

Return of Private Foundation
or Section 4947(a)(1) Nonexempt Charitable Trust
Treated as a Private Foundation

OMB No 1545 0052

2011

Department of the Treasury
Internal Revenue Service

Note The foundation may be able to use a copy of this return to satisfy state reporting requirements

For calendar year 2011, or tax year beginning

, 2011, and ending

THE WALT AND LILLY DISNEY FOUNDATION

P.O. BOX 2566

SAN ANSELMO, CA 94979-2566

A Employer identification number
23-7425637B Telephone number (see the instructions)
415.453.0883C If exemption application is pending, check here ☐D 1 Foreign organizations, check here ☐2 Foreign organizations meeting the 85% test, check here and attach computation ☐E If private foundation status was terminated under section 507(b)(1)(A), check here ☐F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ☐

G Check all that apply.

☐ Initial return☐ Initial Return of a former public charity☐ Final return☐ Amended return☐ Address change☐ Name change

H Check type of organization

☒ Section 501(c)(3) exempt private foundation☐ Section 4947(a)(1) nonexempt charitable trust☐ Other taxable private foundationI Fair market value of all assets at end of year
(from Part II, column (c), line 16)

▶ \$ 157,169,439.

J Accounting method.

☐ Cash☒ Accrual☐ Other (specify)

(Part I, column (d) must be on cash basis)

Part I Analysis of Revenue and Expenses

(The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see instructions).)

(a) Revenue and expenses per books

(b) Net investment income

(c) Adjusted net income

(d) Disbursements for charitable purposes (cash basis only)

1 Contributions, gifts, grants, etc., received (att sch)

2 Ck ☒ if the foundn is not req to att Sch B

3 Interest on savings and temporary cash investments

16.

16.

N/A

4 Dividends and interest from securities

4,689,333.

4,689,333.

5a Gross rents

b Net rental income or (loss)

6a Net gain/(loss) from sale of assets not on line 10

2,351,762.

b Gross sales price for all assets on line 6a

73,009,120.

7 Capital gain net income (from Part IV, line 2)

2,351,762.

8 Net short-term capital gain

9 Income modifications

10a Gross sales less returns and allowances

b Less Cost of goods sold

c Gross profit/(loss) (att sch)

11 Other income (attach schedule)

See Statement 1

-1,269,693.

-1,274,417.

12 Total. Add lines 1 through 11

5,771,418.

5,766,694.

13 Compensation of officers, directors, trustees, etc

0.

14 Other employee salaries and wages

15 Pension plans, employee benefits

16a Legal fees (attach schedule) See St 2

8,100.

6,075.

2,025.

b Accounting fees (attach sch) See St 3

90,659.

81,593.

9,066.

c Other prof fees (attach sch) See St 4

706,456.

706,456.

17 Interest

18 Taxes (attach schedule)(see instrs) See Stm 5

59,354.

-1,642.

60,996.

19 Depreciation (attach sch) and depletion

20 Occupancy

21 Travel, conferences, and meetings

22 Printing and publications

23 Other expenses (attach schedule)

See Statement 6

21,591.

12,544.

8,152.

24 Total operating and administrative expenses. Add lines 13 through 23

886,160.

805,026.

80,239.

25 Contributions, gifts, grants paid Stmt 7

11,055,072.

11,055,072.

26 Total expenses and disbursements. Add lines 24 and 25

11,941,232.

805,026.

11,135,311.

27 Subtract line 26 from line 12:

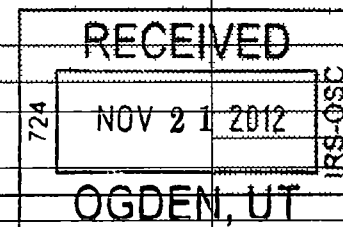
a Excess of revenue over expenses and disbursements

-6,169,814.

b Net investment income (if negative, enter 0)

4,961,668.

c Adjusted net income (if negative, enter 0)



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Part II Balance Sheets		Beginning of year (a) Book Value	End of year	
			(b) Book Value	(c) Fair Market Value
ASSETS	1 Cash — non-interest-bearing	150,760.	82,066.	82,066.
	2 Savings and temporary cash investments	2,050,333.	2,802,925.	2,802,925.
	3 Accounts receivable 547,284.			
	Less allowance for doubtful accounts	399,598.	547,284.	547,284.
	4 Pledges receivable			
	Less allowance for doubtful accounts			
	5 Grants receivable			
	6 Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see instructions)			
	7 Other notes and loans receivable (attach sch)			
	Less allowance for doubtful accounts			
	8 Inventories for sale or use			
	9 Prepaid expenses and deferred charges			
	10a Investments — U S and state government obligations (attach schedule)			
	b Investments — corporate stock (attach schedule)	109,268,567.	95,939,171.	95,939,171.
	c Investments — corporate bonds (attach schedule)	31,769,215.	30,238,857.	30,238,857.
	11 Investments — land, buildings, and equipment basis			
LIABILITIES	Less accumulated depreciation (attach schedule)			
	12 Investments — mortgage loans			
	13 Investments — other (attach schedule)	33,281,092.	27,559,136.	27,559,136.
	14 Land, buildings, and equipment basis			
	Less accumulated depreciation (attach schedule)			
	15 Other assets (describe)			
	16 Total assets (to be completed by all filers — see the instructions Also, see page 1, item i)	176,919,565.	157,169,439.	157,169,439.
	17 Accounts payable and accrued expenses	17,517.	20,090.	
	18 Grants payable	1,500,000.	1,000,000.	
	19 Deferred revenue			
FUND ASSETS	20 Loans from officers, directors, trustees, & other disqualified persons			
	21 Mortgages and other notes payable (attach schedule)			
	22 Other liabilities (describe See Statement 8)	558,370.	222,189.	
	23 Total liabilities (add lines 17 through 22)	2,075,887.	1,242,279.	
	Foundations that follow SFAS 117, check here and complete lines 24 through 26 and lines 30 and 31. <input checked="" type="checkbox"/>			
BALANCE SHEETS	24 Unrestricted	174,843,678.	155,927,160.	
	25 Temporarily restricted			
	26 Permanently restricted			
	Foundations that do not follow SFAS 117, check here and complete lines 27 through 31. <input type="checkbox"/>			
	27 Capital stock, trust principal, or current funds			
	28 Paid-in or capital surplus, or land, building, and equipment fund			
	29 Retained earnings, accumulated income, endowment, or other funds			
	30 Total net assets or fund balances (see instructions)	174,843,678.	155,927,160.	
	31 Total liabilities and net assets/fund balances (see instructions)	176,919,565.	157,169,439.	

Part III Analysis of Changes in Net Assets or Fund Balances

1 Total net assets or fund balances at beginning of year — Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return)	1	174,843,678.
2 Enter amount from Part I, line 27a	2	-6,169,814.
3 Other increases not included in line 2 (itemize)	3	
4 Add lines 1, 2, and 3	4	168,673,864.
5 Decreases not included in line 2 (itemize) See Statement 9	5	12,746,704.
6 Total net assets or fund balances at end of year (line 4 minus line 5) — Part II, column (b), line 30	6	155,927,160.

Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse, or common stock, 200 shares MLC Company)		(b) How acquired P — Purchase D — Donation	(c) Date acquired (month, day, year)	(d) Date sold (month, day, year)
1a Stmt 13 Net Gain/Loss		P	Various	Various
b				
c				
d				
e				

(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a 73,009,120.		70,657,358.	2,351,762.
b			
c			
d			
e			

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Gains (Column (h) gain minus column (k), but not less than -0-) or Losses (from column (h))
(i) Fair Market Value as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of column (i) over column (j), if any	
a			2,351,762.
b			
c			
d			
e			

2 Capital gain net income or (net capital loss)	<div style="border: 1px solid black; padding: 2px;"> If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7 </div>		2	2,351,762.
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6)	<div style="border: 1px solid black; padding: 2px;"> If gain, also enter in Part I, line 8, column (c) (see instructions). If (loss), enter -0- in Part I, line 8 </div>		3	0.

Part V Qualification Under Section 4940(e) for Reduced Tax on Net Investment Income

(For optional use by domestic private foundations subject to the section 4940(a) tax on net investment income.)

If section 4940(d)(2) applies, leave this part blank.

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period?

☐ Yes☒ No

If 'Yes,' the foundation does not qualify under section 4940(e). Do not complete this part.

1 Enter the appropriate amount in each column for each year, see the instructions before making any entries

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (column (b) divided by column (c))
2010	11,838,505.	165,175,912.	0.071672
2009	28,736,611.	160,868,467.	0.178634
2008	12,779,235.	208,756,536.	0.061216
2007	13,126,509.	269,833,445.	0.048647
2006	12,953,600.	252,686,699.	0.051263

2 Total of line 1, column (d)	2	0.411432
3 Average distribution ratio for the 5-year base period — divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years	3	0.082286
4 Enter the net value of noncharitable-use assets for 2011 from Part X, line 5	4	164,143,005.
5 Multiply line 4 by line 3	5	13,506,671.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	49,617.
7 Add lines 5 and 6	7	13,556,288.
8 Enter qualifying distributions from Part XII, line 4	8	11,135,311.

If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate. See the Part VI instructions.

Part VI Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948 — see instructions)

1 a Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> and enter 'N/A' on line 1 Date of ruling or determination letter _____ (attach copy of letter if necessary — see instrs)		1	99,233.
b Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input type="checkbox"/> and enter 1% of Part I, line 27b			
c All other domestic foundations enter 2% of line 27b Exempt foreign organizations enter 4% of Part I, line 12, column (b)			
2 Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)		2	0.
3 Add lines 1 and 2		3	99,233.
4 Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)		4	0.
5 Tax based on investment income. Subtract line 4 from line 3 If zero or less, enter -0-		5	99,233.
6 Credits/Payments			
a 2011 estimated tax pmts and 2010 overpayment credited to 2011	6a	165,000.	
b Exempt foreign organizations — tax withheld at source	6b		
c Tax paid with application for extension of time to file (Form 8868)	6c		
d Backup withholding erroneously withheld	6d		
7 Total credits and payments Add lines 6a through 6d	7	165,000.	
8 Enter any penalty for underpayment of estimated tax Check here <input checked="" type="checkbox"/> if Form 2220 is attached	8		
9 Tax due If the total of lines 5 and 8 is more than line 7, enter amount owed	9	0.	
10 Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	65,767.	
11 Enter the amount of line 10 to be Credited to 2012 estimated tax 65,767. Refunded	11	0.	

Part VII-A Statements Regarding Activities

	Yes	No
1 a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		X
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see the instructions for definition)? <i>If the answer is 'Yes' to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities</i>		X
c Did the foundation file Form 1120-POL for this year?		X
d Enter the amount (if any) of tax on political expenditures (section 4955, imposed during the year). (1) On the foundation \$ 0. (2) On foundation managers \$ 0.		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers \$ 0.		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? <i>If 'Yes,' attach a detailed description of the activities</i>		X
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? <i>If 'Yes,' attach a conformed copy of the changes</i>		X
4 a Did the foundation have unrelated business gross income of \$1,000 or more during the year?	X	
b If 'Yes,' has it filed a tax return on Form 990-T for this year?	X	
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? <i>If 'Yes,' attach the statement required by General Instruction T</i>		X
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	X	
7 Did the foundation have at least \$5,000 in assets at any time during the year? <i>If 'Yes,' complete Part II, column (c), and Part XV</i>	X	
8 a Enter the states to which the foundation reports or with which it is registered (see instructions) CA		
b If the answer is 'Yes' to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by <i>General Instruction G</i> ? <i>If 'No,' attach explanation</i>	X	
9 Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2011 or the taxable year beginning in 2011 (see instructions for Part XIV)? <i>If 'Yes,' complete Part XIV</i>		X
10 Did any persons become substantial contributors during the tax year? <i>If 'Yes,' attach a schedule listing their names and addresses</i>		X

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Part VII-A Statements Regarding Activities (continued)

11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If 'Yes,' attach schedule (see instructions)	11		X
12	Did the foundation make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If 'Yes,' attach statement (see instructions)	12		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address <u>N/A</u>	13	X	
14	The books are in care of <u>JE Morton</u> Telephone no <u>415.453.0883</u> Located at <u>PO Box 2566 San Anselmo CA</u> ZIP + 4 <u>94979-2566</u>			
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - Check here and enter the amount of tax-exempt interest received or accrued during the year <u>N/A</u>	15		N/A
16	At any time during calendar year 2011, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country? See the instructions for exceptions and filing requirements for Form TD F 90-22.1 If 'Yes,' enter the name of the foreign country <u>Ireland</u>	16	X	

Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required

File Form 4720 if any item is checked in the 'Yes' column, unless an exception applies.

	Yes	No
1a During the year did the foundation (either directly or indirectly)		
(1) Engage in the sale or exchange, or leasing of property with a disqualified person?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
(6) Agree to pay money or property to a government official? (Exception. Check 'No' if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
b If any answer is 'Yes' to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see instructions)? Organizations relying on a current notice regarding disaster assistance check here <input type="checkbox"/>	1b	N/A
c Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2011?	1c	X
2 Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5))		
a At the end of tax year 2011, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2011? If 'Yes,' list the years <u>20__ , 20__ , 20__ , 20__</u>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
b Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer 'No' and attach statement - see instructions)	2b	N/A
c If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here. <u>20__ , 20__ , 20__ , 20__</u>		
3a Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
b If 'Yes,' did it have excess business holdings in 2011 as a result of (1) any purchase by the foundation or disqualified persons after May 26, 1969, (2) the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest, or (3) the lapse of the 10-, 15-, or 20-year first phase holding period? (Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2011.)	3b	N/A
4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a	X
b Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2011?	4b	X

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Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required (continued)**5a** During the year did the foundation pay or incur any amount to

(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))?

☐ Yes ☒ No

(2) Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive?

☐ Yes ☒ No

(3) Provide a grant to an individual for travel, study, or other similar purposes?

