common stock for each share of Marvel common stock they own (with no adjustments). The estimated total consideration is based on the \$29.23 closing price of Disney common stock on the NYSE on October 21, 2009. However, the actual amount of merger consideration Mr. Maisel will receive in cancellation of the units may vary and cannot be determined until the closing date of the merger.

Aggregate Number of Deferred Stock	Estimated Number of Shares of Disney Common Stock to be Received in Respect of Expired Deferred Stock Units	Estimated Cash Payment to be Received in Respect of Expired Deferred Stock Units	Estimated Total Resulting Consideration
Units to Expire in the Merger	26,801	\$1,078,980	\$1,862,373

Acceleration of Restricted Stock for Executive Officers and Directors

Each of Marvel's executive officers holds shares of Marvel restricted stock. Pursuant to the terms of their restricted stock award agreements, all of these shares will vest immediately prior to the merger and, as of the merger, entitle the holder to receive the merger consideration per share, less withholding with respect to

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applicable taxes. Pursuant to Mr. Perlmutter's employment agreement, his restricted stock will vest if he is terminated by Marvel without cause (as defined in his employment agreement) in the 90 days preceding the merger.

The following table sets forth, for each executive officer of Marvel, the aggregate number of shares of Marvel restricted stock that will vest in connection with the merger, and the estimated merger consideration each executive officer will receive in exchange for those shares. The table assumes that (i) there are no cash payments deemed made in respect of dissenting shares or made for fractional shares and (ii) Marvel stockholders receive \$30.00 in cash plus 0.7452 shares of Disney common stock for each share of Marvel common stock they own (with no adjustments). The estimated total consideration is based on the \$29.23 closing price of Disney common stock on the NYSE on October 21, 2009. However, the actual amount of merger consideration the executive officers and directors will receive in exchange for the shares may vary and cannot be determined until the closing date of the merger.

Name	Aggregate Number of Shares of Restricted Stock to Vest in the Merger	Estimated Number of Shares of Disney Common Stock to be Received in Exchange for Restricted Stock	Estimated Cash Payment to be Received in Exchange for Restricted Stock	Estimated Total Resulting Consideration
Isaac Perlmutter	206,355	153,775	\$ 6,190,650	\$ 10,685,493
Kenneth P. West	6,955	5,182	\$ 208,650	\$ 360,120
David Maisel	31,927	23,792	\$ 957,810	\$ 1,653,250
John Turitzin	36,633	27,298	\$ 1,098,990	\$ 1,896,911
Simon Philips	12,212	9,100	\$ 366,360	\$ 632,353
Alan Fine	15,754	11,739	\$ 472,620	\$ 815,751

Severance Benefits Payable to Executive Officers

Other than Mr. Philips, each of Marvel's executive officers is party to an employment agreement that provides for enhanced severance benefits upon a termination by Marvel without cause or by the executive officer for good reason in connection with a change in control of Marvel. For Messrs. West, Maisel, Turitzin and Fine, the enhanced severance benefits would be triggered by such a termination within twelve months following the closing date of the merger. For Mr. Perlmutter, the enhanced severance benefits would be triggered by such a termination within twelve months following the closing date of the merger or ninety days prior to the closing date of the merger if by Marvel without cause, or within ninety days following the closing date of the merger if by him for good reason. Mr. Philips's agreement does not contain severance provisions relating to a change in control of Marvel, but Marvel may terminate his employment without cause at any time upon six months notice. In addition, Mr. Philips is entitled to a pro-rata bonus after any termination without cause or for good reason. Other than in the case of Mr. Philips, each executive's severance is conditioned on his signing a release of claims. The employment agreements for Messrs. Perlmutter, Fine, Maisel and Turitzin provide that they will be entitled to full gross-ups for any golden parachute excise taxes. In connection with the merger agreement, the employment agreements of each of Messrs. Perlmutter, Turitzin and West were amended to provide, if the merger occurs, that, for so long as Marvel and Disney comply in all material respects with the Policies for Management of the Marvel Businesses described below in The Merger Agreement Post-Merger Management and Operations beginning on page 85 of this proxy statement/prospectus, a change in his duties shall not give him the ability to resign for good reason and to collect severance benefits. Messrs. Turitzin's and West's amendments also provide that consummation of any of the transactions contemplated by the merger agreement will not provide either Mr. Turitzin or Mr. West with good reason to terminate his employment or otherwise constitute a material breach of Mr. Turitzin's or Mr. West's employment agreement. In addition, Mr. Perlmutter's amendment provides that he will not breach his employment agreement if he resigns on sixty days' advance written notice to Disney and that the non-competition and non-solicitation restrictions contained in Mr. Perlmutter's employment agreement shall apply only to businesses that are conducted by Marvel as of August 31, 2009.

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The following chart sets forth for each executive officer of Marvel the estimated amount of cash severance pay and the estimated value of health and fringe benefits payable to that officer in the absence of a change in control and in connection with a change in control and the incremental cost to Marvel if these benefits are paid in connection with a change in control. The calculations in the In the Absence of a Change in Control columns assume that each executive's employment is terminated by Marvel without cause or (other than for Mr. Philips) the executive resigns for good reason on December 31, 2009. The calculations in the In Connection with a Change in Control columns assume that the closing of the merger occurs on December 31, 2009 and that each executive's employment is terminated by Marvel without cause or (other than for Mr. Philips) the executive resigns for good reason immediately after the closing. No tax gross-ups are expected to be payable under either of the scenarios discussed above.

Name	Estimated Health and Fringe Benefits ⁽¹⁾				Aggregate Estimated Cash, Health and Fringe Benefits		Incremental Cost on Account of a Change in Control
	Estimated Cash Severance				In the Absence of a Change in Control	In Connection with a Change in Control	
	In the Absence of a Change in Control ⁽²⁾	In Connection with a Change in Control ⁽³⁾	In the Absence of a Change in Control	In Connection with a Change in Control			
Isaac Perlmutter	\$ 19,410,577	\$ 19,410,577	\$ 6,058	\$ 6,058 ⁽⁴⁾	\$ 19,416,635	\$ 19,416,635	\$ 0
Kenneth P. West	\$ 637,500	\$ 1,575,942	\$ 2,828	\$ 2,828	\$ 640,328	\$ 1,578,770	\$ 938,442
David Maisel	\$ 7,324,852	\$ 9,074,852	\$ 1,002	\$ 1,002	\$ 7,325,854	\$ 9,075,854	\$ 1,750,000
John Turitzin	\$ 600,000	\$ 2,238,000	\$ 2,843	\$ 5,686	\$ 602,843	\$ 2,243,686	\$ 1,640,843
Simon Philips ⁽⁵⁾	\$ 750,013	\$ 750,013	\$ 8,187 ⁽⁶⁾	\$ 8,187	\$ 758,200	\$ 758,200	\$ 0
Alan Fine	\$ 450,000	\$ 1,637,750	\$ 1,010	\$ 2,020	\$ 451,010	\$ 1,639,770	\$ 1,188,760

⁽¹⁾ Paid solely in the form of a reimbursement for actual COBRA cost for applicable continuation period, less the amount paid by active employees, unless otherwise noted.

