

**Reconciliation of Non-GAAP Financial Measures
To Corresponding GAAP Financial Measures
Quarter Ended October 2, 2010**

Q4 10 and Q4 09

Parks and Resorts margins excluding Euro Disney and Hong Kong Disneyland and excluding royalties and management fees, Parks and Resorts margins excluding Euro Disney and Hong Kong Disneyland and including royalties and management fees, and Parks and Resorts margins including Euro Disney and Hong Kong Disneyland under the equity method of accounting are not measures of performance defined by, or calculated in accordance with generally accepted accounting principles (GAAP). These measures are based on revenue and operating income excluding Euro Disney and Hong Kong Disneyland's revenues and operating income and either including or excluding the impact of royalties and management fees, and including Euro Disney and Hong Kong Disneyland under the equity method of accounting, which are also non-GAAP financial measures, and should not be considered in isolation, or as a substitute for the corresponding GAAP financial measures. These measures, as calculated by the Company, may not be comparable to similarly titled measures employed by other companies.

The following table presents reconciliations of Parks and Resorts revenue, operating income and margins (millions except margin percentages):

	Q4 10	Q4 09	B / (W)	
Parks and Resorts Revenue as reported	\$ 2,819	\$ 2,844	\$ (25)	-1%
Less: Euro Disney and Hong Kong Disneyland Revenue	(615)	(609)	(6)	
Parks and Resorts Revenue excluding Euro Disney and Hong Kong Disneyland Revenue and royalties and management fees	2,204	2,235	(31)	-1%
Add: Royalties and management fees	29	31	(2)	
Parks and Resorts Revenue excluding Euro Disney and Hong Kong Disneyland Revenue and including royalties and management fees	<u>\$ 2,233</u>	<u>\$ 2,266</u>	<u>\$ (33)</u>	
Parks and Resorts Operating Income as reported	\$ 316	\$ 344	\$ (28)	-8%
Less: Euro Disney and Hong Kong Disneyland Operating Income / (Loss)	117	87	30	
Parks and Resorts Operating Income excluding Euro Disney and Hong Kong Disneyland Operating Income and excluding royalties and management fees	199	257	(58)	-23%
Add: Royalties and management fees	29	31	(2)	
Parks and Resorts Operating Income excluding Euro Disney and Hong Kong Disneyland Operating Income / (Loss) and including royalties and management fees	228	288	(60)	
Add: Equity in the Income (Loss) of Euro Disney and Hong Kong Disneyland	31	14	17	
Parks and Resorts Operating Income including Euro Disney and Hong Kong Disneyland under the equity method of accounting	<u>\$ 259</u>	<u>\$ 302</u>	<u>\$ (43)</u>	
Margins including Euro Disney and Hong Kong Disneyland as reported	11.2%	12.1%	-0.9%	
Margins excluding Euro Disney and Hong Kong Disneyland and excluding royalties and management fees	9.0%	11.5%	-2.5%	
Margins excluding Euro Disney and Hong Kong Disneyland and including royalties and management fees	10.2%	12.7%	-2.5%	
Margins including Euro Disney and Hong Kong Disneyland under the equity method of accounting	11.6%	13.3%	-1.7%	

**Reconciliation of Non-GAAP Financial Measures
To Corresponding GAAP Financial Measures
Twelve Months Ended October 2, 2010**

FY 10 and FY 09

Parks and Resorts margins excluding Euro Disney and Hong Kong Disneyland and excluding royalties and management fees, Parks and Resorts margins including Euro Disney and Hong Kong Disneyland under the equity method of accounting are not measures of performance defined by, or calculated in accordance with generally accepted accounting principles (GAAP). These measures are based on revenue and operating income excluding Euro Disney and Hong Kong Disneyland's revenues and operating income and either including or excluding the impact of royalties and management fees, and including Euro Disney and Hong Kong Disneyland under the equity method of accounting, which are also non-GAAP financial measures, and should not be considered in isolation, or as a substitute for the corresponding GAAP financial measures. These measures, as calculated by the Company, may not be comparable to similarly titled measures employed by other companies.

The following table presents reconciliations of Parks and Resorts revenue, operating income and margins (millions except margin percentages):

