

**Reconciliation of Non-GAAP Metrics
To Corresponding GAAP Metrics
July 2, 2005**

Net debt

The following table presents the calculation of the reduction in net debt (in millions):

	(unaudited) 7/2/2005	9/30/2004	Increase (Decrease)
Current portion of borrowings	\$ 1,609	\$ 4,093	\$ (2,484)
Long-term borrowings	10,925	9,395	1,530
Total borrowings	<u>12,534</u>	<u>13,488</u>	<u>(954)</u>
Less: cash and cash equivalents	(2,034)	(2,042)	8
Net borrowings	\$ 10,500	\$ 11,446	\$ (946)
Less: net borrowings of Euro Disney and Hong Kong Disneyland	<u>(2,468)</u>	<u>(2,454)</u>	<u>(14)</u>
Net borrowings excluding Euro Disney and Hong Kong Disneyland	<u>\$ 8,032</u>	<u>\$ 8,992</u>	<u>\$ (960)</u>

The following table presents a reconciliation of net borrowings excluding Euro Disney and Hong Kong Disneyland to total borrowings and net borrowings at July 2, 2005 (unaudited, in millions):

	Amounts excluding Euro Disney and Hong Kong Disneyland	Euro Disney and Hong Kong Disneyland	Total
Current portion of borrowings	\$ 1,608	\$ 1	\$ 1,609
Long-term borrowings	8,073	2,852	10,925
Total borrowings	<u>9,681</u>	<u>2,853</u>	<u>12,534</u>
Less: cash and cash equivalents	<u>(1,649)</u>	<u>(385)</u>	<u>(2,034)</u>
Net borrowings	<u>\$ 8,032</u>	<u>\$ 2,468</u>	<u>\$ 10,500</u>

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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 millions):

	Nine months ended		\$ Change
	7/2/2005	6/30/2004	
Cash provided by operations	\$ 2,951	\$ 3,403	\$ (452)
Less: Investments in parks, resorts and other property	(1,187)	(894)	(293)
Free cash flow	<u>\$ 1,764</u>	<u>\$ 2,509</u>	<u>\$ (745)</u>
			-30%

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

	Nine months ended	
	7/2/2005	6/30/2004
Cash provided by operations	\$ 2,951	\$ 3,403
Cash used by investing activities	(1,069)	(863)
Cash used by financing activities	(1,890)	(1,374)
(Decrease) increase in cash and cash equivalents	(8)	1,166
Cash and cash equivalents, beginning of period	<u>2,042</u>	<u>1,857</u>
Cash and cash equivalents, end of period	<u>\$ 2,034</u>	<u>\$ 3,023</u>

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Aggregate segment operating income

The following table presents a reconciliation of aggregate segment operating income to income before income taxes and minority interests (unaudited, in millions):

	Quarter ended		Nine months ended	
	7/2/2005	6/30/2004	7/2/2005	6/30/2004
Segment operating income	\$ 1,473	\$ 1,198	\$ 4,044	\$ 3,589
Corporate and unallocated shared expenses	(124)	(99)	(342)	(284)
Amortization of intangible assets	(3)	(3)	(8)	(8)
Gain on sale of businesses and restructuring and impairment charges	24	(56)	-	(59)
Net interest expense	(134)	(151)	(364)	(446)
Equity in the income of investees	125	126	363	300
Income before income taxes and minority interests	\$ 1,361	\$ 1,015	\$ 3,693	\$ 3,092

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Parks and Resorts *

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 excluding the impact of royalties (in millions):

	(unaudited) 7/2/2005	6/30/2004	Increase (Decrease)
Parks and Resorts Revenue	\$ 2,449	\$ 2,288	\$ 161
Less: Euro Disney and Hong Kong Disneyland Revenue	(311)	(332)	21
Parks and Resorts Revenue excluding Euro Disney and Hong Kong Disneyland Revenue (but including royalties)	\$ 2,138	\$ 1,956	\$ 182
 Increase			9%
 Less: Impact of royalties from Euro Disney and Hong Kong Disneyland	\$ (19)	\$ -	\$ (19)
 Parks and Resorts Revenue excluding Euro Disney and Hong Kong Disneyland Revenue and excluding the impact of royalties	\$ 2,119	\$ 1,956	\$ 163
 Increase			8%

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 excluding the impact of royalties (in millions):

	(unaudited) <u>7/2/2005</u>	<u>6/30/2004</u>	Increase (Decrease)
Parks and Resorts Operating Income	\$ 448	\$ 421	\$ 27
Less: Euro Disney and Hong Kong Disneyland Operating Income	<u>34</u>	<u>(15)</u>	<u>49</u>
Parks and Resorts Operating Income excluding Euro Disney and Hong Kong Disneyland Operating Income (but including royalties)	<u>\$ 482</u>	<u>\$ 406</u>	<u>\$ 76</u>
Increase			19%
Less: Impact of royalties from Euro Disney and Hong Kong Disneyland	<u>\$ (19)</u>	<u>\$ -</u>	<u>\$ (19)</u>
Parks and Resorts Operating Income excluding Euro Disney and Hong Kong Disneyland Operating Income and excluding the impact of royalties	<u>\$ 463</u>	<u>\$ 406</u>	<u>\$ 57</u>
Increase			14%