

**Reconciliation of Non-GAAP Financial Measures  
To Corresponding GAAP Financial Measures  
Quarter Ended March 28, 2009**

**Q209 and Q208**

Parks and Resorts Margins

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 as described above (unaudited, in millions except margin percentages):

	Q209	Q208	Change	
Parks and Resorts Revenue as reported	\$ 2,407	\$ 2,725	\$ (318)	-12%
Less: Euro Disney and Hong Kong Disneyland Revenue	(386)	(479)	93	
Parks and Resorts Revenue excluding Euro Disney and Hong Kong Disneyland Revenue and royalties and management fees	2,021	2,246	(225)	-10%
Add: Royalties and management fees	-	-	-	
Parks and Resorts Revenue excluding Euro Disney and Hong Kong Disneyland Revenue and including royalties and management fees	<u>\$ 2,021</u>	<u>\$ 2,246</u>	<u>\$ (225)</u>	
Parks and Resorts Operating Income as reported	\$ 171	\$ 339	\$ (168)	-50%
Less: Euro Disney and Hong Kong Disneyland Operating Income / (Loss)	(82)	(40)	(42)	
Parks and Resorts Operating Income excluding Euro Disney and Hong Kong Disneyland Operating Income and excluding royalties and management fees	253	379	(126)	-33%
Add: Royalties and management fees	-	-	-	
Parks and Resorts Operating Income excluding Euro Disney and Hong Kong Disneyland Operating Income / (Loss) and including royalties and management fees	253	379	(126)	
Add: Equity in the Income (Loss) of Euro Disney and Hong Kong Disneyland	(57)	(36)	(21)	
Parks and Resorts Operating Income including Euro Disney and Hong Kong Disneyland under the equity method of accounting	<u>196</u>	<u>343</u>	<u>(147)</u>	
Margins including Euro Disney and Hong Kong Disneyland as reported	7.1%	12.4%	-5.3%	
Margins excluding Euro Disney and Hong Kong Disneyland and excluding royalties and management fees	12.5%	16.9%	-4.4%	
Margins excluding Euro Disney and Hong Kong Disneyland and including royalties and management fees	12.5%	16.9%	-4.4%	
Margins including Euro Disney and Hong Kong Disneyland under the equity method of accounting	9.7%	15.3%	-5.6%	

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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
	3/28/2009	3/29/2008	
Cash provided by operations	\$ 1,805	\$ 2,603	\$ (798)
Less: Investments in parks, resorts and other property	(458)	(347)	(111)
Free cash flow	<u>\$ 1,347</u>	<u>\$ 2,256</u>	<u>\$ (909)</u>
			-40%

	Six Months ended		Change
	3/28/2009	3/29/2008	
Cash provided by operations	\$ 2,067	\$ 3,265	\$ (1,198)
Less: Investments in parks, resorts and other property	(749)	(596)	(153)
Free cash flow	<u>\$ 1,318</u>	<u>\$ 2,669</u>	<u>\$ (1,351)</u>
			-51%

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

	Quarter ended		Six Months ended	
	3/28/2009	3/29/2008	3/28/2009	3/29/2008
Cash provided by operations	\$ 1,805	\$ 2,603	\$ 2,067	\$ 3,265
Cash used in investing activities	(476)	(483)	(1,054)	(807)
Cash used in financing activities	(1,755)	(1,674)	(645)	(2,268)
(Decrease) / increase in cash and cash equivalents	(426)	446	368	190
Cash and cash equivalents, beginning of period	<u>3,795</u>	<u>3,414</u>	<u>3,001</u>	<u>3,670</u>
Cash and cash equivalents, end of period	<u>\$ 3,369</u>	<u>\$ 3,860</u>	<u>\$ 3,369</u>	<u>\$ 3,860</u>

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Net borrowings

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

	<u>3/28/2009</u>	<u>9/27/2008</u>	<u>Change</u>
Current portion of borrowings	\$ 2,187	\$ 3,529	\$ (1,342)
Long-term borrowings	12,541	11,110	1,431
Total borrowings	14,728	14,639	89
Less: cash and cash equivalents	(3,369)	(3,001)	(368)
Net borrowings	<u>\$ 11,359</u>	<u>\$ 11,638</u>	<u>\$ (279)</u>

Aggregate segment operating income

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

	<u>Quarter ended</u>		<u>Six Months ended</u>	
	<u>3/28/2009</u>	<u>3/29/2008</u>	<u>3/28/2009</u>	<u>3/29/2008</u>
Segment operating income	\$ 1,526	\$ 2,139	\$ 2,970	\$ 4,387
Corporate and unallocated shared expenses	(92)	(97)	(172)	(189)
Restructuring and impairment charges	(305)	-	(305)	-
Other income	-	-	114	-
Net interest expense	(128)	(147)	(267)	(270)
Income before income taxes and minority interests	1,001	1,895	2,340	3,928
Income taxes	(348)	(712)	(836)	(1,471)
Minority interests	(40)	(50)	(46)	(74)
Net income	<u>\$ 613</u>	<u>\$ 1,133</u>	<u>\$ 1,458</u>	<u>\$ 2,383</u>

Earnings per share excluding certain items

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

	<u>Quarter ended</u>		<u>Six Months ended</u>	
	<u>3/28/2009</u>	<u>3/29/2008</u>	<u>3/28/2009</u>	<u>3/29/2008</u>
Diluted EPS as reported	\$ 0.33	\$ 0.58	\$ 0.78	\$ 1.21
Exclude:				
Restructuring and impairment charges	0.11	-	0.11	-
Gain on sale of equity investment	-	-	(0.04)	-
Diluted EPS excluding certain items <sup>(1)</sup>	<u>\$ 0.43</u>	<u>\$ 0.58</u>	<u>\$ 0.85</u>	<u>\$ 1.21</u>

<sup>(1)</sup> Diluted EPS excluding certain items may not equal the sum of the column due to rounding.