

**Reconciliation of Non-GAAP Financial Measures
To Corresponding GAAP Financial Measures
October 1, 2005**

FY05 and FY04

Parks and Resorts

Parks and Resorts Revenue excluding Euro Disney and Hong Kong Disneyland Revenue and adjustments and including the impact of royalties 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, or as a substitute for the corresponding GAAP financial measure. This measure, as calculated by the Company, may not be comparable to similarly titled measures employed by other companies.

The following table presents a reconciliation of Parks and Resorts Revenue to Parks and Resorts Revenue excluding Euro Disney and Hong Kong Disneyland Revenue and adjustments and including the impact of royalties (unaudited, in millions):

	<u>10/1/2005</u>	<u>9/30/2004</u>	<u>Change</u>
Parks and Resorts Revenue	\$ 9,023	\$ 7,750	\$ 1,273
Less: Euro Disney and Hong Kong Disneyland Revenue and adjustments	<u>(1,387)</u>	<u>(715)</u>	<u>(672)</u>
Parks and Resorts Revenue excluding Euro Disney and Hong Kong Disneyland Revenue and adjustments and including the impact of royalties ⁽¹⁾	<u>\$ 7,636</u>	<u>\$ 7,035</u>	<u>\$ 601</u>

Parks and Resorts Operating Income excluding Euro Disney and Hong Kong Disneyland Operating Income and adjustments, including the impact of royalties and excluding the impact of stock options and the related margins are not measures of performance defined by, or calculated in accordance with generally accepted accounting principles (GAAP). These measures should not be considered in isolation, or as a substitute for the corresponding GAAP financial measure. This measure, as calculated by the Company, may not be comparable to similarly titled measures employed by other companies.

The following table presents a reconciliation of Parks and Resorts Operating Income to Parks and Resorts Operating Income excluding Euro Disney and Hong Kong Disneyland Operating Income and adjustments, including the impact of royalties and excluding the impact of stock options (unaudited, in millions):

	<u>10/1/2005</u>	<u>9/30/2004</u>	<u>Change</u>
Parks and Resorts Operating Income	\$ 1,178	\$ 1,123	\$ 55
Euro Disney and Hong Kong Disneyland Operating Loss/ (Income) and adjustments	<u>101</u>	<u>(64)</u>	<u>165</u>
Parks and Resorts Operating Income excluding Euro Disney and Hong Kong Disneyland Operating Income and including the impact of royalties ⁽¹⁾	1,279	1,059	220
Stock Option Expense	<u>42</u>	<u>-</u>	<u>42</u>
Parks and Resorts Operating Income excluding Euro Disney and Hong Kong Disneyland Operating Income and adjustments, including the impact of royalties and excluding the impact of stock options	<u>\$ 1,321</u>	<u>\$ 1,059</u>	<u>\$ 262</u>
Margins	<u>17.3%</u>	<u>15.1%</u>	<u>2.2%</u>

⁽¹⁾ These amounts include Euro Disney and Hong Kong Disneyland under the equity method of accounting. As such, any royalty and management fee income from these operations is included in Revenues and Operating Income

**Reconciliation of Non-GAAP Financial Measures
To Corresponding GAAP Financial Measures
October 1, 2005**

Free cash flow is not a measure of performance defined by, or calculated in accordance with generally accepted accounting principles (GAAP). This

Free cash flow

The following table presents a reconciliation of the Company's consolidated cash flows provided by operations to free cash flow (unaudited, in

	Year ended		\$ Change
	10/1/2005	9/30/2004	
Cash provided by operations	\$ 4,269	\$ 4,370	\$ (101)
Less: Investments in parks, resorts and other property	(1,823)	(1,427)	(396)
Free cash flow	<u>\$ 2,446</u>	<u>\$ 2,943</u>	<u>\$ (497)</u>
			-17%

The following table presents a summary of the Company's consolidated cash flows (unaudited, in millions):

	Year ended	
	10/1/2005	9/30/2004
Cash provided by operations	\$ 4,269	\$ 4,370
Cash used by investing activities	(1,691)	(1,484)
Cash used by financing activities	(2,897)	(2,701)
(Decrease) increase in cash and cash equivalents	(319)	185
Cash and cash equivalents due to the initial consolidation of Euro Disney and Hong Kong Disneyland	-	274
Cash and cash equivalents, beginning of period	<u>2,042</u>	<u>1,583</u>
Cash and cash equivalents, end of period	<u>\$ 1,723</u>	<u>\$ 2,042</u>