☐ Yes ☒ No

(4) Provide a grant to an organization other than a charitable, etc., organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? (see instructions)

☒ Yes ☐ No

(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals?

☐ Yes ☒ No**b** If any answer is 'Yes' to 5a(1)-(5), did **any** of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see instructions)?

5b

X

Organizations relying on a current notice regarding disaster assistance check here

☐**c** If the answer is 'Yes' to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant?☒ Yes ☐ No

If 'Yes,' attach the statement required by Regulations section 53.4945-5(d)

See Statement 10

6a Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?☐ Yes ☒ No**b** Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract?

6b

X

If 'Yes' to 6b, file Form 8870

7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction?☐ Yes ☒ No**b** If 'Yes,' did the foundation receive any proceeds or have any net income attributable to the transaction?

N/A

7b

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors**1** List all officers, directors, trustees, foundation managers and their compensation (see instructions).

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
Diane D Miller 311 Miller Avenue, Suite #C-1 Mill Valley, CA 94941	President 3.00	0.	0.	0.
Walter E.D. Miller 311 Miller Avenue, Suite #C-1 Mill Valley, CA 94941	Secretary 3.00	0.	0.	0.
Christopher D Miller 311 Miller Avenue, Suite #C-1 Mill Valley, CA 94941	Vice Preside 3.00	0.	0.	0.
Jennifer M Goff 311 Miller Avenue, Suite #C-1 Mill Valley, CA 94904	Vice Preside 3.00	0.	0.	0.

2 Compensation of five highest-paid employees (other than those included on line 1— see instructions). If none, enter 'NONE.'

(a) Name and address of each employee paid more than \$50,000	(b) Title, and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
None				

Total number of other employees paid over \$50,000

0

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors (continued)**3** Five highest-paid independent contractors for professional services (see instructions). If none, enter 'NONE.'

(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
Alliance Capital Management PO Box 7497 Philadelphia, PA 19101	Investment Mgmt	604,777.
Goldman Sachs 85 Broad Street New York, NY 10004	Investment Mgmt	46,679.
Programs Unlimited, Inc. 10 Scott Place Greenbrae, CA 94904	Admin/Acctg	65,859.
Sperry Capital Inc One Harbor Dr, Ste 108 Sausalito, CA 94965	Consulting	55,000.
Total number of others receiving over \$50,000 for professional services		0

Part IX-A Summary of Direct Charitable Activities

List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc.

	Expenses
1 N/A	
2	
3	
4	

Part IX-B Summary of Program-Related Investments (see instructions)

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2	Amount
1 N/A	
2	
All other program-related investments See instructions	
3	
Total. Add lines 1 through 3	0.

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Part X Minimum Investment Return (All domestic foundations must complete this part. Foreign foundations; see instructions.)

1 Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes		
a Average monthly fair market value of securities	1a	138,977,662.
b Average of monthly cash balances	1b	105,847.
c Fair market value of all other assets (see instructions)	1c	27,559,136.
d Total (add lines 1a, b, and c)	1d	166,642,645.
e Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	0.
2 Acquisition indebtedness applicable to line 1 assets	2	0.
3 Subtract line 2 from line 1d	3	166,642,645.
4 Cash deemed held for charitable activities Enter 1-1/2% of line 3 (for greater amount, see instructions)	4	2,499,640.
5 Net value of noncharitable-use assets. Subtract line 4 from line 3 Enter here and on Part V, line 4	5	164,143,005.
6 Minimum investment return. Enter 5% of line 5	6	8,207,150.

Part XI Distributable Amount (see instructions) (Section 4942(j)(3) and (j)(5) private operating foundations and certain foreign organizations check here ☐ and do not complete this part.)

1 Minimum investment return from Part X, line 6		1	8,207,150.
2a Tax on investment income for 2011 from Part VI, line 5	2a	99,233.	
b Income tax for 2011. (This does not include the tax from Part VI)	2b		
c Add lines 2a and 2b		2c	99,233.
3 Distributable amount before adjustments. Subtract line 2c from line 1		3	8,107,917.
4 Recoveries of amounts treated as qualifying distributions		4	
5 Add lines 3 and 4		5	8,107,917.
6 Deduction from distributable amount (see instructions)		6	
7 Distributable amount as adjusted Subtract line 6 from line 5 Enter here and on Part XIII, line 1		7	8,107,917.

Part XII Qualifying Distributions (see instructions)

1 Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes		
a Expenses, contributions, gifts, etc. — total from Part I, column (d), line 26	1a	11,135,311.
b Program-related investments — total from Part IX-B	1b	
2 Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	
3 Amounts set aside for specific charitable projects that satisfy the		
a Suitability test (prior IRS approval required)	3a	
b Cash distribution test (attach the required schedule)	3b	
4 Qualifying distributions. Add lines 1a through 3b Enter here and on Part V, line 8, and Part XIII, line 4	4	11,135,311.
5 Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income Enter 1% of Part I, line 27b (see instructions)	5	
6 Adjusted qualifying distributions. Subtract line 5 from line 4	6	11,135,311.

Note. The amount on line 6 will be used in Part V, column (b), in subsequent years when calculating whether the foundation qualifies for the section 4940(e) reduction of tax in those years.

Part XIII Undistributed Income (see instructions)

	(a) Corpus	(b) Years prior to 2010	(c) 2010	(d) 2011
1 Distributable amount for 2011 from Part XI, line 7				8,107,917.
2 Undistributed income, if any, as of the end of 2011:				
a Enter amount for 2010 only			0.	
b Total for prior years 20 __, 20 __, 20 __		0.		
3 Excess distributions carryover, if any, to 2011:				
a From 2006				
b From 2007				
c From 2008				
d From 2009	13,329,380.			
e From 2010	3,738,904.			
f Total of lines 3a through e	17,068,284.			
4 Qualifying distributions for 2011 from Part XII, line 4 ▶ \$ 11,135,311.				
a Applied to 2010, but not more than line 2a			0.	
b Applied to undistributed income of prior years (Election required — see instructions)		0.		
c Treated as distributions out of corpus (Election required — see instructions)	0.			
d Applied to 2011 distributable amount				8,107,917.
e Remaining amount distributed out of corpus	3,027,394.			
5 Excess distributions carryover applied to 2011 (If an amount appears in column (d), the same amount must be shown in column (a))	0.			0.
6 Enter the net total of each column as indicated below:				
a Corpus. Add lines 3f, 4c, and 4e. Subtract line 5	20,095,678.			
b Prior years' undistributed income. Subtract line 4b from line 2b		0.		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed		0.		
d Subtract line 6c from line 6b. Taxable amount — see instructions		0.		
e Undistributed income for 2010. Subtract line 4a from line 2a. Taxable amount — see instructions			0.	
f Undistributed income for 2011. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2012				0.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see instructions)	0.			
8 Excess distributions carryover from 2006 not applied on line 5 or line 7 (see instructions)	0.			
9 Excess distributions carryover to 2012. Subtract lines 7 and 8 from line 6a	20,095,678.			
10 Analysis of line 9:				
a Excess from 2007				
b Excess from 2008				
c Excess from 2009	13,329,380.			
d Excess from 2010	3,738,904.			
e Excess from 2011	3,027,394.			

