EURO DISNEY S.C.A.

ANNUAL REPORT 2001

LIGHTS, CAMERA, ACTION !

THE WALT DISNEY STUDIOS PARK,
A NEW DIMENSION

Throughout 2001, Euro Disney S.C.A. worked towards the March 2002 opening of a second theme park : The Walt Disney Studios. Located adjacent to Disneyland® Park, The Walt Disney Studios Park will take the visitor behind the scenes of cinema, animated and live-action television, revealing the fascinating secrets of special effects, stunts and other aspects of film-making.

In addition to the Disneyland Park, the expansion of Disney® Village and the seven themed Hotels, the Walt Disney Studios Park gives Euro Disney S.C.A. a whole new dimension and makes it an even more attractive resort destination in Europe. The sheer scale and scope of things to see and do enhance the Resort's appeal for new visitors, encouraging them to enjoy longer stays and to revisit more often.

The Walt Disney Studios Park is a key milestone in Euro Disney S.C.A. long-term growth strategy. Sustained growth in recent years has made this investment possible. In 2001, growth was driven primarily by our real estate development activities. Contracts were signed for the construction and the operation of three additional hotels to be opened in 2003 and two tourism residence projects. These new accommodations will help welcome a growing number of guests in close proximity to the theme Parks. These new developments will benefit from the ever-increasing attractiveness of our two parks.

Welcome to the new dimension.

JAY RASULO PRESENTS

JAY RASULO, *Chairman and Chief Executive Officer of Euro Disney S.A.*

"Last year, I spoke to you of a long-term strategy of growth for Euro Disney S.C.A. built on three solid pillars: our ever-increasing product offer, an enhanced marketing strategy, and the development of infrastructure of our Site to enable easier access.

In fiscal year 2001, we made clear progress on each aspect of that strategy. We have successfully met the challenges facing us during this important transition year as we prepare for the opening of our wonderful new theme park, the Walt Disney Studios.

First, we continued to grow our business, strengthening our position as the leading tourist destination in Europe. Our attendance this year increased by nearly 200,000 visitors versus fiscal year 2000. In fact, we welcomed in January 2001 our 100 millionth visitor since our opening. Our hotel occupancy increased by 3.1 percentage points to reach a record 86%. Per capita spending increased at the Park and the Hotels. In addition, real estate development activities contributed record revenues and margins during the year. As a result, revenues grew by 4.8%.

The strong performance of the tourist destination has been made possible by the continued renewal of our product offer. For fiscal year 2001, we created the Toon Circus parade, which proved to be an immense success with our guests. FastPass℠, the system designed to minimize the time that our guests spend in queues, has been extended to 5 attractions to assure our visitors a great experience. The dedication of our Cast Members to ensure the best possible experience for our visitors provided tangible results: in 2001, we recorded our highest level of satisfaction ever for the Park.

Second, we have successfully managed the construction of our new park, the Walt Disney Studios, keeping within budget and on time. The inspiration behind this year's annual report, this entirely new theme park will be dedicated to a behind-the-scenes view of cinema, television, and animation. In fact, as we are well ahead on our construction schedule, we have been able to advance the official opening date to the general public to March 16th, 2002, nearly one full month prior to the date previously anticipated.

Thanks to this second park, Disneyland Paris will change scale by extending the length of stay of our visitors and therefore reinforcing our attractiveness, notably for the more distant European countries.

To accompany the development of the tourist destination, we concluded agreements with four major hotel chains: Airtours, Envergure, Six Continents, and Marriott Vacation Club International. Each of these internationally renowned companies will build a new hotel on our Site for 2003. This increase in lodging capacity not only expands the product offer, but also represents a fundamental piece of our enhanced marketing strategy. It permits us to enlarge considerably the reach of our message via shared commercial agreements for the marketing of these hotels. It means that at the dawn of the Euro, we will be side-by-side in all the European markets with some of the biggest names in the tourism industry.

To reflect the reality of this expanded tourist destination, we are changing its name to DISNEYLAND® RESORT PARIS.

Third, we have made impressive progress in our real estate development, the other facet of the Main Agreement signed in 1987 with the French state and other public parties. The year was marked by the inauguration of the international shopping mall, the Vallée Outlet Shopping Village of Val d'Europe, and the second RER station, providing direct access to the Val d'Europe town center. Construction began on a new interchange directly connecting the A4 motorway and the town center and both are scheduled to be completed for Spring 2002. The Site will thus be equipped with 3 motorway interchanges, 2 RER stations, and a TGV station. This exceptional ease of access will encourage the development of the Site.

Our partnership in the development of the Site was reinforced with the groundbreaking ceremony of the Arlington Business Park - Paris Val d'Europe in September 2001. There again, the challenge has been met, thanks to the success of the tourist destination that has played its role as a motor of growth.

