

**Reconciliation of Non-GAAP Financial Measures  
To Corresponding GAAP Financial Measures  
Quarter Ended October 3, 2009**

**Q409 and Q408**

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):

	Q409	Q408	Change	
Parks and Resorts Revenue as reported	\$ 2,844	\$ 2,969	\$ (125)	-4%
Less: Euro Disney and Hong Kong Disneyland Revenue	(609)	(688)	79	
Parks and Resorts Revenue excluding Euro Disney and Hong Kong Disneyland Revenue and royalties and management fees	2,235	2,281	(46)	-2%
Add: Royalties and management fees	31	71	(40)	
Parks and Resorts Revenue excluding Euro Disney and Hong Kong Disneyland Revenue and including royalties and management fees	<u>\$ 2,266</u>	<u>\$ 2,352</u>	<u>\$ (86)</u>	
Parks and Resorts Operating Income as reported	\$ 344	\$ 412	\$ (68)	-17%
Less: Euro Disney and Hong Kong Disneyland Operating Income / (Loss)	87	104	(17)	
Parks and Resorts Operating Income excluding Euro Disney and Hong Kong Disneyland Operating Income and excluding royalties and management fees	257	308	(51)	-17%
Add: Royalties and management fees	31	71	(40)	
Parks and Resorts Operating Income excluding Euro Disney and Hong Kong Disneyland Operating Income / (Loss) and including royalties and management fees	288	379	(91)	
Add: Equity in the Income (Loss) of Euro Disney and Hong Kong Disneyland	14	-	14	
Parks and Resorts Operating Income including Euro Disney and Hong Kong Disneyland under the equity method of accounting	<u>302</u>	<u>379</u>	<u>(77)</u>	
Margins including Euro Disney and Hong Kong Disneyland as reported	12.1%	13.9%	-1.8%	
Margins excluding Euro Disney and Hong Kong Disneyland and excluding royalties and management fees	11.5%	13.5%	-2.0%	
Margins excluding Euro Disney and Hong Kong Disneyland and including royalties and management fees	12.7%	16.1%	-3.4%	
Margins including Euro Disney and Hong Kong Disneyland under the equity method of accounting	13.3%	16.1%	-2.8%	

**Reconciliation of Non-GAAP Financial Measures  
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Twelve Months Ended October 3, 2009**

**FY09 and FY08**

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):

	FY09	FY08	Change	
Parks and Resorts Revenue as reported	\$ 10,667	\$ 11,504	\$ (837)	-7%
Less: Euro Disney and Hong Kong Disneyland Revenue	(2,006)	(2,332)	326	
Parks and Resorts Revenue excluding Euro Disney and Hong Kong Disneyland Revenue and royalties and management fees	8,661	9,172	(511)	-6%
Add: Royalties and management fees	31	82	(51)	
Parks and Resorts Revenue excluding Euro Disney and Hong Kong Disneyland Revenue and including royalties and management fees	<u>\$ 8,692</u>	<u>\$ 9,254</u>	<u>\$ (562)</u>	
Parks and Resorts Operating Income as reported	\$ 1,418	\$ 1,897	\$ (479)	-25%
Less: Euro Disney and Hong Kong Disneyland Operating Income / (Loss)	40	144	(104)	
Parks and Resorts Operating Income excluding Euro Disney and Hong Kong Disneyland Operating Income and excluding royalties and management fees	1,378	1,753	(375)	-21%
Add: Royalties and management fees	31	82	(51)	
Parks and Resorts Operating Income excluding Euro Disney and Hong Kong Disneyland Operating Income / (Loss) and including royalties and management fees	1,409	1,835	(426)	
Add: Equity in the Income (Loss) of Euro Disney and Hong Kong Disneyland	(54)	(36)	(18)	
Parks and Resorts Operating Income including Euro Disney and Hong Kong Disneyland under the equity method of accounting	<u>1,355</u>	<u>1,799</u>	<u>(444)</u>	
Margins including Euro Disney and Hong Kong Disneyland as reported	13.3%	16.5%	-3.2%	
Margins excluding Euro Disney and Hong Kong Disneyland and excluding royalties and management fees	15.9%	19.1%	-3.2%	
Margins excluding Euro Disney and Hong Kong Disneyland and including royalties and management fees	16.2%	19.8%	-3.6%	
Margins including Euro Disney and Hong Kong Disneyland under the equity method of accounting	15.6%	19.4%	-3.8%	