Part XV Supplementary Information (continued)**3 Grants and Contributions Paid During the Year or Approved for Future Payment**

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
<i>a Paid during the year</i>				
Total				3a
<i>b Approved for future payment</i>				
Total				3b

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated

Enter gross amounts unless otherwise indicated	Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income (See instructions)
	(a) Business code	(b) Amount	(c) Exclu- sion code	(d) Amount	
1 Program service revenue					
a					
b					
c					
d					
e					
f					
g Fees and contracts from government agencies					
2 Membership dues and assessments					
3 Interest on savings and temporary cash investments			14	16.	
4 Dividends and interest from securities			14	4,689,333.	
5 Net rental income or (loss) from real estate					
a Debt-financed property					
b Not debt-financed property					
6 Net rental income or (loss) from personal property					
7 Other investment income					
8 Gain or (loss) from sales of assets other than inventory					2,351,762.
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory					
11 Other revenue:					
a See Statement 12				-1,269,693.	
b					
c					
d					
e					
12 Subtotal. Add columns (b), (d), and (e)				3,419,656.	2,351,762.
13 Total. Add line 12, columns (b), (d), and (e)				13	5,771,418.

(See worksheet in line 13 instructions to verify calculations)

Part XVI-B Relationship of Activities to the Accomplishment of Exempt Purposes

[illegible]

THE WALT AND LILLY DISNEY FOUNDATION

23-7425637

Statement 1
Form 990-PF, Part I, Line 11
Other Income

	(a) Revenue per Books	(b) Net Investment Income	(c) Adjusted Net Income
Goldman PEP 00 LP	\$ 26,943.	\$ 26,943.	
Goldman PEP 99 LP	24,814.	24,814.	
Goldman PEP Tech 00 LP	-5,154.	-5,154.	
Other Income	17,143.	12,419.	
SB Em Mkt	5,655.	5,655.	
SB Intl Value Fund	-1,339,094.	-1,339,094.	
Total	\$ -1,269,693.	\$ -1,274,417.	\$ 0.

Statement 2
Form 990-PF, Part I, Line 16a
Legal Fees

	(a) Expenses Per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purposes
Legal Fees	\$ 8,100.	\$ 6,075.		\$ 2,025.
Total	\$ 8,100.	\$ 6,075.		\$ 2,025.

Statement 3
Form 990-PF, Part I, Line 16b
Accounting Fees

	(a) Expenses per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purposes
Hood & Strong	\$ 24,800.	\$ 22,320.		\$ 2,480.
Programs Unlimited	65,859.	59,273.		6,586.
Total	\$ 90,659.	\$ 81,593.		\$ 9,066.

Statement 4
Form 990-PF, Part I, Line 16c
Other Professional Fees

	(a) Expenses per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purposes
GS Management	\$ 46,679.	\$ 46,679.		
SB/Alliance Capital Management	604,777.	604,777.		
Sperry Capital	55,000.	55,000.		
Total	\$ 706,456.	\$ 706,456.		\$ 0.

THE WALT AND LILLY DISNEY FOUNDATION

23-7425637

Statement 5
Form 990-PF, Part I, Line 18
Taxes

	(a) Expenses per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purposes
Deferred Tax	\$ -336,181.	\$ -336,181.		
Foreign Taxes on Investments	169,379.	169,379.		
Franchise Tax Board	160.	160.		
US Treasury	225,996.	165,000.		\$ 60,996.
Total	\$ 59,354.	\$ -1,642.		\$ 60,996.

Statement 6
Form 990-PF, Part I, Line 23
Other Expenses

	(a) Expenses per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purposes
Insurance	\$ 8,952.			\$ 8,057.
Investment	12,044.	\$ 12,044.		
Office	595.	500.		95.
Total	\$ 21,591.	\$ 12,544.		\$ 8,152.

Statement 7
Form 990-PF, Part I, Line 25
Contributions, Gifts, and Grants

Cash Grants and Allocations

Class of Activity: Endowment Fund
 Donee's Name: LA Philharmonic
 Donee's Address: 135 N. Grand Avenue
 Los Angeles, CA 90012
 Relationship of Donee: None
 Organizational Status of Donee: Public Charity
 Amount Given: \$ 500,000.

Class of Activity: Amblyopia Research
 Donee's Name: Research to Prevent Blindness
 Donee's Address: 645 Madison Avenue, 21st Floor
 New York, NY 10022
 Relationship of Donee: None
 Organizational Status of Donee: Public Charity
 Amount Given: 100,000.

Class of Activity: Education - Arts
 Donee's Name: Walt Disney Magnet School
 Donee's Address: 4140 North Marine Drive
 Chicago, IL 60613
 Relationship of Donee: None
 Organizational Status of Donee: Public Charity
 Amount Given: 100,000.

Class of Activity: Medical - Hearing Loss

THE WALT AND LILLY DISNEY FOUNDATION

23-7425637

Statement 7 (continued)
Form 990-PF, Part I, Line 25
Contributions, Gifts, and Grants

Donee's Name:	John Tracy Clinic	
Donee's Address:	806 West Adams Boulevard	
	Los Angeles, CA 90007	
Relationship of Donee:	None	
Organizational Status of Donee:	Public Charity	
Amount Given:		\$ 10,000.
Class of Activity:	Arts	
Donee's Name:	LA Philharmonic	
Donee's Address:	135 N. Grand Avenue	
	Los Angeles, CA 90012	
Relationship of Donee:	None	
Organizational Status of Donee:	Public Charity	
Amount Given:		250,000.
Class of Activity:	Education - Arts	
Donee's Name:	Walt Disney Family Foundation	
Donee's Address:	104 Montgomery, Presidio of SF	
	San Francisco, CA 94129	
Relationship of Donee:	Substantial Contributor	
Organizational Status of Donee:	Private Foundation	
Amount Given:		1,950,000.
Class of Activity:	Education	
Donee's Name:	Walt Disney Elementary School	
Donee's Address:	200 Lakeside Drive North	
	Levittown, PA 19054	
Relationship of Donee:	None	
Organizational Status of Donee:	Public Charity	
Amount Given:		10,000.
Class of Activity:	Education - Arts	
Donee's Name:	The Walt Disney Family Museum	
Donee's Address:	104 Montgomery, Presidio of SF	
	San Francisco, CA 94129	
Relationship of Donee:	Substantial Contributor	
Organizational Status of Donee:	Private Foundation	
Amount Given:		8,135,072.
		Total \$ <u>11,055,072.</u>

Statement 8
Form 990-PF, Part II, Line 22
Other Liabilities

Deferred Excise Tax	\$ 222,189.
Total	\$ <u>222,189.</u>

THE WALT AND LILLY DISNEY FOUNDATION

23-7425637

Statement 9
Form 990-PF, Part III, Line 5
Other Decreases

Unrealized Loss (Investments)