	FY10	FY09	B / (W)	
Parks and Resorts Revenue as reported	\$ 10,761	\$ 10,667	\$ 94	1%
Less: Euro Disney and Hong Kong Disneyland Revenue	(2,114)	(2,006)	(108)	
Parks and Resorts Revenue excluding Euro Disney and Hong Kong Disneyland Revenue and royalties and management fees	8,647	8,661	(14)	0%
Add: Royalties and management fees	61	31	30	
Parks and Resorts Revenue excluding Euro Disney and Hong Kong Disneyland Revenue and including royalties and management fees	<u>\$ 8,708</u>	<u>\$ 8,692</u>	<u>\$ 16</u>	
Parks and Resorts Operating Income as reported	\$ 1,318	\$ 1,418	\$ (100)	-7%
Less: Euro Disney and Hong Kong Disneyland Operating Income / (Loss)	110	40	70	
Parks and Resorts Operating Income excluding Euro Disney and Hong Kong Disneyland Operating Income and excluding royalties and management fees	1,208	1,378	(170)	-12%
Add: Royalties and management fees	61	31	30	
Parks and Resorts Operating Income excluding Euro Disney and Hong Kong Disneyland Operating Income / (Loss) and including royalties and management fees	1,269	1,409	(141)	
Add: Equity in the Income (Loss) of Euro Disney and Hong Kong Disneyland	(31)	(54)	23	
Parks and Resorts Operating Income including Euro Disney and Hong Kong Disneyland under the equity method of accounting	<u>\$ 1,238</u>	<u>\$ 1,355</u>	<u>\$ (117)</u>	
Margins including Euro Disney and Hong Kong Disneyland as reported	12.2%	13.3%	-1.1%	
Margins excluding Euro Disney and Hong Kong Disneyland and excluding royalties and management fees	14.0%	15.9%	-1.9%	
Margins excluding Euro Disney and Hong Kong Disneyland and including royalties and management fees	14.6%	16.2%	-1.6%	
Margins including Euro Disney and Hong Kong Disneyland under the equity method of accounting	14.2%	15.6%	-1.4%	

**Reconciliation of Non-GAAP Financial Measures
To Corresponding GAAP Financial Measures
October 2, 2010**

Free cash flow, net borrowings, aggregate segment operating income, and earnings per share excluding certain items 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. These measures, as calculated by the Company, may not be comparable to similarly titled measures employed by other companies.

Free cash flow

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

	Quarter ended		Change
	10/2/2010	10/3/2009	
Cash provided by operations	\$ 2,206	\$ 1,738	\$ 468
Less: Investments in parks, resorts and other property	(797)	(626)	(171)
Free cash flow	<u>\$ 1,409</u>	<u>\$ 1,112</u>	<u>\$ 297</u>
			27%

	Year Ended		Change
	10/2/2010	10/3/2009	
Cash provided by operations	\$ 6,578	\$ 5,319	\$ 1,259
Less: Investments in parks, resorts and other property	(2,110)	(1,753)	(357)
Free cash flow	<u>\$ 4,468</u>	<u>\$ 3,566</u>	<u>\$ 902</u>
			25%

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

	Quarter ended		Year Ended	
	10/2/2010	10/3/2009	10/2/2010	10/3/2009
Cash provided by operations	\$ 2,206	\$ 1,738	\$ 6,578	\$ 5,319
Cash used in investing activities	(1,060)	(645)	(4,523)	(1,755)
Cash used in financing activities	(1,375)	(804)	(2,750)	(3,148)
(Decrease) / increase in cash and cash equivalents	(229)	289	(695)	416
Cash and cash equivalents, beginning of period	2,951	3,128	3,417	3,001
Cash and cash equivalents, end of period	<u>\$ 2,722</u>	<u>\$ 3,417</u>	<u>\$ 2,722</u>	<u>\$ 3,417</u>

Net borrowings

The following table presents the calculation of total borrowing and net borrowings (unaudited, in millions):

	10/2/2010	10/3/2009	Change
Current portion of borrowings	\$ 2,350	\$ 1,206	\$ 1,144
Long-term borrowings	10,130	11,495	(1,365)
Total borrowings	12,480	12,701	(221)
Less: cash and cash equivalents	(2,722)	(3,417)	695
Net borrowings	<u>\$ 9,758</u>	<u>\$ 9,284</u>	<u>\$ 474</u>

Aggregate segment operating income

The following table presents a reconciliation of segment operating income to net income (unaudited, in millions):

	Quarter ended		Year Ended	
	10/2/2010	10/3/2009	10/2/2010	10/3/2009
Segment operating income	\$ 1,717	\$ 1,853	\$ 7,586	\$ 6,672
Corporate and unallocated shared expenses	(138)	(130)	(420)	(398)
Restructuring and impairment charges	(58)	(166)	(270)	(492)
Other income	-	228	140	342
Net interest expense	(87)	(124)	(409)	(466)
Income before income taxes	1,434	1,661	6,627	5,658
Income taxes	(468)	(587)	(2,314)	(2,049)
Net income	\$ 966	\$ 1,074	\$ 4,313	\$ 3,609

Earnings per share excluding certain items

The following table reconciles reported earnings per share to earnings per share excluding certain items (unaudited):

	Quarter ended		Year Ended	
	10/2/2010	10/3/2009	10/2/2010	10/3/2009
Diluted EPS as reported ⁽¹⁾	\$ 0.43	\$ 0.47	\$ 2.03	\$ 1.76
Exclude:				
Restructuring and impairment charges	0.02	0.06	0.09	0.17
Other income ⁽¹⁾	-	(0.07)	(0.05)	(0.11)
Diluted EPS excluding certain items	\$ 0.45	\$ 0.46	\$ 2.07	\$ 1.82

⁽¹⁾ Other income for the current year consists of gains on the sales of our investments in television services in Europe in the first and second quarters, an accounting gain related to the acquisition of the Disney Stores in Japan in the second quarter, and a gain on the sale of the *Power Rangers* property in the third quarter. Other income for the prior year consists of non-cash gain in connection with the merger of Lifetime and A&E in the fourth quarter and a gain on the sale of an investment in two pay television services in Latin America in the first quarter.