⁽²⁾ The salary component (and for Mr. Perlmutter, three years bonus equivalent) is paid in the form of salary continuation ranging from 6 months to 3 years.

⁽³⁾ The cash severance component is paid in the form of a lump sum, except with respect to Mr. Philips.

⁽⁴⁾ Paid as a lump sum instead of as COBRA reimbursement.

⁽⁵⁾ Under the terms of Mr. Philips's employment agreement, in the event he resigned for good reason (whether or not a change in control occurred), he would be entitled to a cash severance payment of \$297,455. He would not be entitled to six months of continued benefits. Mr. Philips is compensated in British Pounds. Amounts shown for Mr. Philips in this table have been converted to U.S. dollars based on the exchange rate on October 21, 2009 of USD 1.66/1 GBP.

⁽⁶⁾ Includes six months of medical, dental, disability and life insurance coverage. Mr. Philips is not subject to COBRA.

Amendment to 2009 Bonus Plan

In connection with Marvel's entry into the merger agreement, its compensation committee amended Marvel's 2009 Bonus Plan, in which Marvel's executive officers (other than Mr. Perlmutter) participate. The 2009 Bonus Plan generally provides that specified employees are eligible to receive different percentages of target bonus depending on whether Marvel achieves certain financial performance targets relating to operating income. Marvel's compensation committee usually determines whether Marvel has achieved its performance targets and establishes the amount of bonus payments to its executive officers in February or March of each year after the completion of the audit of Marvel's financial statements.

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Under the original terms of the 2009 Bonus Plan and Mr. Perlmutter's 2009 performance award as discussed below, bonuses are to be paid (and equity is to be granted to Mr. Perlmutter) based on the level of 2009 operating income excluding the cost of bonuses under the 2009 Bonus Plan, which is referred to as adjusted operating income in this proxy statement/prospectus. Those terms provide that:

No bonus at all will be payable to executives (and, in Mr. Perlmutter's case, no 2010 equity grant will be issuable under his award) if Marvel's adjusted operating income for 2009 is at or below \$161.13 million.

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Bonuses will be payable to executives (and an equity grant will be issuable to Mr. Perlmutter) at 100% of the target amount only if Marvel's adjusted operating income for 2009 is at least \$187.98 million.

For levels of 2009 adjusted operating income between \$161.13 million and \$187.98 million, bonuses will be payable to executives (and an equity grant will be issuable to Mr. Perlmutter) in amounts proportionate to the amount of adjusted operating income earned. As of the date on which Marvel entered into the merger agreement, Marvel was on track to achieve levels of adjusted operating income for 2009 that would correlate under the 2009 Bonus Plan to a potential payout of bonuses to executives (and an equity grant issuable to Mr. Perlmutter) at over 98% of the target amounts. In light of its belief that the announcement of the merger was likely to affect Marvel's operating results for the remainder of 2009, Marvel's compensation committee amended the 2009 Bonus Plan to provide that, effective as of and contingent upon the closing of the merger on or prior to the Bonus Payment Date (as defined below), 2009 adjusted operating income correlating to a potential payout of 100% of target bonus amounts will be deemed to have been attained for purposes of the 2009 Bonus Plan. In the event that the merger does not close on or prior to the Bonus Payment Date, then each participant will be eligible to receive a bonus based on the unamended terms of the 2009 Bonus Plan and the actual 2009 adjusted operating income of Marvel. In the event that the merger closes after the Bonus Payment Date, participants in the 2009 Bonus Plan will be eligible to receive, within 10 business days of the closing, an additional cash payment equal to the amount the participant would have been entitled to receive under the 2009 Bonus Plan at 100% of target bonus less the amount the participant actually received under the 2009 Bonus Plan on the Bonus Payment Date. Entitlement to a bonus will continue to be, and the potential subsequent payment will be, subject to downward adjustment at Marvel's discretion and contingent on other factors, such as continued employment with Marvel at the time of each such payment. Bonuses under the 2009 Bonus Plan are expected to be paid to employees in the first quarter of 2010 and in no event later than March 10, 2010 (the actual date of payment being the Bonus Payment Date).

The following chart shows the amount payable under Marvel's 2009 Bonus Plan to each of Marvel's executive officers (other than Mr. Perlmutter, who is not a participant in Marvel's 2009 Bonus Plan) on the Bonus Payment Date, assuming the merger closes on or prior to the Bonus Payment Date. As noted above, bonus amounts are subject to downward adjustment at Marvel's discretion. The amounts set forth below assume that no bonus amount is adjusted.

Name	Bonus Payable on Bonus Payment Date	
	(Assuming No Downward Adjustment)	
Kenneth P. West	\$	212,500
David Maisel	\$	500,000
John Turitzin	\$	300,000
Simon Philips	\$	297,455*
Alan Fine	\$	225,000

* The U.S. dollar amount provided above is based on the exchange rate on October 21, 2009 of USD 1.66/1 GBP.

Amendment to Isaac Perlmutter's 2009 Performance Award

In connection with Marvel's entry into the merger agreement, its compensation committee amended Isaac Perlmutter's performance-based equity award for 2009. Pursuant to the award as originally granted, Mr. Perlmutter would have been eligible to receive an option to purchase shares of Marvel common stock. The target value of the option (calculated using a Black-Scholes valuation model) under the award was \$4,260,577 and, as originally granted, the award provides that the portion of the target amount issuable to Mr. Perlmutter will equal the portion of target cash bonuses payable to senior executives under the 2009 Bonus Plan (determined with reference to full-year 2009 adjusted operating income; see above, under Amendment to 2009 Bonus Plan, for details). If, for instance, Marvel achieved a 2009 adjusted operating income level correlating to a payout of 100% of target bonus amounts for senior executives, then Mr. Perlmutter would be entitled to the issuance of a stock option with a Black-Scholes

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value of 100% of his target, or \$4,260,577. As of the date on which Marvel entered into the merger agreement, Marvel was on track to achieve levels of full-year 2009 adjusted operating income that would correlate to a potential payout of over 98% of Mr. Perlmutter's target amount. In light of its belief that the announcement of the merger was likely to affect Marvel's operating results for the remainder of 2009, Marvel's compensation committee amended Mr. Perlmutter's award to provide that, contingent upon the closing of the merger, Mr. Perlmutter will receive a cash payment on the closing date of the merger in the amount of \$4,260,577, less applicable withholdings, in full satisfaction of the award.