This development is the keystone of a virtuous cycle that is creating, directly and indirectly, 30,000 new jobs.

With the completion of these infrastructure projects, the Site is at the dawn of a new era. The town center of Val d'Europe will be delivered in Spring 2002. The University of Marne-la-Vallée will welcome its first students in Fall 2002. The Walt Disney Company has announced that a part of its offices will be transferred from Paris to Val d'Europe, occupying 10,000 m^2 of office space in 2003. Consistent with our original vision and commitments, real estate development is a genuine source of growth for our Company.

Thus you can see the fundamental reasons for our long-term optimism for Euro Disney S.C.A. Our Company continues to pursue its strategy, supported by a policy of balanced growth in all the sectors of our activity: tourism, conventions, and real estate development.

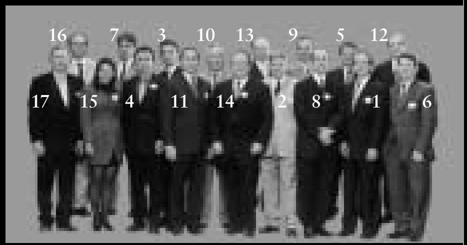
As I write this letter, the tourism industry has been buffeted by the events of September 11th. Yet, whatever the current climate, Euro Disney S.C.A. is built on a strong foundation of lasting appeal. A vision of optimism and goodness of human nature, an escape from day-to-day worries, and a creativity constantly renewed are, and will remain the basis of wonderful moments people wish to share. I am confident in the capacity of my teams to meet the challenges that these events impose upon us. I have the ambition of continuing to develop our product offer and to multiply the synergies between all the elements of our strategy.

"

EXECUTIVE COMMITTEE

In 2001, additional members were selected to play leading roles on the Management Board.

Today's expanded and highly motivated team is made up of professionals , who are all experts in their respective fields. Some have worked for Euro Disney S.C.A. for nearly ten years, some bring a fresh perspective from excellent companies other than Euro Disney S.C.A., but all are wholeheartedly committed to the future of Disneyland Resort.



1- Jeff ARCHAMBAULT
Vice President Corporate Alliances
2- Patrick AVICE
Vice President Hotels & Convention Centers
3- Geoffroy de la BOURDONNAYE
Vice President Merchandise & Retail
4- Bruno BROCHETON
Vice President Information Services
5- Yann CAILLÈRE
Senior Vice President, Operations
6- Dominique COCQUET
Senior Vice President Development & External Affairs
7- Philippe LABHARD
Vice President Parks
8- John LUND
Vice President Chief of Staff
9- Serge NAÏM
Senior Vice President Finance & New Activities
10- Christian PERDRIER
Senior Vice President Operational Support
11- Howard PICKETT
Senior Vice President Marketing & Sales
12- Jean POCHOY
Vice President Entertainment
13- Pascal QUINT
Vice President & General Counsel
14- Jay RASULO
Chairman & CEO
15- Caroline RAULET
Vice President Communication
16- Jean-Yves REMOND
Senior Vice President Human Resources
17- Marc ROBINO
Vice President Food & Beverage

SUPERVISORY BOARD

Chairman of the Supervisory Board
Antoine JEANCOURT-GALIGNANI, *Président, Gecina*
Members of the Supervisory Board
Sir David PARADINE FROST, *President, David Paradine Ltd.*
Philippe LABRO *Consultant*
Sanford M. LITVACK, *Attorney at law*
Dr. Jens ODEWALD, *Chairman of the Supervisory board, Unidata AG, Schwaig, Tchibo Holding AG, Eurobike AG and Systematics*
Laurence PARISOT, *Chairman and CEO, IFOP*
Francis VEBER, *Président, EFVE Films, Escape Films, Escape Films Production Company, Inc.*

CORPORATE GOVERNANCE

The Euro Disney S.C.A. structure introduces, under French law, a clear distinction between the Gérant of Euro Disney S.C.A., which is responsible for operating the Company, and the Supervisory Board, which oversees the management of the Company.

The role of the Supervisory Board is to safeguard the best interests of the Company and its shareholders and to guarantee the quality of the information communicated to shareholders. The Supervisory Board Members' Charter dictates fundamental obligations to which the members of the Board must conform. Several obligations in this charter go well beyond the demands of the law and the Company's by-laws, requiring, for example, each board member to own at least 1,000 Euro Disney S.C.A. shares. Four Supervisory Board meetings were held in fiscal year 2001.

A Financial Accounts Committee, composed of three members of the Supervisory Board, was created in 1997 to review accounting and reporting issues as well as the internal and external audit processes. The members of the Financial Accounts Committee are Mr. Antoine Jeancourt-Galignani, Dr. Jens Odewald and Mrs. Laurence Parisot. Three meetings of the Financial Accounts Committee were held in fiscal year 2001.