	\$ 12,746,704.
Total	<u>\$ 12,746,704.</u>

Statement 10
Form 990-PF, Part VII-B, Line 5c
Expenditure Responsibility

Grantee Name:	Walt Disney Family Foundation
Address:	104 Montgomery, Presidio of SF
Address:	San Francisco, CA 94129
Grant Date:	5/04/2011
Grant Amount:	\$ 1950000
Grant Purpose:	Acquire and maintain Walt Disney memorabilia & collections.
Amt. Expended by Grantee:	\$ 1950000
Any Diversion by Grantee:	No
Dates of Reports by Grantee:	Monthly
Date of Verification:	12/31/2011
Results of Verification:	Verified

Grantee Name:	The Walt Disney Family Museum
Address:	104 Montgomery, Presidio of SF
Address:	San Francisco, CA 94129
Grant Date:	1/04/2011
Grant Amount:	\$ 8135072
Grant Purpose:	Museum Operations
Amt. Expended by Grantee:	\$ 8135072
Any Diversion by Grantee:	No
Dates of Reports by Grantee:	Monthly
Date of Verification:	12/31/2011
Results of Verification:	Verified

Statement 11
Form 990-PF, Part XV, Line 2a-d
Application Submission Information

Name of Grant Program:	NO SOLICITATIONS ACCEPTED
Name:	
Care Of:	
Street Address:	
City, State, Zip Code:	
Telephone:	
Form and Content:	
Submission Deadlines:	
Restrictions on Awards:	

THE WALT AND LILLY DISNEY FOUNDATION

23-7425637

Statement 12
Form 990-PF, Part XVI-A, Line 11
Other Revenue

Other Revenue	(A) Busi- ness Code	(B) Unrelated Business Amount	(C) Exclu- sion Code	(D) Excluded Amount	(E) Related or Exempt Function
Goldman PEP 00 LP			1	\$ 26,943.	
Goldman PEP 99 LP			1	24,814.	
Goldman PEP Tech 00 LP			1	-5,154.	
Other Income			14	17,143.	
SB Em Mkt			1	5,655.	
SB Intl Value Fund			1	-1339094.	
Total		\$ 0.		\$ -1269693.	\$ 0.

THE WALT AND LILLY DISNEY FOUNDATION

23-7425637

Statement 13 - Capital Gains and Losses for Tax on Investment Income

Form 990-PF, Part IV

(a) Description	(b) P/D	(c) Acquired	(d) Sold	(e) Gross Sales	(g) Basis	(h) Gain (Loss)
1099-B Goldman Sachs 751	P	Various	Various	3,018,221	2,387,426	630,795
1099-B Goldman Sachs 753	P	Various	Various	2,496,000	2,214,644	281,356
1099-B Goldman Sachs 755	P	Various	Various	1,757,500	1,771,847	(14,347)
1099-B Sanford Bernstein 698	P	Various	Various	19,586,004	16,076,138	3,509,866
1099-B Sanford Bernstein 699	P	Various	Various	6,349,924	6,109,568	240,356
1099-Div GS Cap Gain Dist 751	P	Various	Various	1,701	0	1,701
1099-Div GS Cap Gain Dist 753	P	Various	Various	25,652	0	25,652
K-1 GS Private Equity Partners '00, LP	P	Various	Various	8,092	0	8,092
K-1 GS Private Equity Partners '99, LP	P	Various	Various	130,250	0	130,250
K-1 GS Pep Technology 2000, LP	P	Various	Various	80,064	0	80,064
SB DBT Intl Value		Various	Various	135,416	86,177	49,239
SB DBT Emerging Mkts		Various	Various	37,042	11,598	25,444
K-1 SB DBT Intl Value	P	Various	Various	(2,058,117)	0	(2,058,117)
K-1 SB DBT Emerging Mkts	P	Various	Various	108,435	0	108,435
Subtotal Long-Term Capital Gain				31,676,184	28,657,398	3,018,786
1099-B Goldman Sachs 751 - (covered)	P	Various	Various	586,414	643,142	(56,728)
1099-B Goldman Sachs 751	P	Various	Various	1,071,230	887,831	183,399
1099-B Sanford Bernstein 698 - (covered)	P	Various	Various	12,056,234	13,267,010	(1,210,776)
1099-B Sanford Bernstein 698	P	Various	Various	15,128,734	14,382,120	746,614
1099-B Sanford Bernstein 699	P	Various	Various	12,959,757	12,819,857	139,900
K-1 GS Private Equity Partners '00, LP	P	Various	Various	740	0	740
K-1 GS Private Equity Partners '99, LP	P	Various	Various	189	0	189
K-1 GS Pep Technology 2000, LP	P	Various	Various	640	0	640
K-1 SB DBT Intl Value	P	Various	Various	(489,861)	0	(489,861)
K-1 SB DBT Emerging Mkts	P	Various	Various	18,859	0	18,859
Subtotal Short-Term Capital Gain				41,332,936	41,999,960	(667,024)

Total Capital Gain/Loss

73,009,120

70,657,358

2,351,762

THE WALT AND LILLY DISNEY FOUNDATION

23-7425637

Statement 14

Form 990-PF, Part II

Fair Market Value Column (c)

(See Attached Detail at Referenced Tab - first column)

Ref	Line #	Description	(c) Fair Market Value
A	1	Cash - non-interest bearing	82,066
B	2	Savings and temporary cash	2,802,925
C	10(b)	Investments - corporate stock	95,939,171
D	10(c)	Investments - corporate bonds	30,238,857
E	13	Investments - other	27,559,136
		Total Investments	156,622,155
		Accounts Receivable/Prepaid	547,284
	16	Total Assets	157,169,439

Schwab One® Account
Account Number:

Statement Period: December 1, 2011 to December 31, 2011

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30/12-BNCB2103-002757-SML-94979256600 273189 *1-2

THE WALT & LILLY DISNEY
FOUNDATION
PO BOX 2566
SAN ANSELMO CA 94979-2566



002757



Account Value Summary

Cash & Sweep Money Market Funds	\$ 82,065.57
Total Investments Long	\$ 20,076,457.63
Total Investments Short	\$ 0.00
Margin Loan Balance	\$ 0.00
Total Account Value	\$ 20,158,523.20

Change in Account Value

Starting Account Value	\$ 19,437,456.46
Transactions & Income	\$ (64,488.60)
Income Reinvested	\$ 0.00
Change in Value of Investments	\$ 785,555.34
Ending Account Value	\$ 20,158,523.20
Year-to-Date Change in Value Since 1/1/11	\$ (68,299.76)

Total Funds Available: Cash + Margin

Available to Withdraw	\$ 11,636,608.57
Securities Buying Power	\$ 23,273,218.00

Rate Summary

Value Adv Money Fd SWVXX	0.01%
Sch Investor Money Fund	0.01%
Margin Loan Rates vary by balance	6.00% to 8.50%

Income Summary

Description	This Period	Year to Date
Federally Taxable		
Schwab One® Interest	2.01	15.81
Cash Dividends	24,409.33	292,206.23
Total Income	24,411.34	292,222.04

Investment Detail

Description	Symbol	Quantity	Price	Market Value
Cash, Money Market Fund (Sweep)				
CASH				82,065.57

Please see "Endnotes For Your Account" section for an explanation of the endnote codes and symbols on this statement.