Indemnification; Directors and Officers Insurance

Disney has agreed that, for a period of six years following completion of the merger, the exculpation, indemnification and expense advancement obligations set forth in Marvel's certificate of incorporation and bylaws and any Marvel indemnification agreements will survive. To do so, Disney will cause the certificate of formation and limited liability company agreement of Merger LLC after the upstream merger to reflect provisions at least as favorable as the exculpation, indemnification and expense advancement provisions contained in Marvel's current certificate of incorporation and bylaws and, for a period of six years following completion of the merger, Disney will not amend, repeal or otherwise modify the certificate of formation or limited liability company agreement in any manner that would adversely affect the exculpation, indemnification and expense advancement rights of any individual who on or prior to completion of the merger was protected under such indemnification provisions.

In addition, for a period of six years from the completion of the merger, Disney will cause Marvel's existing policy of directors' and officers' liability insurance to be maintained (whether through purchase of a "tail end" policy or otherwise), subject to certain limitations.

Summary of Marvel Executive Officers and Directors' Interests in the Transaction

The following table summarizes with respect to each of Marvel's executive officers and directors:

the number of shares of Marvel common stock beneficially owned free of restrictions, as of the record date (column (a));

the estimated value of the merger consideration expected to be received for shares of Marvel common stock owned free of restrictions as of the record date, based on the \$29.23 closing price of Disney common stock on the NYSE on October 21, 2009 (column (b)); the actual amount of merger consideration that the executive officers and directors of Marvel will receive may vary and cannot be determined until the closing date of the merger;

the estimated aggregate amount of benefits that could be received as a result of the merger, consisting of:

the estimated cash payment for options,

the estimated value of merger consideration for accelerated restricted stock or deferred stock units (as applicable),

2009 bonus payouts and the payout of Mr. Perlmutter's 2009 equity performance award, and

the incremental increase to severance that could be received in connection with a termination of employment.

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all as described in more detail, and based on the assumptions contained, in the tables and accompanying text above in this section (column (c)); and

the total of column (b) and column (c) (column(d)).

Name	(a)	(b)	(c)	(d)
	Number of shares of Marvel common stock owned free of restrictions ⁽¹⁾	Estimated consideration for Marvel common stock owned free of restrictions	Accelerated equity awards, bonus payments and severance benefits	Total
Isaac Perlmutter	28,681,430	\$ 1,485,124,445	\$ 49,750,626	\$ 1,534,875,071
Kenneth P. West	17,959	\$ 929,917	\$ 4,153,812	\$ 5,083,729
David Maisel	159,827	\$ 8,275,842	\$ 11,796,123	\$ 20,071,965
John Turitzin	77,594	\$ 4,017,817	\$ 3,837,754	\$ 7,855,571
Simon Philips	4,564	\$ 236,324	\$ 929,808	\$ 1,166,132
Alan Fine	27,428	\$ 1,420,222	\$ 2,229,511	\$ 3,649,733
Sid Ganis	11,000	\$ 569,580	\$ 2,805,390	\$ 3,374,970
James F. Halpin	168,750	\$ 8,737,875	\$ 1,213,875	\$ 9,951,750
Morton E. Handel	49,000	\$ 2,537,220	\$ 1,505,625	\$ 4,042,845
Richard L. Solar	35,500	\$ 1,838,190	\$ 2,902,500	\$ 4,740,690
F. Peter Cuneo	9,000	\$ 466,020	\$ 0	\$ 466,020
Laurence N. Charney	9,000	\$ 466,020	\$ 0	\$ 466,020
James W. Breyer	165,700	\$ 8,579,946	\$ 0	\$ 8,579,946
Total	29,416,752	\$ 1,523,199,418	\$ 81,125,024	\$ 1,604,324,442

⁽¹⁾ May include shares of Marvel common stock (a) deemed to be beneficially owned by an executive officer or director of Marvel due to shared voting or investment power or (b) which are owned by spouses or other family members.

Material United States Federal Income Tax Consequences of the Transaction

The following is a summary of the material United States federal income tax consequences of the transaction applicable to Marvel stockholders that receive Disney common stock and cash in the transaction. This discussion is based upon the Internal Revenue Code, Treasury Regulations, judicial authorities, published positions of the Internal Revenue Service, and other applicable authorities, all as currently in effect and all of which are subject to change or differing interpretations (possibly with retroactive effect). This discussion is limited to United States persons that hold their shares of Marvel common stock as capital assets for United States federal income tax purposes (generally, assets held for investment). This discussion does not address all of the tax consequences that may be relevant to a particular Marvel stockholder or to Marvel stockholders that are subject to special treatment under United States federal income tax laws including, but not limited to, financial institutions, tax-exempt organizations, insurance companies, regulated investment companies, persons that are broker-dealers, traders in securities who elect the mark to market method of accounting for their securities, or Marvel stockholders holding their shares of Marvel common stock as part of a straddle, hedge, conversion transaction or other integrated transaction. This discussion also does not address the tax consequences to Marvel, or to Marvel stockholders that own 5% or more of Marvel common stock, are affiliates of Marvel or are non-United States persons. In addition, this discussion does not address other United States federal taxes (such as gift or estate taxes or alternative minimum taxes), the tax consequences of the transaction under state, local or foreign tax laws or certain tax reporting requirements that may be applicable with respect to the transaction. No assurance can be given that the Internal Revenue Service would not assert, or that a court would not sustain, a position contrary to any of the tax consequences set forth below.

If a partnership (or other entity treated as a partnership for United States federal income tax purposes) is a Marvel stockholder, the tax treatment of a partner in the partnership or any equity owner of such other entity will generally depend upon the status of the person and the activities of the partnership or other entity treated as a partnership for United States federal income tax purposes.

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Marvel stockholders are urged to consult their tax advisors as to the United States federal income tax consequences of the transaction, as well as the effects of state, local and non-United States tax laws.

Disney's obligation to complete the transaction is conditioned upon its receipt at closing of a tax opinion from Dewey & LeBoeuf (or other counsel reasonably acceptable to Disney) dated as of the closing date of the merger that the transaction will qualify as a reorganization within the meaning of Section 368(a) of the Internal Revenue Code and that each of Disney and Marvel will be a party to the reorganization within the meaning of Section 368(a) of the Internal Revenue Code. Similarly, Marvel's obligation to complete the transaction is conditioned upon its receipt at closing of a tax opinion from Paul Hastings (or other counsel reasonably acceptable to Marvel) dated as of the closing date of the merger that the transaction will qualify as a reorganization within the meaning of Section 368(a) of the Internal Revenue Code and that each of Disney and Marvel will be a party to the reorganization within the meaning of Section 368(a) of the Internal Revenue Code. Although the merger agreement allows Disney and Marvel to waive these conditions to closing, neither Disney nor Marvel currently anticipates doing so. If either Disney or Marvel does waive these conditions, you will be informed of this decision prior to being asked to vote on the transaction.