ENVIRONMENT PIONEERS

With more than 12 million visitors a year and a permanent staff of 11,000, Disneyland Resort is in many ways similar to a town of 45,000 inhabitants. Certainly it needs to be managed as such when it comes to protecting the environment. From the outset, Euro Disney S.C.A. has had a corporate citizen approach to the environment, implementing numerous programmes and initiatives to control products and raw materials, operating processes and water and waste management. A Chemical Products Approval Commission monitors the thousands of products used in the daily operation, upkeep and maintenance of the Site. The quality of the water in Disneyland Resort streams and fountains is tested and controlled regularly. And with the development of the Park and the Resort, waste management has become both intensive and comprehensive. Glass, wood, green waste, batteries and oil are all recycled, and in the space of the last three years energy savings programmes have helped cut energy consumption by 8%.

In addition, since 1992, Euro Disney S.C.A. has planted nearly 100,000 trees of a variety of species on the site.

Disneyland Resort also demonstrated real pioneering spirit when it became one of the first two companies in France to offer its employees a car-pooling programme. Behind the scenes, Cast Members can ride bicycles six months of the year, and to the extent possible use light vehicles that are electric or run on liquified petroleum gas.

THE MISSION

Disneyland Resort has been bringing magic to the child in all of us for almost ten years. But behind that magic is the Company's strong commitment – to its shareholders, to its Cast Members, to the community, to the environment and to the Ile-de-France region. That kind of commitment takes firm belief, innovation and dedicated effort.

SOCIAL POLICY

The Company's 11,000 employees, better known as "Cast Members", represent more than 95 nationalities and work in approximately 500 different professions. More than half of them have been with the Company for over three years, although not necessarily in the same job, as Euro Disney S.C.A. encourages internal mobility. Cast Members can choose from a wide variety of training programmes. In 2001, they participated in a total of 43,000 training days.

June 2001 saw the launch of a 15-month state-approved hands-on training programme called Hôte d'Accueil Touristique ("HAT"). HAT allows young people to earn the qualifications they need to work in tourism, at Disneyland Resort and elsewhere.

A new Adapted Collective Bargaining Agreement also took effect in 2001. The Agreement is the result of negotiations which ensure that Cast Members benefit collectively from the most favourable status possible: it includes remuneration for a thirteenth month, the review of lower salaries, and increased social protection and health benefits. The new agreement does not affect the 35-hour working week, which Euro Disney S.C.A. introduced in June 1999 – two years before it became compulsory.

COMMITMENT TO THE REGION

The Company's commitment extends to the development of the Ile-de-France region, and in particular to the area around Disneyland Resort and the local community. As the largest employer in the area, Euro Disney S.C.A. has generated more than 40, 000 permanent jobs, both directly and indirectly – and more than four-fifths of the Cast Members working on the Site actually live in the area.

Euro Disney S.C.A. is playing a key role in the development of Val d'Europe, an ambitious urban project near Disneyland Resort destined to become one of the main economic centres in the eastern Parisian region. The aim is to strike a balance between the modern and the traditional, one that will ensure a quality lifestyle for its inhabitants and the protection of the environment.

Disneyland Resort is the very heart of this exciting new adventure.

HELPING CHILDREN IN NEED

Corporate patronage and voluntary work to help children in need have long been a tradition at Euro Disney S.C.A. The Community Relations Team oversees three initiatives: visits by Disney Characters to hospitalised children, the Medical Compassionate Programme, and invitations to the Park for underprivileged children. The Team works hand in hand with the Club Bénévole, whose VoluntEAR work actually makes these initiatives possible. In 2001, more than 700 Cast Members gave up their spare time to take part in the wide variety of the Company's actions that have one overall aim: to make children happy. The hospital visits by Mickey and his friends proved so successful that they were extended to hospitals throughout the Ile-de-France region, then to other regions of France and more recently to other European countries. Meanwhile, every year the Medical Compassionate Programme enables hundreds of seriously ill children to spend a few days with their families at Disneyland Resort. Underprivileged children are regularly invited to special events at the Park, such as the launch of the Christmas Season and show previews. Euro Disney S.C.A. also supports a number of associations, through donations and Club Bénévole VoluntEAR work, in their efforts to make dreams come true for as many children as possible.

FLASH BACK ON THE FIRST 10 YEARS

Disneyland Resort opened in April 1992, and ever since, it has been keeping the magic alive – not only in the Park itself, with regularly renewed shows and new attractions, but also in the surrounding Ile-de-France region. As the most visited tourist destination in France, welcoming over 12 million visitors annually, Euro Disney S.C.A. has made a major contribution to French tourism. Furthermore, it has become the driving force behind the development of a whole new urban area, Val d'Europe. With the opening in 1997 of its second Convention Centre at the Newport Bay Club, Disneyland Resort has become a pre-eminent European centre for seminars and conventions. Those centres are easily accessible as they are close to the TGV train station that connects Disneyland Resort to London, Brussels and Amsterdam through a sophisticated high speed train network. No one knows how to mix business and pleasure better than Euro Disney S.C.A.