Account No.
698

Period Ending
12/30/2011

Last Statement
11/30/2011

THE WALT AND LILLY DISNEY
FOUNDATION
DIANE MILLER, PRESIDENT
W. MILLER SECRETARY-TREASURER
PO BOX 2566
SAN ANSELMO CA 94979-2566

MEMBER, NEW YORK STOCK EXCHANGE, INC.



ACCOUNT SUMMARY

	Opening Balance	%		Closing Balance	%
Cash	2,089,747	4.3	→	1,236,172	2.5
Strategic Value	46,207,193	95.7		47,567,365	97.5
Total Account Value	48,296,939	100.0		48,803,536	100.0

B

TEMP
CASH

1,236,172• +
1,512,038• +
10,559• +
44,110• +
46• +
2,802,925• *

B

699)

THE WALT AND LILLY DISNEY FOUNDATION
 Portfolio Valuation

Quantity	Local Currency		Reporting Currency: US dollars	
	Average Unit Cost	Market Price	Average Unit Cost	Market Price

Market Value

PORTFOLIO TOTALS

PORTFOLIO VALUE

→ \$19,200,972.30

CASH 15,120,338
 BDNSS 17,688,934

B



The Walt & Lilly Disney Foundation
23-7425637

WALT & LILLY DISNEY FDN Overview

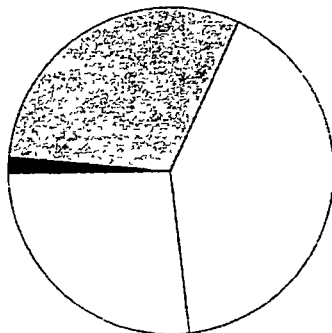
Period Ended December 31, 2011

23,701,784.53

TOTAL PORTFOLIO

PORTFOLIO ASSET ALLOCATION (INCLUDES ACCRUALS) ¹

	Market Value	Percentage
CASH, DEPOSITS & MONEY MARKET FUNDS	10,558.81	0.04
CASH	10,558.81	0.04
PUBLIC EQUITY	17,332,565.19	73.13
US EQUITY	7,351,509.59	31.02
NON-US EQUITY	9,981,055.60	42.11
OTHER INVESTMENTS	6,358,660.53	26.83
ASSET ALLOCATION INVESTMENTS	6,358,660.53	26.83
TOTAL PORTFOLIO	23,701,784.53	100.00



PORTFOLIO ACTIVITY

	Market Value
MARKET VALUE AS OF DECEMBER 01, 2011	24,024,515.14
(INCLUDING ESTIMATED ACCRUALS)	
CASH DEPOSITS	410,000.00
CASH WITHDRAWALS	(410,000.00)
DIVIDENDS RECEIVED	577,670.48
MISCELLANEOUS INCOME	25,652.21
SPILOVER DISTRIBUTIONS	85,008.83
CHANGE IN MARKET VALUE	(1,011,062.13)
MARKET VALUE AS OF DECEMBER 31, 2011	23,701,784.53
(INCLUDING ESTIMATED ACCRUALS)	

INVESTMENT RESULTS

	Beginning Market Value	Net Deposits (Withdrawals)	Investment Results	Ending Market Value Dec 31 11
CURRENT MONTH	24,024,515.14	0.00	(322,730.61)	23,701,784.53

¹ Please be aware that a portion of the holdings in each of the asset classes and strategies may consist of cash and is not separately reflected as cash herein. Please refer to Holdings section of Statement Detail.

WALT & LILLY DISNEY FDN

Overview

Period Ended December 31, 2011

TOTAL PORTFOLIO: US EQUITY: GSAM: LARGE CAP GROWTH (STRATEGIC) **7,386,416.33**

PORTFOLIO ACTIVITY

	Market Value
MARKET VALUE AS OF DECEMBER 01, 2011	7,397,752.93
(INCLUDING ESTIMATED ACCRUALS)	
INTEREST RECEIVED	5.97
DIVIDENDS RECEIVED	31,452.60
CHANGE IN MARKET VALUE	(42,795.17)
MARKET VALUE AS OF DECEMBER 31, 2011	7,386,416.33
(INCLUDING ESTIMATED ACCRUALS)	

→ 44,110 CASH
3,353,643 STOCK

INVESTMENT RESULTS

	Beginning Market Value	Net Deposits (Withdrawals)	Investment Results	Ending Market Value Dec 31 11
CURRENT MONTH	7,397,752.93	0.00	(11,336.60)	7,386,416.33
CURRENT YEAR	8,394,318.85	(1,342,501.80)	334,599.28	7,386,416.33

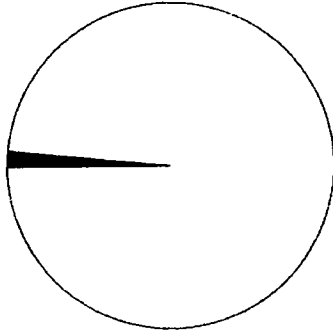
WALT & LILLY DISNEY FDM Overview

Period Ended December 31, 2011

9,811,788.27

PORTFOLIO ASSET ALLOCATION (INCLUDES ACCRUALS) ¹

	Market Value	Percentage
CASH, DEPOSITS & MONEY MARKET FUNDS	45.88	0.00
CASH	45.88	0.00
FIXED INCOME	9,811,742.39	100.00
INVESTMENT GRADE FIXED INCOME	9,811,742.39	100.00
TOTAL PORTFOLIO	9,811,788.27	100.00



■ CASH
□ INVESTMENT GRADE FIXED INCOME

PORTFOLIO ACTIVITY

	Market Value
MARKET VALUE AS OF DECEMBER 01, 2011	10,149,703.09
(INCLUDING ESTIMATED ACCRUALS)	
CASH WITHDRAWALS	(410,000.00)
DIVIDENDS RECEIVED	14,341.18
MISCELLANEOUS INCOME	476.51
CHANGE IN MARKET VALUE	57,267.49
MARKET VALUE AS OF DECEMBER 31, 2011	9,811,788.27
(INCLUDING ESTIMATED ACCRUALS)	

INVESTMENT RESULTS

	Beginning Market Value	Net Deposits (Withdrawals)	Investment Results	Ending Market Value Dec 31 11
CURRENT MONTH	10,149,703.09	(410,000.00)	72,085.18	9,811,788.27

¹ Please be aware that a portion of the holdings in each of the asset classes and strategies may consist of cash and is not separately reflected as cash herein. Please refer to Holdings section of Statement Detail.

Account No.
698

Period Ending
12/30/2011

Last Statement
11/30/2011

THE WALT AND LILLY DISNEY
FOUNDATION
DIANE MILLER, PRESIDENT
W. MILLER SECRETARY-TREASURER
PO BOX 2566
SAN ANSELMO CA 94979-2566

MEMBER, NEW YORK STOCK EXCHANGE, INC.