The above tax opinions will be based on factual representations made by Disney, Merger Sub, Merger LLC and Marvel, and on customary factual assumptions. The tax opinions are not binding on the Internal Revenue Service or any court and do not preclude the Internal Revenue Service from asserting, or a court from sustaining, a contrary conclusion.

The following material United States federal income tax consequences will result from qualification of the transaction as a reorganization within the meaning of Section 368(a) of the Internal Revenue Code:

a Marvel stockholder generally will recognize gain (but not loss), determined separately for each identifiable block of shares of Marvel common stock (generally, Marvel common stock acquired at different prices or at different times) that is exchanged in the transaction, in an amount equal to the lesser of (i) the amount of cash received in the transaction with respect to such block and (ii) the excess, if any, of (a) the sum of the amount of cash and the fair market value of the Disney common stock received in the transaction with respect to such block over (b) the Marvel stockholder's tax basis in its shares of Marvel common stock in such block. A Marvel stockholder may not offset a loss recognized on one block of shares against the gain recognized on another block of shares. Any gain recognized will be long-term capital gain if the shares of Marvel common stock exchanged were held for more than one year, unless the receipt of cash has the effect of a distribution of a dividend under the provisions of the Internal Revenue Code, in which case such gain will be treated as a dividend to the extent of such stockholder's ratable share of the undistributed earnings and profits of Marvel. Marvel stockholders should consult their tax advisors as to the possibility that all or a portion of any cash received in exchange for their shares of Marvel common stock will be treated as a dividend;

a Marvel stockholder will have an aggregate tax basis in the shares of Disney common stock received in the transaction equal to the stockholder's aggregate tax basis in its shares of Marvel common stock surrendered pursuant to the transaction, reduced by the amount of cash received in the transaction and the portion of the shareholder's tax basis in its shares of Marvel common stock surrendered in the transaction that is allocable to a fractional share of Disney common stock and increased by the amount of gain recognized by the Marvel stockholder (including, but not limited to, any portion of such gain that is treated as a dividend, but excluding any gain recognized with respect to cash received in lieu of fractional shares) in the transaction;

the holding period of the shares of Disney common stock received by a Marvel stockholder in connection with the transaction will include the holding period of the shares of Marvel common stock surrendered in connection with the transaction; and

subject to the discussion above regarding possible dividend treatment, cash received by a Marvel stockholder in lieu of a fractional share of Disney common stock in the transaction will be treated as if

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such fractional share had been issued in connection with the transaction and then redeemed by Disney, and a Marvel stockholder generally will recognize capital gain or loss with respect to such cash payment, measured by the difference, if any, between the amount of cash received and the tax basis in such fractional share.

Marvel stockholders are urged to consult their own tax advisors with respect to the determination of gain recognized on the surrender of their shares of Marvel common stock (as well as their basis in the shares of Disney common stock received in the transaction) taking into account their particular circumstances.

Cash payments received by a Marvel stockholder pursuant to the transaction are subject to information reporting, and may be subject to backup withholding at the applicable rate (currently 28%) if the Marvel stockholder or other payee fails to provide a valid taxpayer identification number and comply with certain certification procedures or otherwise establish an exemption from backup withholding. Backup withholding is not an additional United States federal income tax. Rather, the United States federal income tax liability of the person subject to backup withholding will be reduced by the amount of tax withheld. If backup withholding results in an overpayment of taxes, a refund may be obtained provided that the required information is timely furnished to the Internal Revenue Service.

Regulatory Matters

The merger is subject to antitrust laws. Disney and Marvel have made their respective filings under applicable U.S. antitrust laws with the Antitrust Division and the FTC. The waiting period initiated by these filings has expired. Disney and Marvel are also required to make applicable foreign antitrust filings and applicable foreign antitrust clearances, consents or approvals necessary for the completion of the merger have not yet been obtained.

Under the terms of the merger agreement, if any objections are asserted with respect to the merger under any domestic or foreign antitrust competition laws or if any action is instituted challenging the merger by the Antitrust Division, FTC or other applicable governmental authority, Marvel must take all actions necessary to resolve these objections or actions in order to permit the merger to close as soon as reasonably practicable, including divesting assets or businesses (including its affiliates) in any manner. The obligations of Marvel to divest assets or businesses are conditioned upon the occurrence of the closing of the merger. Furthermore, Marvel may not take any actions in connection with divestitures of its assets or businesses without the prior written consent of Disney, other than divestitures related to assets or businesses of Marvel or its subsidiaries that are, individually or in the aggregate, immaterial to Marvel. In no event will Disney or its affiliates be required to divest assets or a business of Disney or its subsidiaries.

While Disney and Marvel expect to obtain any remaining required regulatory clearances, consents and approvals, Disney and Marvel cannot be certain that any remaining required approvals will be obtained, nor can they be certain that the approvals will be obtained within the time contemplated by the merger agreement. A delay in obtaining any remaining required clearances, consents and approvals might delay and may possibly prevent the completion of the merger.

The Antitrust Division, the FTC and others may challenge the merger on antitrust grounds after expiration of the waiting period under the HSR Act. Accordingly, at any time before or after the completion of the merger, the Antitrust Division, the FTC or others could take action under the antitrust laws as it deems necessary or desirable in the public interest, including without limitation seeking to enjoin the completion of the merger or to permit completion only subject to regulatory concessions or conditions. There can be no assurance that a challenge to the merger will not be made or that, if a challenge is made, it will not prevail.

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Accounting Treatment

In accordance with accounting principles generally accepted in the United States, Disney will account for the merger using the acquisition method of accounting for business combinations. Under this method of accounting, Disney will record the acquisition based on the fair value of the consideration given, which is the market value (based on the closing price of Disney common stock on the closing date of the merger) of its common stock issued in connection with the merger and the cash consideration paid in the merger, as the purchase price of Marvel. Disney will allocate the purchase price to the net tangible and identifiable intangible assets acquired and liabilities assumed based on their respective fair values at the date of the completion of the merger. Any excess of the purchase price over those fair values will be recorded as goodwill.

Finite-lived intangible assets will generally be amortized over periods not exceeding forty years. Intangible assets with indefinite useful lives and goodwill will not be amortized but will be tested for impairment at least annually. All intangible assets and goodwill are also tested for impairment when certain indicators are present. If in the future, Disney determined that intangible assets or goodwill are impaired, an impairment charge would be recorded at that time.