OUR 10 YEARS IN FILM

1992

April 12th
Grand Opening
the Park
opens its gates

The Walt Disney
Company chairman
Michael Eisner
welcomes the first family
to enter the Park

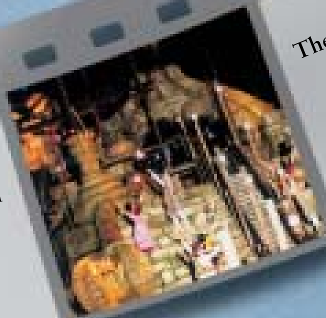
To mark the release
of Aladdin, a special
Aladdin Parade
is staged at Videopolis
in Discoveryland

July 24th
The last leg of the
Tour de France
takes place between
Main Street USA® and
the Champs Elysées

May 19th
The TGV station at
Marne-la-Vallée / Chessy
is inaugurated

1994

April 23rd
The Convention Centre
welcomes the first
joint meeting of the
foremost international
organisations in the
tourism industry



Indiana Jones™
and the Temple of Peril
is inaugurated in
Adventureland

1993

The Fast Pass℠ ticket
is a technological
innovation allowing guests
to reserve their ride time
and be free
to enjoy the Park

April 1st
The Tarzan™
Encounter,
a new stage show
were guests set out
on a real expedition
into the heart of
the jungle

1995

May 31st
Space Mountain
is inaugurated.
From the Earth to the
Moon in a few seconds

October 7th
600 European children
communicate with the
Russian space station
MIR in a direct link
via Disneyland Park

1996

June 29th
Eurostar begins a service
from Waterloo and
Ashford, in England,
direct to Marne-la-Vallée

May 7th
The Gaumont
eight-screen cinema
complex opens
at Disney Village

April 12th
Disneyland Paris
celebrates
its fifth Anniversary,
the Castle is
illuminated and themed

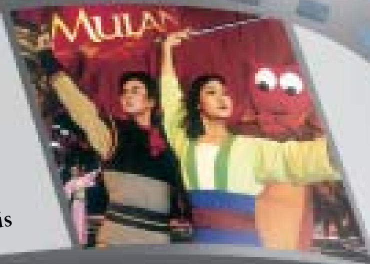
1997

July
A Planet
Hollywood
restaurant is
inaugurated at
Disney Village

1998

January 12th
FIFA, the world
football federation,
holds its annual
conference at
Disneyland Paris

November 28th
Mulan, the Legend,
a spectacular show
featuring Chinese
acrobats of the
Hebei Troupe,
opens at Videopolis



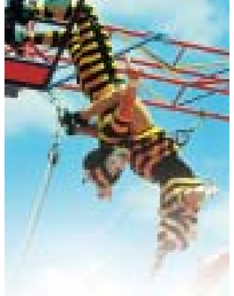
2000

December 31st
On the eve of the year 2000,
45 000 guests come to
Disneyland Paris to celebrate
the third Millenium and see
the ImagiNations Parade

March 28th
'Honey! I Shrunk the
Audience!'
opens at
Disneyland Paris

1999

MEMORABLE SCENES FROM 2001



MAJOR EVENTS

100 Millionth Entry

When Stefan Seyffardt approached the entrance to the Disneyland Park at 10:15 PM on January 10th, 2001, little did he know that he was the 100 millionth visitor to the Park. Stefan, a wine grower from Germany, had brought his family to France to treat them to a day's fun and excitement. That excitement was all the more intense when they were greeted by Mickey and Minnie in person. Euro Disney S.A. Chairman and CEO Jay Rasulo was also there to award them Lifetime Passports to the Disneyland Park. This made the trip all the more fantastic for both Stefan and his wife Andrea, but especially for their two little girls – Lisa, 6, and Marie, 4. The family was delighted at the prospect of many return visits.

Once Upon A Magic Toon Circus

Master of Ceremonies Mickey and strongman Goofy led the toonster troupe in the most outlandish circus on earth! Disney's Toon Circus opened on Main Street USA on March 31th, 2001 to raucous applause. The Hippo from Fantasia, forever young and light-footed, performs the most gracious of trapeze acts, and Roger Rabbit always gets a laugh at the fumbling, tumbling Disney clown.

