

**Reconciliation of Non-GAAP Measures
To Corresponding GAAP Measures
January 1, 2005 and December 31, 2001**

Net debt is not a measure of performance defined by, or calculated in accordance with, generally accepted accounting principles (GAAP). This measure should not be considered in isolation of, or as a substitute for, the corresponding GAAP measures. This measure, as calculated by the Company, may not be comparable to similarly titled measures employed by other companies.

Net debt

The following table presents the comparison of net debt as of January 1, 2005 to December 31, 2001 (unaudited, in millions):

	1/1/2005	12/31/2001	Increase (Decrease)
Current portion of borrowings	\$ 3,405	\$ 780	\$ 2,625
Long-term portion of borrowings	10,309	14,987	(4,678)
Total borrowings	<u>13,714</u>	<u>15,767</u>	(2,053)
Cash and cash equivalents	(2,166)	(845)	(1,321)
Net borrowings	\$ 11,548	\$ 14,922	\$ (3,374)
Less: net borrowings of Euro Disney and Hong Kong Disneyland ⁽¹⁾	<u>(2,833)</u>	<u>-</u>	<u>(2,833)</u>
Net borrowings excluding Euro Disney and Hong Kong Disneyland	<u>\$ 8,715</u>	<u>\$ 14,922</u>	<u>\$ (6,207)</u>
			-42%

⁽¹⁾ On March 31, 2004, in accordance with Financial Accounting Standards Board Interpretation No. 46, *Consolidation of Variable Interest Entities* (FIN 46R), the Company began consolidating the balance sheets of Euro Disney and Hong Kong Disneyland.

The following table presents a reconciliation of net borrowings excluding Euro Disney and Hong Kong Disneyland to total borrowings and net borrowings at January 1, 2005 (unaudited, in millions):

	Amounts excluding Euro Disney and Hong Kong Disneyland	Euro Disney and Hong Kong Disneyland	Total
Current portion of borrowings	\$ 965	\$ 2,440	\$ 3,405
Long-term borrowings	9,675	634	10,309
Total borrowings	10,640	3,074	13,714
Cash and cash equivalents	(1,925)	(241)	(2,166)
Net borrowings	<u>\$ 8,715</u>	<u>\$ 2,833</u>	<u>\$ 11,548</u>

	12/31/2003	12/31/2002	12/31/2001	9/30/2001
Current portion of borrowings	\$ 2,332	\$ 1,820	\$ 780	\$ 829
Long-term portion of borrowings	10,827	13,079	14,987	8,940
Total borrowings	13,159	14,899	15,767	9,769
Cash and cash equivalents	(1,462)	(1,380)	(845)	(618)
Net borrowings	\$ 11,697	\$ 13,519	\$ 14,922	\$ 9,151