The purchase price allocation reflected in the pro forma information included herein is based on preliminary assumptions. The amount of the estimated purchase price allocated to goodwill is approximately \$2.0 billion. The final purchase price allocation, which will be based in part on detailed valuation studies which have not yet been completed, may result in an increase or decrease in finite-lived intangible assets which could result in a material increase or decrease in the estimated amortization of intangible assets included in the pro forma information included herein. Disney expects to complete the final purchase price allocation no later than twelve months following the closing date of the merger.

Listing of Disney Common Stock

Application will be made to have the shares of Disney common stock issued in the merger approved for listing on the NYSE, where Disney common stock currently is traded under the symbol DIS.

Delisting and Deregistration of Marvel Common Stock after the Merger

If the merger is completed, Marvel common stock will be delisted from the NYSE and deregistered under the Exchange Act, and Marvel will no longer file periodic reports with the SEC.

Appraisal Rights

In connection with the merger, record holders of Marvel common stock who comply with the procedures summarized below will be entitled to appraisal rights if the merger is completed. Under Section 262 of the DGCL (which is referred to as Section 262 in this proxy statement/prospectus), as a result of completion of the merger, holders of shares of Marvel common stock, with respect to which appraisal rights are properly demanded and perfected and not withdrawn or lost, are entitled, in lieu of receiving the merger consideration, to have the fair value of their shares at the effective time of the merger (exclusive of any element of value arising from the accomplishment or expectation of the merger) judicially determined and paid to them in cash by complying with the provisions of Section 262. Marvel is required to send a notice to that effect (and include with such notice a copy of Section 262) to each stockholder not less than 20 days prior to the meeting. This proxy statement/prospectus constitutes that notice to you.

Any holder of Marvel common stock who wishes to exercise appraisal rights, or who wishes to preserve such holder's right to do so, should review the following discussion and Annex D carefully, because failure to timely and properly comply with the procedures specified in the following discussion and Annex D will result in the loss of stockholders' appraisal rights.

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Stockholders of record who desire to exercise their appraisal rights must satisfy all of the following conditions.

A stockholder who desires to exercise appraisal rights must (a) not vote in favor of the adoption of the merger agreement and (b) deliver a written demand for appraisal of the stockholder's shares to the Secretary of Marvel before the vote on the merger agreement at the special meeting.

A demand for appraisal must be executed by or for the stockholder of record, fully and correctly, as the stockholder's name appears on the certificates representing shares. If shares are owned of record in a fiduciary capacity, such as by a trustee, guardian or custodian, such demand must be executed by the fiduciary. If shares are owned of record by more than one person, as in a joint tenancy or tenancy in common, the demand must be executed by all joint owners. An authorized agent, including an agent of two or more joint owners, may execute the demand for appraisal for a stockholder of record; however, the agent must identify the record owner and expressly disclose that, in exercising the demand, the agent is acting as agent for the record owner. In addition, the stockholder must continuously hold the shares of record from the date of making the demand through the effective time of the merger, since appraisal rights will be lost if the shares are transferred prior to the effective time of the merger.

A record owner, such as a broker, who holds shares as a nominee for others may exercise appraisal rights with respect to the shares held for all or less than all beneficial owners of shares as to which the holder is the record owner. In that case, the written demand must set forth the number of shares covered by the demand. Where the number of shares is not expressly stated, the demand will be presumed to cover all shares outstanding in the name of the record owner.

Beneficial owners who are not record owners and who intend to exercise appraisal rights should instruct the record owner to comply strictly with the statutory requirements with respect to the exercise of appraisal rights before the vote on the adoption of the merger agreement at the special meeting. A holder of shares held in street name who desires appraisal rights with respect to those shares must take such actions as may be necessary to ensure that a timely and proper demand for appraisal is made by the record owner of the shares. Shares held through brokerage firms, banks and other financial institutions are frequently deposited with and held of record in the name of a nominee of a central security depository, such as Cede & Co., The Depository Trust Company's nominee. Any holder of shares desiring appraisal rights with respect to such shares who held such shares through a brokerage firm, bank or other financial institution is responsible for ensuring that the demand for appraisal is made by the record holder. The stockholder should instruct such firm, bank or institution that the demand for appraisal must be made by the record holder of the shares, which might be the nominee of a central security depository if the shares have been so deposited.

As required by Section 262, a demand for appraisal must be in writing and must reasonably inform Marvel of the identity of the record holder (which might be a nominee as described above) and of such holder's intention to seek appraisal of such shares.

A stockholder's failure to make the written demand prior to the taking of the vote on the adoption of the merger agreement at the meeting will constitute a waiver of appraisal rights.

Stockholders of record who elect to demand appraisal of their shares must mail or deliver their written demand to: Secretary, Marvel Entertainment, Inc., 417 Fifth Avenue, New York, New York 10016. The written demand for appraisal should specify the stockholder's name and mailing address, the number of shares owned, and that the stockholder is demanding appraisal of his, her or its shares. The written demand must be received by Marvel prior to the meeting. The written demand for appraisal must be in addition to and separate from any proxy or vote on the adoption of the merger agreement. Neither voting (in person or by proxy) against, abstaining from voting on or failing to vote on the proposal to adopt the merger agreement will alone suffice to constitute a written demand for appraisal within the meaning of Section 262. In addition, the stockholder must not vote its

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shares of common stock in favor of adoption of the merger agreement. Because a proxy that does not contain voting instructions will, unless revoked, be voted in favor of adoption of the merger agreement, a stockholder who votes by proxy and who wishes to exercise appraisal rights must vote against the adoption of the merger agreement or abstain from voting on the adoption of the merger agreement.

Within ten days after the effective date of the merger, the surviving entity must notify each holder of Marvel common stock who has made a written demand for appraisal pursuant to Section 262, and who has not voted in favor of the adoption of the merger agreement, that the merger has become effective.