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October 3, 2009**

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)

	Year Ended		Change
	10/3/2009	9/27/2008	
Cash provided by operations	\$ 5,064	\$ 5,446	\$ (382)
Less: Investments in parks, resorts and other property	(1,753)	(1,578)	(175)
Free cash flow	<u>\$ 3,311</u>	<u>\$ 3,868</u>	<u>\$ (557)</u>
			-14%

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

	Year Ended	
	10/3/2009	9/27/2008
Cash provided by operations	\$ 5,064	\$ 5,446
Cash used in investing activities	(2,096)	(2,162)
Cash used in financing activities	(2,552)	(3,953)
Increase / (Decrease) in cash and cash equivalents	416	(669)
Cash and cash equivalents, beginning of year	<u>3,001</u>	<u>3,670</u>
Cash and cash equivalents, end of year	<u>\$ 3,417</u>	<u>\$ 3,001</u>

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Net borrowings

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

	10/3/2009	9/27/2008	Change
Current portion of borrowings	\$ 1,206	\$ 3,529	\$ (2,323)
Long-term borrowings	11,495	11,110	385
Total borrowings	12,701	14,639	(1,938)
Less cash and cash equivalents	(3,417)	(3,001)	(416)
Net borrowings	<u>\$ 9,284</u>	<u>\$ 11,638</u>	<u>\$ (2,354)</u>

Aggregate segment operating income

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

	Year Ended		Quarter Ended	
	10/3/2009	9/27/2008	10/3/2009	9/27/2008
Segment operating income	\$ 6,672	\$ 8,484	\$ 1,853	\$ 1,777
Corporate and unallocated shared expenses	(398)	(460)	(130)	(147)
Restructuring and impairment charges	(492)	(39)	(166)	(39)
Other income (expense)	342	(59)	228	(91)
Net interest expense	(466)	(524)	(124)	(113)
Income before income taxes and minority interests	5,658	7,402	1,661	1,387
Income taxes	(2,049)	(2,673)	(587)	(490)
Minority interests	(302)	(302)	(179)	(137)
Net income	<u>\$ 3,307</u>	<u>\$ 4,427</u>	<u>\$ 895</u>	<u>\$ 760</u>

Earnings per share excluding certain items

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

	Year Ended		Quarter Ended	
	10/3/2009	9/27/2008	10/3/2009	9/27/2008
Diluted EPS as reported	\$ 1 76	\$ 2 28	\$ 0 47	\$ 0 40
Exclude				
Restructuring and impairment charges <sup>(1)</sup>	0 17	0 01	0 06	0 01
Other (income) / expense <sup>(2)</sup>	(0 11)	0 02	(0 07)	0 03
Favorable resolution of certain income tax matters	-	(0 03)	-	-
Diluted EPS excluding certain items	<u>\$ 1 82</u>	<u>\$ 2 28</u>	<u>\$ 0 46</u>	<u>\$ 0 44</u>

<sup>(1)</sup> The amount in the prior year and prior-year quarter consists of an impairment charge for radio FCC licenses which was previously reported in Media Networks operating income in the fiscal 2008 financial statements. For the fiscal 2009 financial statements, this amount has been reclassified to "Restructuring and Impairment Charges" in the consolidated statement of income to conform to the fiscal 2009 presentation.

<sup>(2)</sup> Other (income)/expense for the current year consists of a non-cash gain in connection with the merger of Lifetime and A&E (\$228 million pre-tax) in the fourth quarter and a gain on the sale of our investment in two pay television services in Latin America (\$114 million pre-tax) in the first quarter. Other (income)/expense for the prior year consists of an accounting gain related to the acquisition of the Disney Stores in North America (\$18 million pre-tax) and a gain on the sale of movies.com (\$14 million pre-tax) in the third quarter and a bad debt charge for a receivable from Lehman Brothers (\$91 million pre-tax) in the fourth quarter.