FastPass℠ Goes Further

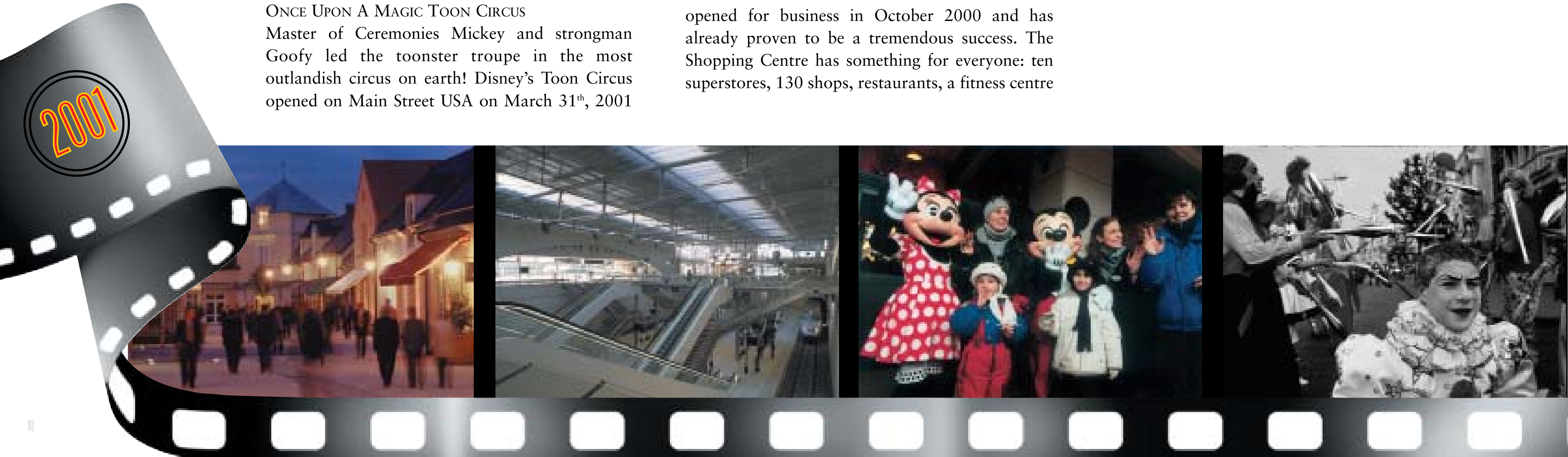
Introduced in 2000 in the most popular attractions – Peter Pan's Flight, Space Mountain, from the Earth to the Moon and Indiana Jones™ and the Temple of Peril: Backwards! – the FastPass℠ was extended in 2001 to include Big Thunder Mountain and Star Tours™. The FastPass℠ enables Guests to book a specific time for riding an attraction and meanwhile take advantage of the Park before returning to the attraction. This sophisticated technological innovation is available to all and free of charge.

Val d'Europe International Shopping Centre

opened for business in October 2000 and has already proven to be a tremendous success. The Shopping Centre has something for everyone: ten superstores, 130 shops, restaurants, a fitness centre and a giant Sea Life aquarium. In addition, it boasts a new generation Auchan hypermarket, whose futuristic architecture alone makes a visit worthwhile, but which also offers a superb range of customer services. A stone's throw away lies the La Vallée Outlet Shopping Village in a unique setting inspired by traditional Ile-de-France architecture, this outlet shopping village hosts prestigious brands offering previous seasons' collections at reduced prices through the year.

Bringing The Magic Closer

The new Val d'Europe (Serris-Montévrain) RER station was officially opened on June 8th, 2001. One stop before Disneyland Resort (Marne-la-Vallée Chessy) on the A line of the Paris rapid regional transport network railway, the new station lies at the heart of the future Station District, currently under construction, and the Val d'Europe urban area. Buses link it to neighbouring villages and a new service even runs between the two RER stations, largely for Cast Members.



PROJECTS TAKING SHAPE

2001 was an exciting year for Euro Disney S.C.A. related real estate development. Construction began on the international business park with Arlington Securities Plc., a UK company recognized as Europe's leading business park builder and turnkey services provider. Agreements were reached with four major hotel groups. Meanwhile, office and residential projects were launched next to the Val d'Europe International Shopping Centre and RER station.

Ground-Breaking International Business Park

In September, Euro Disney S.C.A. and UK business park specialist Arlington Securities Plc. launched the construction of the Arlington Business Park Paris-Val d'Europe. Spanning 150 hectares at build-out, and with a first phase of 40 hectares, the international business park is set to become THE reference in the Ile-de-France region. The infrastructure will enable Arlington to offer the best in new technologies and telecommunications and a complete range of turnkey customer services that will be managed by local teams.