Within 120 days after the effective time of the merger, either the surviving entity in the merger or any stockholder who has timely and properly demanded appraisal of such stockholder's shares and who has complied with the requirements of Section 262 and is otherwise entitled to appraisal rights, or any beneficial owner of the stock for which a demand for appraisal has been properly made, may commence an appraisal proceeding by filing a petition in the Delaware Court of Chancery demanding a determination of the fair value of the shares of all stockholders who have properly demanded appraisal. Within 120 days after the effective date of the merger, any holder of Marvel common stock who has complied with the requirements for exercise of appraisal rights will be entitled, upon written request, to receive from the surviving entity a statement setting forth the aggregate number of shares not voted in favor of the adoption of the merger agreement and with respect to which demands for appraisal have been received and the aggregate number of holders of such shares. The statement must be mailed within ten days after a written request therefor has been received by the surviving entity or within ten days after the expiration of the period for delivery of demands for appraisal, whichever is later. Notwithstanding the foregoing, a person who is the beneficial owner of shares of Marvel common stock held either in a voting trust or by a nominee on behalf of such person may, in such person's own name, file a petition or request from Marvel the statement described in this paragraph. If a petition for an appraisal is timely filed by a holder of shares of Marvel common stock and a copy thereof is served upon the surviving entity, the surviving entity will then be obligated within 20 days to file with the Delaware Register in Chancery a duly verified list containing the names and addresses of all stockholders who have demanded an appraisal of their shares and with whom agreements as to the value of their shares have not been reached. If a petition for an appraisal is timely filed, after a hearing on such petition, the Delaware Court of Chancery will determine which stockholders are entitled to appraisal rights and thereafter will appraise the shares owned by those stockholders, determining the fair value of the shares exclusive of any element of value arising from the accomplishment or expectation of the merger, together with interest to be paid, if any, upon the amount determined to be the fair value. Unless the Delaware Court of Chancery in its discretion determines otherwise for good cause shown, interest from the effective date of the merger through the date of payment of the judgment shall be compounded quarterly and shall accrue at 5% over the Federal Reserve discount rate (including any surcharges) as established from time to time during the period between the effective date of the merger and the date of payment of the judgment.

In determining fair value, the Delaware Court of Chancery is to take into account all relevant factors. In *Weinberger v. UOP, Inc., et al.*, the Delaware Supreme Court discussed the factors that could be considered in determining fair value in an appraisal proceeding, stating that "proof of value by any techniques or methods which are generally considered acceptable in the financial community and otherwise admissible in court should be considered and that [f]air price obviously requires consideration of all relevant factors involving the value of a company." The Delaware Supreme Court stated that in making this determination of fair value the court must consider "market value, asset value, dividends, earnings prospects, the nature of the enterprise and any other facts which were known or which could be ascertained as of the date of merger which throw any light on future prospects of the merged corporation." The Delaware Supreme Court construed Section 262 to mean that "elements of future value, including the nature of the enterprise, which are known or susceptible of proof as of the date of the merger and not the product of speculation, may be considered." However, the Delaware Supreme Court noted that Section 262 provides that fair value is to be determined "exclusive of any element of value arising from the accomplishment or expectation of the merger."

Stockholders considering seeking appraisal should bear in mind that the fair value of their shares determined under Section 262 could be more than, the same as, or less than the merger consideration they are entitled to

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receive pursuant to the merger agreement if they do not seek appraisal of their shares, and that opinions of investment banking firms as to the fairness from a financial point of view of the consideration payable in a transaction are not opinions as to, and do not address, fair value under Section 262. Neither Disney nor Marvel anticipate offering more than the merger consideration to any stockholder exercising appraisal rights, and reserve the right to assert in any appraisal proceeding, that for purposes of Section 262, the fair value of a share of Marvel common stock is less than the merger consideration.

The cost of the appraisal proceeding may be determined by the Delaware Court of Chancery and charged upon the parties as the Delaware Court of Chancery deems equitable in the circumstances. Upon application of a stockholder seeking appraisal rights, the Delaware Court of Chancery may order that all or a portion of the expenses incurred by such stockholder in connection with the appraisal proceeding, including, without limitation, reasonable attorneys' fees and the fees and expenses of experts, be charged pro rata against the value of all shares entitled to appraisal. In the absence of such a determination of assessment, each party bears its own expenses.

At any time within 60 days after the effective time of the merger, any stockholder who has demanded appraisal and who has not commenced an appraisal proceeding or joined that proceeding as a named party, shall have the right to withdraw such stockholder's demand for appraisal and to accept the cash and Disney common stock to which the stockholder is entitled pursuant to the merger. After this period, the stockholder may withdraw such stockholder's demand for appraisal only with the consent of the surviving entity. If no petition for appraisal is filed with the Delaware Court of Chancery within 120 days after the effective time of the merger, stockholders' rights to appraisal shall cease and all stockholders shall be entitled only to receive the merger consideration as provided for in the merger agreement. Inasmuch as the parties to the merger agreement have no obligation to file such a petition, and have no present intention to do so, any stockholder who desires that such petition be filed is advised to file it on a timely basis. Notwithstanding the foregoing, no petition timely filed in the Delaware Court of Chancery demanding appraisal shall be dismissed as to any stockholders without the approval of the Delaware Court of Chancery, and that approval may be conditioned upon such terms as the Delaware Court of Chancery deems just; *provided*, however, that this shall not affect the right of any stockholder who has not commenced an appraisal proceeding or joined that proceeding as a named party to withdraw such stockholder's demand for appraisal within 60 days after the effective time of the merger as described above in the first sentence of this paragraph.

The foregoing is a brief summary of Section 262 that sets forth the procedures for demanding statutory appraisal rights. This summary, however, is not a complete statement of all applicable requirements and is qualified in its entirety by reference to Section 262, a copy of the text of which is attached hereto as Annex D. The foregoing summary does not constitute legal or other advice nor does it constitute a recommendation that stockholders exercise their appraisal rights under Section 262. Failure to comply with all the procedures set forth in Section 262 will result in the loss of a stockholder's statutory appraisal rights.

Restrictions on Sales of Shares of Disney Common Stock Received in the Merger

The shares of Disney common stock to be issued in connection with the merger will be freely transferable under the Securities Act and the Exchange Act, except for shares issued to any stockholder who may be deemed to be an affiliate of Disney for purposes of Rule 144 under the Securities Act. Persons who may be deemed to be affiliates include individuals or entities that control, are controlled by, or under the common control with Disney and may include the executive officers, directors and significant stockholders of Disney.

Litigation

Marvel, its board of directors and Disney and, in certain instances, the Acquisition Subsidiaries are named as defendants in purported class action lawsuits brought by alleged Marvel stockholders challenging Marvel's proposed merger with Disney. The stockholder actions were filed in the Supreme Court of the State of New York, County of New York (*Michael Golombuski v. Marvel Entertainment, Inc., et al.*, filed August 31, 2009 and