ACCOUNT SUMMARY

	Opening Balance	%		Closing Balance	%
Cash	2,089,747	4.3		1,236,172	2.5
Strategic Value	46,207,193	95.7	→	47,567,365	97.5
Total Account Value	48,296,939	100.0		48,803,536	100.0

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47,567,365. +

23,691,226. +

7,342,306. +

17,338,275. +

1. -

STOCKS 95,939,171. *

95,939,171.

C



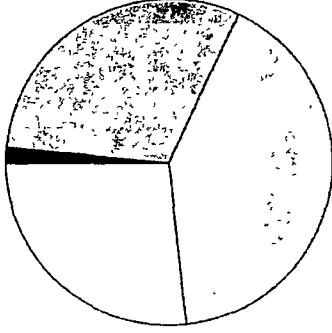
WALT & LILLY DISNEY FDN Overview

Period Ended December 31, 2011

TOTAL PORTFOLIO **23,701,784.53**

PORTFOLIO ASSET ALLOCATION (INCLUDES ACCRUALS) ¹

	Market Value	Percentage
CASH, DEPOSITS & MONEY MARKET FUNDS	10,558.81	0.04
CASH	10,558.81	0.04
PUBLIC EQUITY	17,332,565.19	73.13
US EQUITY	7,351,509.59	31.02
NON-US EQUITY	9,981,055.60	42.11
OTHER INVESTMENTS	6,358,660.53	26.83
ASSET ALLOCATION INVESTMENTS	6,358,660.53	26.83
TOTAL PORTFOLIO	23,701,784.53	100.00



- ☒ CASH
- ☒ US EQUITY
- ☒ NON-US EQUITY
- ☒ ASSET ALLOCATION INVESTMENTS

PORTFOLIO ACTIVITY

	Market Value
MARKET VALUE AS OF DECEMBER 01, 2011	24,024,515.14
(INCLUDING ESTIMATED ACCRUALS)	
CASH DEPOSITS	410,000.00
CASH WITHDRAWALS	(410,000.00)
DIVIDENDS RECEIVED	577,670.48
MISCELLANEOUS INCOME	25,652.21
SPILLOVER DISTRIBUTIONS	85,008.83
CHANGE IN MARKET VALUE	(1,011,062.13)
MARKET VALUE AS OF DECEMBER 31, 2011	23,701,784.53
(INCLUDING ESTIMATED ACCRUALS)	

INVESTMENT RESULTS

	Beginning Market Value	Net Deposits (Withdrawals)	Investment Results	Ending Market Value Dec 31 11
CURRENT MONTH	24,024,515.14	0.00	(322,730.61)	23,701,784.53

¹ Please be aware that a portion of the holdings in each of the asset classes and strategies may consist of cash and is not separately reflected as cash herein. Please refer to Holdings section of Statement Detail.



WALT & LILLY DISNEY FDN Overview

Period Ended December 31, 2011

TOTAL PORTFOLIO: US EQUITY: GSAM: LARGE CAP GROWTH (STRATEGIC)

7,386,416.33

PORTFOLIO ACTIVITY

	Market Value
MARKET VALUE AS OF DECEMBER 01, 2011	7,397,752.93
(INCLUDING ESTIMATED ACCRUALS)	
INTEREST RECEIVED	5.97
DIVIDENDS RECEIVED	31,452.60
CHANGE IN MARKET VALUE	(42,795.17)
MARKET VALUE AS OF DECEMBER 31, 2011	7,386,416.33
(INCLUDING ESTIMATED ACCRUALS)	

44,110 CASH
4,342,306 STOCK
11,337 ACCRUAL ←

INVESTMENT RESULTS

	Beginning Market Value	Net Deposits (Withdrawals)	Investment Results	Ending Market Value Dec 31 11
CURRENT MONTH	7,397,752.93	0.00	(11,336.60)	7,386,416.33
CURRENT YEAR	8,394,318.85	(1,342,501.80)	334,599.28	7,386,416.33

The Walt & Lilly Disney Foundation
23-7425637

Account Statement
Retain for Your Records

Charles SCHWAB

Schwab One® Account
Account Number:

Statement Period: December 1, 2011 to December 31, 2011

Investment Detail (continued)

Description	Symbol	Quantity	Price	Market Value
Investments				
PIMCO TOTAL RETURN FUND (M) INSTL CL	PTTRX	251,902.7260	10.8700	2,738,182.63
→ DISNEY WALT CO (M)	DIS	462,354.0000	37.5000	17,338,275.00
Total Account Value				20,158,523.20

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THE WALT AND LILLY DISNEY FOUNDATION
 Portfolio Valuation

Reporting Currency: US dollars

Local Currency

Quantity	Average Unit Cost	Market Price	Average Unit Cost	Market Price	Market Value
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Quantity

PORTFOLIO TOTALS

PORTFOLIO VALUE

CASH 1,512,038

\$19,200,972.30

BONDS 17,688,934

BONDS

17,688,934 • +
 9,811,741 • +
 2,738,182 • +
30,238,857 • *

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WALT & LILLY DISNEY FDN

Overview

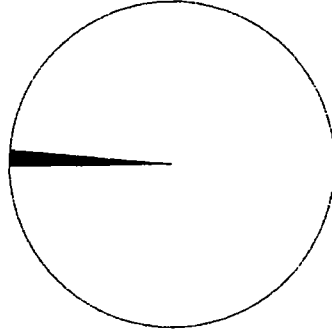
Period Ended December 31, 2011

9,811,788.27

TOTAL PORTFOLIO

PORTFOLIO ASSET ALLOCATION (INCLUDES ACCRUALS) ¹

	Market Value	Percentage
CASH, DEPOSITS & MONEY MARKET FUNDS	45.88	0.00
CASH	45.88	0.00
FIXED INCOME	9,811,742.39	100.00
INVESTMENT GRADE FIXED INCOME	9,811,742.39	100.00
TOTAL PORTFOLIO	9,811,788.27	100.00



PORTFOLIO ACTIVITY

	Market Value
MARKET VALUE AS OF DECEMBER 01, 2011	10,149,703.09
(INCLUDING ESTIMATED ACCRUALS)	
CASH WITHDRAWALS	(410,000.00)
DIVIDENDS RECEIVED	14,341.18
MISCELLANEOUS INCOME	476.51
CHANGE IN MARKET VALUE	57,267.49
MARKET VALUE AS OF DECEMBER 31, 2011	9,811,788.27
(INCLUDING ESTIMATED ACCRUALS)	

INVESTMENT RESULTS

	Beginning Market Value	Net Deposits (Withdrawals)	Investment Results	Ending Market Value Dec 31 11
CURRENT MONTH	10,149,703.09	(410,000.00)	72,085.18	9,811,788.27

¹ Please be aware that a portion of the holdings in each of the asset classes and strategies may consist of cash and is not separately reflected as cash herein. Please refer to Holdings section of Statement Detail.