An even Greater Choice of Hotels

In late February, Euro Disney S.C.A. signed agreements for the construction of three hotels on the Resort site with three different partners. Six Continents is to build a 400-room Holiday Inn, Airtours UK Leisure Group a 400-room hotel, and Envergure a 300-room Kyriad Hotel. Although the three hotels will be very different one from the other, the architectural design will be inspired by castles and manor houses in the Ile-de-France region, and should enhance the already remarkable landscape of a new hotel district called “Val de France”. All are due to open in the Spring of 2003. Meanwhile, in 2001 Disneyland Resort Hotels enjoyed record occupancy levels. The 1,100 new rooms will respond to a clearly growing demand, which should be boosted further when the Walt Disney Studios Park opens in Spring 2002.

Val d'Europe – Phase Two

In 2001, the development of Val d'Europe entered a new stage on its way to becoming a major economic hub in the Paris region. Its lively town centre, the Station District, is now on the map with 600 housing units, three office buildings, the new Val d'Europe-Serris/Montévrain RER station and a 150-room hotel all on the way. Euro Disney S.C.A. also launched the Parkside District, a new residential area in the town centre, located next to an urban park, and comprising 700 housing units and a three-star Pierre & Vacances holiday residence. Meanwhile, four new residential programmes are being launched by developers Capri, Marignan, Kaufman / Haussmann and CFH. As always with Disney-related projects, architectural design is of prime importance. The aim is to create a town on a human scale, that is in perfect harmony with the environment, at the same time deeply rooted in its region and opened to the world.

To that end, the new town's own ring-road was completed during the year, and work is progressing on the Jossigny interchange on the major A4 motorway.

The hive of activity in 2001 led to an influx of new economic partners – investors, property developers, architects – and of course, new inhabitants.

Pierre & Vacances Vacation Residence

Airtours Hotel

Kyriad Hotel

Holiday Inn Hotel


STUDIOS

THE WALT DISNEY STUDIOS PARK, COMING SOON...

The new Disneyland Resort Paris theme park – The Walt Disney Studios – will truly bring a new dimension to the Resort and the surrounding region. In 2001, construction made excellent progress and was within the budget. Everything is on schedule for the March 16th, 2002 opening. The Walt Disney Studios Park will benefit from all the existing infrastructure developed over more than ten years: Disney Village, themed Hotels, car parks and an exceptional transportation network (TGV, regional train, motorway). This new park is above all a living tribute to the film and television world, and will appeal to a whole new target audience.

ALL THE EXCITEMENT AND MAGIC OF THE FILM WORLD

The Walt Disney Studios Park will take visitors on a discovery tour of all the excitement and magic of the film world. The name appears on the Earful Tower at the entrance, which was inspired by the water tower that has proudly identified the legendary Disney Studios since 1939. This fabulous new park, due to open March 16th, 2002, celebrates the world of Disney film, television and animation – and is a real live studio that puts guests into the picture ! They'll be able to step backstage, learn about the technical aspects of film-making, visit special effects and music recording facilities, discover the trade secrets of Disney animators... and thrill to a spectacular stunt show staged by the famous French stunt producer Rémy Julienne, veteran of five James Bond movies. The Walt Disney Studios Park is certain to appeal to adolescents and adults as well as younger children – there will literally be something for everyone. It will not only entice even more guests to the Resort but will also encourage visitors to prolong their stay, which will increase demand for hotel capacity. The variety of attractions is certain to give visitors many reasons to come again.

The opening of The Walt Disney Studios Park has enabled Euro Disney S.C.A. to create nearly 5,000 new jobs, directly and indirectly, including 1,500 people working on the Site right from the outset.

BEHIND THE SCENES

The Walt Disney Studios Park will show you everything you always wanted to know about cinema, animation and television, special effects and stunts, but never knew who to ask… From Snow White and the Seven Dwarfs and the dancing brooms in The Sorcerer's Apprentice to the special effects of Atlantis, the techniques and talent behind films are brought to life.

Step Into The Action

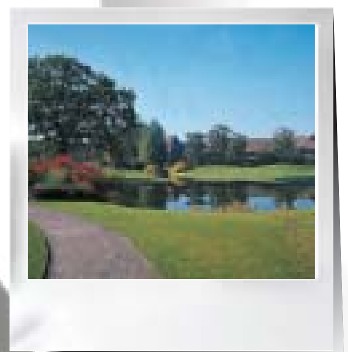
Visitors to the new Walt Disney Studios Park will not only be able to learn about the film-making process, but also step into the action themselves. This is a hands-on experience. In the Animation Courtyard, which pays a tribute to the best of Disney animation, guests are invited to try their hand at this magical art form. The Walt Disney Television Studios, the home of Disney Channel France, invite guests to take an engaging – and, for some, nostalgic – journey back in time through the best of 100 years of international cinema. And while their parents and older siblings are on that journey, younger visitors can literally hop a Flying Carpet over Agrabah at the invitation of Aladdin's genie. Meanwhile, visitors who are fonder of knock-out visual effects can take the Tram Tour right into Catastrophe Canyon in the middle of a spectacular film shoot.