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Alan W. Meerow v. Marvel Entertainment, Inc. et al., filed September 15, 2009) and in the Delaware Court of Chancery (*Christine Vlatos v. Sid Ganis, et al.*, filed September 1, 2009; *Paul W. Morand v. Morton F. Handel et al.*, filed on September 8, 2009; and *Port Authority of Allegheny County Retirement and Disability Allowance Plan for Employees Represented by Local 85 of the Amalgamated Transit Union v. Isaac Perlmutter, et al.*, filed on September 10, 2009). The stockholder actions generally allege, among other things, that (i) each member of the Marvel board of directors breached his fiduciary duties to Marvel and its stockholders by authorizing the sale of Marvel to Disney, (ii) the merger does not maximize value to Marvel stockholders, (iii) the defendants failed to provide stockholders with allegedly material information related to the proposed transaction and (iv) Disney and Marvel aided and abetted the breaches of fiduciary duty allegedly committed by the members of the Marvel board of directors. The stockholder actions seek class action certification and equitable relief, including judgments enjoining the defendants from consummating the merger on the agreed-upon terms. The two actions in the Supreme Court of the State of New York, County of New York were consolidated on October 8, 2009 under the new caption *In re: Marvel Entertainment, Inc. Shareholder Litigation*. The *Vlatos* and *Morand* actions in the Delaware Court of Chancery were consolidated on October 26, 2009 under the new caption *In re: Marvel Entertainment, Inc. Shareholder Litigation*. On October 9, 2009, the plaintiffs filed in the Delaware Court of Chancery a Notice and Proposed Order of Dismissal without prejudice of the action entitled *Port Authority of Allegheny County Retirement and Disability Allowance Plan for Employees Represented by Local 85 of the Amalgamated Transit Union v. Isaac Perlmutter, et al.*

Marvel and Disney believe the claims asserted by the plaintiffs to be without merit and intend to vigorously defend against such claims.

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THE MERGER AGREEMENT

*This section of the proxy statement/prospectus describes the material provisions of the merger agreement but does not purport to describe all of the terms of the merger agreement. The following summary is qualified in its entirety by reference to the complete text of the merger agreement, which is attached as Annex A to this proxy statement/prospectus and incorporated into this proxy statement/prospectus by reference. Disney and Marvel urge you to read the full text of the merger agreement because it is the legal document that governs the merger. It is not intended to provide you with any other factual information about Disney or Marvel. In particular, the assertions embodied in the representations and warranties contained in the merger agreement (and summarized below) are qualified by information in disclosure schedules provided by Marvel to Disney in connection with the signing of the merger agreement. These disclosure schedules contain information that modifies, qualifies and creates exceptions to the representations and warranties set forth in the merger agreement. Moreover, certain representations and warranties in the merger agreement were used for the purpose of allocating risk between Disney and Marvel rather than establishing matters as facts and may be subject to a contractual standard of materiality or material adverse effect different from that generally applicable to public disclosures to stockholders. Accordingly, you should not rely on the representations and warranties in the merger agreement (or the summaries contained herein) as characterizations of the actual state of facts about Disney or Marvel. The representations and warranties in the merger agreement and the description of them in this document should not be read alone but instead should be read in conjunction with the other information contained in the reports, statements and filings we publicly file with the SEC. Such information can be found elsewhere in this proxy statement and in the public filings we make with the SEC, as described in the section titled *Where You Can Find Additional Information* beginning on page 108 of this proxy statement/prospectus.*

The Merger

The merger agreement provides for the merger of Merger Sub with and into Marvel, with Marvel to be the surviving corporation and a wholly owned subsidiary of Disney. Immediately after the effective time of the merger, the surviving corporation will merge with and into Merger LLC, with Merger LLC continuing as the surviving entity.

Completion and Effectiveness of the Merger

Disney and Marvel will complete the merger when all of the conditions to completion of the merger contained in the merger agreement, which are described in the section titled *The Merger Agreement Conditions to the Merger* beginning on page 86 of this proxy statement/prospectus, are satisfied or waived, including adoption of the merger agreement by Marvel stockholders. The merger will become effective upon the filing of a certificate of merger with the Secretary of State of the State of Delaware.

Disney and Marvel are working to complete the merger as quickly as possible. Because completion of the merger is subject to certain conditions that are beyond Disney's and Marvel's control, we cannot predict the exact timing, although absent any unanticipated delay, we expect to close the merger within two business days after the special meeting.

Effects of the Merger; Merger Consideration

Treasury Shares

At the effective time of the merger, each share of Marvel common stock held (i) as treasury shares by Marvel, will remain issued, and no payment shall be made with respect to such shares, (ii) by Disney will be canceled, retired and cease to exist, and no securities of Disney or other consideration will be delivered in exchange for those shares and (iii) by a subsidiary of Marvel or a subsidiary of Disney will be converted into the right to receive that number of shares of Disney common stock equal to the quotient of (A) the sum of the amount of cash paid per share of Marvel common stock plus the product of the exchange ratio (subject to adjustment, as applicable) multiplied by the closing date price divided by (B) the closing date price. The closing date price is the

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lesser of (a) the closing price, (b) the average of the high and low sales prices and (c) the weighted average trading price, in each case, for one share of Disney common stock on the closing date as reported on the NYSE.

Common Stock

Except as described above, at the effective time of the merger, by virtue of the merger and without any action on the part of the holders of any shares of Marvel common stock, each share of Marvel common stock issued and outstanding immediately prior to the effective time of the merger (other than dissenting shares and treasury shares and subject to adjustment for certain changes in Disney common stock or Marvel common stock such as reclassifications or stock splits) will be converted into the right to receive (i) \$30.00 in cash and (ii) 0.7452 shares of Disney common stock. However, if the aggregate value of all shares of Disney common stock that would be issued pursuant to the merger (other than shares issued to a subsidiary of Marvel or a subsidiary of Disney) which is referred to as the total stock consideration in this proxy statement/prospectus, valued at the closing date price, is less than 40% of the sum of the total stock consideration plus the total amount of cash paid to Marvel stockholders (including cash paid in lieu of fractional shares and deemed paid in respect of dissenting shares), which sum is referred to as the total merger consideration in this proxy statement/prospectus, then the exchange ratio will be increased, and the amount of cash paid per share of Marvel common stock will be correspondingly decreased, until the total stock consideration equals 40% of the total merger consideration. The adjustment will be made as follows: for each 0.0001 increase to the exchange ratio that is made, the amount of cash paid per share of Marvel common stock will be reduced by the product of 0.0001 multiplied by the average of \$26.84 and the closing date price.

For purposes of the adjustment described above, the cash deemed paid in respect of dissenting shares will be that amount of cash equal to the number of dissenting shares multiplied by the sum of (i) the amount of cash paid per share of Marvel common stock plus (ii) the product of the exchange ratio multiplied by the closing date price (with the amounts described in (i) and (ii) determined without regard to the adjustment described in the previous paragraph).

The exchange ratio will be appropriately and equitably adjusted to reflect fully the effect of any reclassification, recapitalization, stock split or combination, split-up, exchange or readjustment of shares with respect to Disney common stock or Marvel common stock or any stock dividend with respect to Disney common stock or Marvel common stock, in each case, having a record date after the date of the merger agreement and prior to the effective time of the merger.