The Walt & Lilly Disney Foundation
23-7425637

Account Statement
Retain for Your Records

Schwab One® Account
Account Number:

Statement Period: December 1, 2011 to December 31, 2011

Investment Detail (continued)

Description	Symbol	Quantity	Price	Market Value
Investments				
→ PIMCO TOTAL RETURN FUND (M) INSTL CL	PTTRX	251,902.7260	10.8700	2,738,182.63
DISNEY WALT CO (M)	DIS	462,354.0000	37.5000	17,338,275.00
Total Account Value				20,158,523.20

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THE WALT AND LILLY DISNEY FOUNDATION

(973)

Portfolio Valuation

Quantity	Market Price	Market Value
PORTFOLIO TOTALS		
PORTFOLIO VALUE		\$2,691,316.17
EQUITIES		
23,460 EMERGING MARKETS VALUE DELAWARE BUSINESS TRUST	\$114.72	\$2,691,316.17

The above quantity rounds your fund shares to the nearest whole share. For the fractional shares held, see your monthly brokerage statement.

*Yields are estimated based on the current dividends of the foreign stocks in the series net of estimated expenses.

OTHER

2,691,316• +
15,739,216• +
1,514,696• +
1,343,696• +
6,270,212• +
27,559,136• *

Quantity	Market Price	Market Value
PORTFOLIO TOTALS		
PORTFOLIO VALUE		\$15,739,215.77
EQUITIES		
354.096 INTERNATIONAL VALUE EAFE HH	\$44.45	\$15,739,215.77

The above quantity rounds your fund shares to the nearest whole share. For the fractional shares held, see your monthly brokerage statement.

¹Yields are estimated based on the current dividends of the foreign stocks in the series net of estimated expenses.

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Walt & Lilly Disney Foundation

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THE WALT & LILLY DISNEY FDN

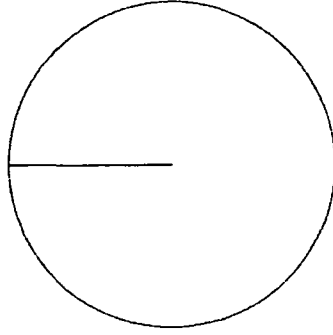
Overview

Period Ended December 31, 2011

TOTAL PORTFOLIO **1,343,696.00**

PORTFOLIO ASSET ALLOCATION (INCLUDES ACCRUALS) ¹

	Market Value	Percentage
ALTERNATIVE INVESTMENTS	1,343,696.00	100.00
PRIVATE EQUITY	1,343,696.00	100.00
TOTAL PORTFOLIO	1,343,696.00	100.00



☐ PRIVATE EQUITY

PORTFOLIO ACTIVITY

	Market Value
MARKET VALUE AS OF DECEMBER 01, 2011	1,473,138.00
(INCLUDING ESTIMATED ACCRUALS)	
ALTERNATIVE INVESTMENTS DEP/WDR	(29,645.00)
CHANGE IN MARKET VALUE	(99,797.00)
MARKET VALUE AS OF DECEMBER 31, 2011	1,343,696.00
(INCLUDING ESTIMATED ACCRUALS)	

INVESTMENT RESULTS

	Beginning Market Value	Net Deposits (Withdrawals)	Investment Results	Ending Market Value Dec 31 11
CURRENT MONTH	1,473,138.00	(29,645.00)	(99,797.00)	1,343,696.00

¹ Please be aware that a portion of the holdings in each of the asset classes and strategies may consist of cash and is not separately reflected as cash herein. Please refer to Holdings section of Statement Detail.

THE WALT AND LILLY DISNEY FOUNDATION

Portfolio Valuation


Quantity	Market Price	Market Value
PORTFOLIO TOTALS		
PORTFOLIO VALUE		
EQUITIES		
16.133	\$93.89	\$1,514,696.04
BERNSTEIN GLOBAL OPPORTUNITIES OFFSHORE (CAYMAN) LTD CLASS A-INITIAL SERIES		

Statement of Shareholder Receiving a Distribution of Stock

THE WALT AND LILLY DISNEY FOUNDATION (Account: 98)

Statement of Shareowner
Receiving a Distribution of Stock
of Huntington Ingalls Industries, Inc.
Filed Pursuant to Treasury Regulation Section 1.355-5(b)

1. The undersigned, a shareholder owning common stock of Northrop Grumman Corporation as of March 30 2011, the record date, received a distribution on March 31 2011, from Northrop Grumman Corporation shares of common stock of Huntington Ingalls Industries, Inc., a corporation controlled by Northrop Grumman Corporation to which Section 355 of the Internal Revenue code of 1986, as amended (the "Code"), applies.
2. The names and addresses of the corporations involved are:
 - (a) Northrop Grumman Corporation
1840 Century Park East
Los Angeles, CA 90067
 - (b) Huntington Ingalls Industries, Inc.
4101 Washington Avenue
Newport News, VA 23607
3. The undersigned surrendered no stock or securities of Northrop Grumman Corporation in the distribution.
4. The undersigned received 4,283 shares of common stock of Huntington Ingalls Industries, Inc. in the distribution.
5. Northrop Grumman Corporation has received a private letter ruling from the Internal Revenue Service to the effect that the distribution of shares of Huntington Ingalls Industries, Inc. common stock qualifies as a tax-free distribution under section 355 of the Code.


Shareholder's Signature

Shareholder's Signature

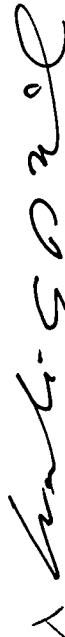
*** ATTACH TO YOUR U.S. FEDERAL INCOME TAX RETURN FOR THE TAX PERIOD 2011 ***

Statement of Shareholder Receiving a Distribution of Stock

THE WALT AND LILLY DISNEY FOUNDATION (Account: 98)

Statement of Shareowner
Receiving a Distribution of Stock
of Marathon Petroleum Corporation
Filed Pursuant to Treasury Regulation Section 1.355-5(b)

1. The undersigned, a shareholder owning common stock of Marathon Oil Corporation as of June 27 2011, the record date, received a distribution on July 01 2011, from Marathon Oil Corporation shares of common stock of Marathon Petroleum Corporation, a corporation controlled by Marathon Oil Corporation to which Section 355 of the Internal Revenue code of 1986, as amended (the "Code"), applies
2. The names and addresses of the corporations involved are:
 - (a) Marathon Oil Corporation
5555 San Felipe Road
Houston, TX 77056
 - (b) Marathon Petroleum Corporation
539 South Main Street
Findlay, OH 45840
3. The undersigned surrendered no stock or securities of Marathon Oil Corporation in the distribution.
4. The undersigned received 21,000 shares of common stock of Marathon Petroleum Corporation in the distribution.
5. Marathon Oil Corporation has received a private letter ruling from the Internal Revenue Service to the effect that the distribution of shares of Marathon Petroleum Corporation common stock qualifies as a tax-free distribution under section 355 of the Code.


Shareholder's Signature

Shareholder's Signature