The very word Backlot plunges the guest into the world of movie sets and the hustle and bustle of frantic behind-the-scenes preparations. The stunt workshops of Armageddon take would-be stuntmen and slightly less daring guests on a voyage through the history of special effects, while the Rock 'N' Roller Coaster, featuring the rock group Aerosmith, offers guests the chance to "ride the music".

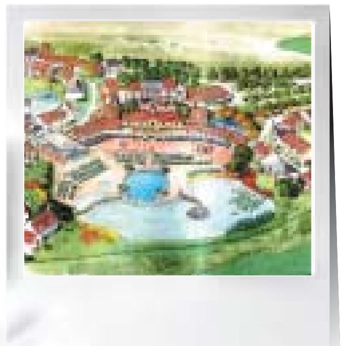
SCENARIO FOR THE FUTURE

By the year 2015, Disneyland Resort will lie at the heart of a major economic and tourist centre – Val d'Europe – just over 30 kilometres east of Paris. The Site is already thriving with activity. Offices and residential buildings are under construction and work around the golf course and in the town centre is well advanced.

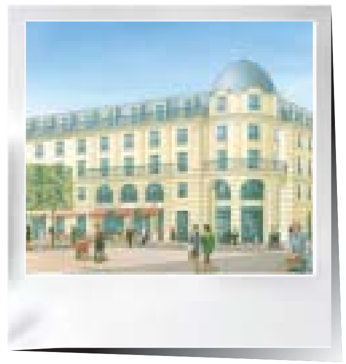
In the years to come, the new city of Val d'Europe will provide at least 30,000 new jobs in addition to the 40,000 directly or indirectly connected to the Park. The urban centre's first new housing units, office buildings and one hotel should be completed in early 2002, on time to celebrate Disneyland Park's 10th Anniversary and the spring opening of the second theme park, The Walt Disney Studios. Following agreements signed in 2001, three new hotels will open in 2003 and will be managed by Six Continents, Airtours UK Leisure Group and Envergure, increasing the Site's hotel capacity by 1,100 rooms. Also in 2003, two tourism residences will open: the "Pierre & Vacances Paris, Val-d'Europe" residence in the town centre and "Marriott's Village d'Ile-de-France" on the Disneyland Resort 27-hole golf course. By 2003, new companies will settle in the "Arlington Business Park-Paris Val d' Europe". The new town will be a perfect mix of quality living, business and pleasure.



Arlington Business Park - Paris Val d'Europe



Marriott Vacation Club International vacation residence



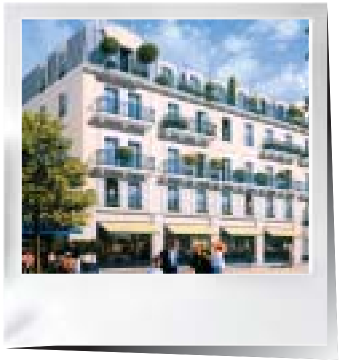
"Elysée Val d'Europe" Hotel

WIDE ANGLE

If Disney equals "magic", guests now have the choice of experiencing the different dimensions of Disney's magic through a broader and increasingly-varied offer.

By branding each customer experience and uniting them under the umbrella brand "Disneyland Resort Paris", Euro Disney S.C.A. enriches its equities and creates a new brand architecture, flexible enough to welcome new brands and drive future growth.

"Le Royal Concorde"
Meunier residential programme



"Les Jardins de France"
Bouygues Immobilier residential programme

SPOTLIGHTS ON KEY FIGURES

In fiscal year 2001, Income before Lease and Financial Charges improved 5.3% to reach € 185.2 million.

At the Disneyland Park, this year's 3.7% increase in revenues was fuelled by increases in attendance (+1.7%) and spending per guest (+2.1%).

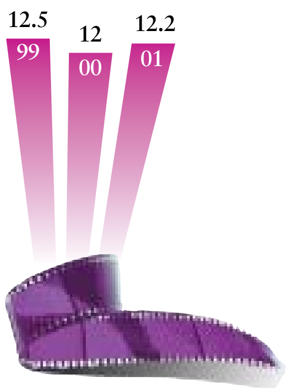
The Hotels occupancy levels reached an unprecedented 86%, coupled with an increase in average spending per room of 1.8%. This in turn propelled our Hotels and Disney Village revenues by 4.4%.

Revenues from Real estate development activities contributed a record € 23.8 million to operating margin, compared to € 2.9 million in the prior year.

Net Income decreased to € 30.5 million (-21.2%), as a result of increased lease and financial charges and exceptional costs, including € 5.3 million of pre-opening expenses for the Walt Disney Studios Park.