Based on the exchange ratio and the number of fully diluted shares of Marvel common stock outstanding as of October 21, 2009 and based on the closing sale price of Disney common stock as of October 21, 2009, subject to adjustment as contemplated in the merger agreement, a total of approximately (i) 58.5 million shares of Disney common stock will be issued in the merger for the outstanding shares of Marvel and (ii) 19.6 million shares of Disney common stock will be issued in the merger to a subsidiary of Marvel as consideration for shares of Marvel common stock held by such subsidiary, and which shares of Disney common stock to be held by such subsidiary will not be deemed outstanding.

After the merger, Disney stockholders will continue to own their existing shares of Disney common stock. Accordingly, Disney stockholders will hold the same number of shares of Disney common stock that they held immediately prior to the merger. However, because Disney will be issuing new shares of Disney common stock to Marvel stockholders in the merger, each outstanding share of Disney common stock immediately prior to the merger will represent a smaller percentage of the total number of shares of Disney common stock outstanding after the merger. It is expected that Disney stockholders before the merger will hold approximately 97% of the total Disney common stock outstanding upon completion of the merger.

Treatment of Marvel Stock Options, Restricted Stock and Deferred Stock Units

Immediately prior to the merger, unvested options to purchase Marvel common stock will become fully vested and exercisable. Holders of all unexercised Marvel stock options outstanding immediately prior to the

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merger will be entitled to receive a cash payment in an amount equal to (i) the product of (A) the number of shares of Marvel common stock subject to the option and (B) the excess, if any, of (1) the value of the merger consideration, based on the closing price of Disney common stock on the closing date of the merger over (2) the exercise price per share subject to the option, less (ii) withholding with respect to any applicable taxes. Each share of Marvel restricted stock outstanding immediately prior to the merger will vest in full and, as of the effective time of the merger, will entitle the holder to receive the merger consideration, less withholding with respect to applicable taxes. Mr. Maisel (the sole holder of Marvel deferred stock units) will be entitled to receive the per share merger consideration for each Marvel deferred stock unit held immediately prior the merger, less withholding with respect to applicable taxes.

Fractional Shares

Disney will not issue any fractional shares of common stock in connection with the merger. Instead, each holder of Marvel common stock who would otherwise be entitled to receive a fraction of a share of Disney common stock (after taking into account all shares of Marvel common stock owned by such holder at the effective time of the merger) will receive cash, without interest, in an amount equal to the fractional share to which such holder would otherwise be entitled multiplied by the closing price of one share of Disney common stock on the closing date of the merger.

Exchange Procedures

Prior to the effective time of the merger, Disney will select an institution to act as exchange agent, and will establish with the exchange agent an exchange fund to hold the merger consideration to be paid to Marvel stockholders in connection with the merger. The exchange fund will consist of stock certificates representing shares of Disney common stock and cash to be paid as merger consideration and to be paid in lieu of fractional shares of Disney common stock and, if required pursuant to the merger agreement, any dividends or other distributions on Disney common stock with a record date occurring after the completion of the merger.

Promptly after the effective time of the merger, Disney or the exchange agent will mail to each record holder of Marvel common stock a letter of transmittal and instructions for surrendering the record holder's stock certificates in exchange for shares of Disney common stock issuable to each such holder and the cash amount to be paid to such holder pursuant to the merger. Upon proper surrender of a Marvel stock certificate, together with a properly completed letter of transmittal, in accordance with the exchange agent's instructions, the holder of such Marvel stock certificate will be entitled to receive (i) the number of shares of Disney common stock issuable to such holder pursuant to the merger, (ii) a check in the amount equal to the cash portion of the merger consideration payable to such holder pursuant to the merger and (iii) dividends or other distributions, if any, and cash payable in lieu of fractional shares, to which such holder is entitled under the terms of the merger agreement. The surrendered certificates representing Marvel common stock will be canceled. After the effective time of the merger, each certificate representing shares of Marvel common stock that has not been surrendered will represent only the right to receive cash and shares of Disney common stock issuable pursuant to the merger and cash in lieu of any fractional share of Disney common stock to which the holder of any such certificate is entitled. After the effective time of the merger, Marvel will not register any transfers of Marvel common stock.

Holders of Marvel common stock should not send in their Marvel stock certificates until they receive a letter of transmittal from the exchange agent with instructions for the surrender of Marvel stock certificates.

Distributions with Respect to Unexchanged Shares

Holders of Marvel common stock are entitled to receive dividends or other distributions on Disney common stock with a record date after the effective time of the merger, but only after such holder has surrendered its Marvel common stock certificates. Any dividend or other distribution on Disney common stock with a record date after the effective time of the merger will be paid (i) at the time of surrender of the common stock certificate, if the payment date is on or prior to the date of surrender and not previously paid or (ii) at the appropriate payment date, if the dividends or distributions have a payment date subsequent to such surrender.

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Lost, Stolen and Destroyed Certificates

If a Marvel stock certificate is lost, stolen, defaced or destroyed, the holder of such certificate must deliver an affidavit of that fact prior to receiving any merger consideration and, if reasonably required by Disney, may also be required to provide an indemnity bond (in such reasonable amount as may be directed by Disney) prior to receiving any merger consideration (including cash in lieu of fractional shares and any dividends or distributions to which such holder is entitled).

Dissenting Shares

Record holders of Marvel common stock who do not vote in favor of the adoption of the merger agreement and who properly demand appraisal rights in compliance with Section 262 of the DGCL will be entitled to seek appraisal for, and obtain, from the surviving entity, payment in cash for the judicially determined fair value of, their shares of Marvel common stock if the merger is completed, in lieu of receiving the merger consideration. This value could be more than, the same as, or less than the value of the merger consideration. The relevant provisions of the DGCL are included as Annex D to this proxy statement/prospectus. You are encouraged to read these provisions carefully and in their entirety. Moreover, due to the complexity of the procedures for exercising the right to seek appraisal, Marvel stockholders who are considering exercising such rights are encouraged to seek the advice of legal counsel. If a holder of shares of Marvel common stock does not vote in favor of adoption of the merger agreement and properly demands appraisal rights with respect to such shares, such shares of Marvel common stock will not be converted into the right to receive the merger consideration at the effective time of the merger. However, if such stockholder fails to perfect or otherwise effectively waives, withdraws or loses the right to appraisal under Section 262 of the DGCL, whether before or after the effective time of the merger, then that Marvel stockholder will not be paid the judicially determined fair value of their shares of Marvel common stock in accordance with Section 262 of the DGCL, and the shares of Marvel common stock held by such Marvel stockholder will be exchangeable solely for the merger consideration. See *The Merger Appraisal Rights* beginning on page 69 of this proxy statement/prospectus.

Representations and Warranties

The merger agreement contains general representations and warr