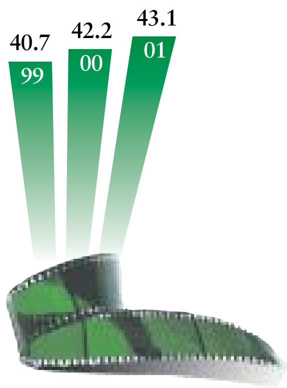
ANNUAL PASS HOLDERS EVOLUTION

Repeat visitation percentage in 2001: 41.5%



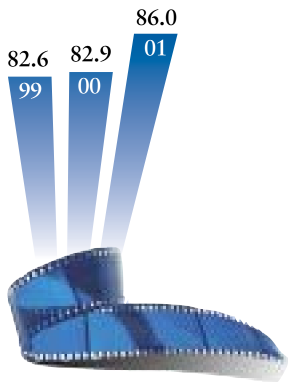
DISNEYLAND PARK ATTENDANCE

In millions of guests



DISNEYLAND PARK AVERAGE SPENDING PER GUEST

(In € including VAT)

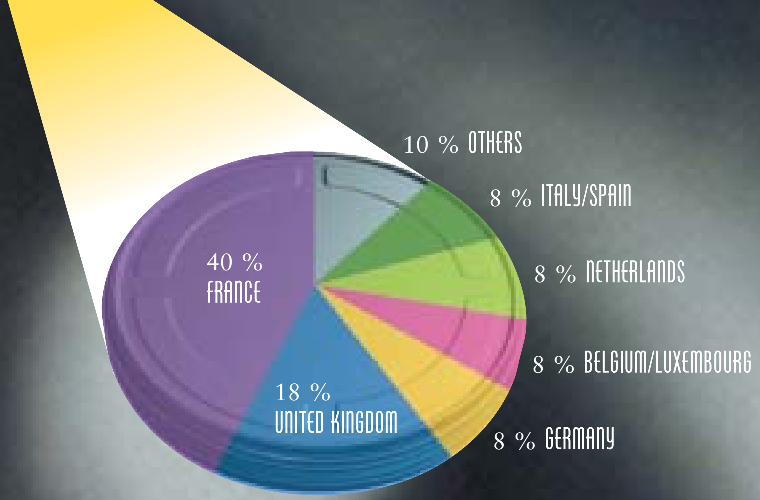


HOTEL OCCUPANCY

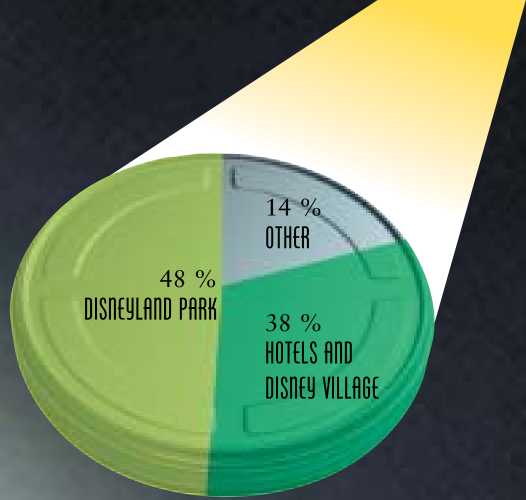
(in %)

AVERAGE SPENDING PER ROOM

(In € including VAT)



GEOGRAPHICAL BREAKDOWN OF DISNEYLAND PARK VISITORS IN 2001



BREAKDOWN OF REVENUES BY ACTIVITIES IN 2001

€ in million	2001	2000	1999
Revenues	*1,005.2*	*959.2*	*920.2*
Income Before depreciation, lease and Financial charges	*239.2*	*225.6*	*215.1*
Income Before Lease and Financial Charges	*185.2*	*175.8*	*166.2*
Lease and Financial Charges	*(147.5)*	*(138.3)*	*(145.0)*
Income Before Exceptional Items	*37.7*	*37.5*	*21.2*
Net Income	30.5	38.7	23.6
Cash Flows from operating Activities	*143.6*	*168.9*	*108.0*
Consolidated Borrowings*	*2,569.1*	*2,356.1*	*2,427.9*
Equity & Quasi Equity	*1,430.7*	*1,400.2*	*1,141.9*
Investments**	*243.9*	*206.5*	*72.5*
Including for Walt Disney Studios	*191.2*	*167.7*	*0.0*

** including debt of the unconsolided financing companies and excluding the bonds redeemable in shares (ORAs).*

*** including deferred charges.*

IDENTIFICATION SHEETS

IDENTIFICATION SHEET OF EURO DISNEY S.C.A.SHARE

Nominal	0,83 euro per share as of 09/30/01	
Number of shares	1,055,787,093 as of 09/30/01	
Market places	Paris (SRD), London, Brussels	
Main codes	Sicovam	12 587
	Reuters	EDL.PA
	Bloomberg	EDL FP
	ISIN	FR0000125874

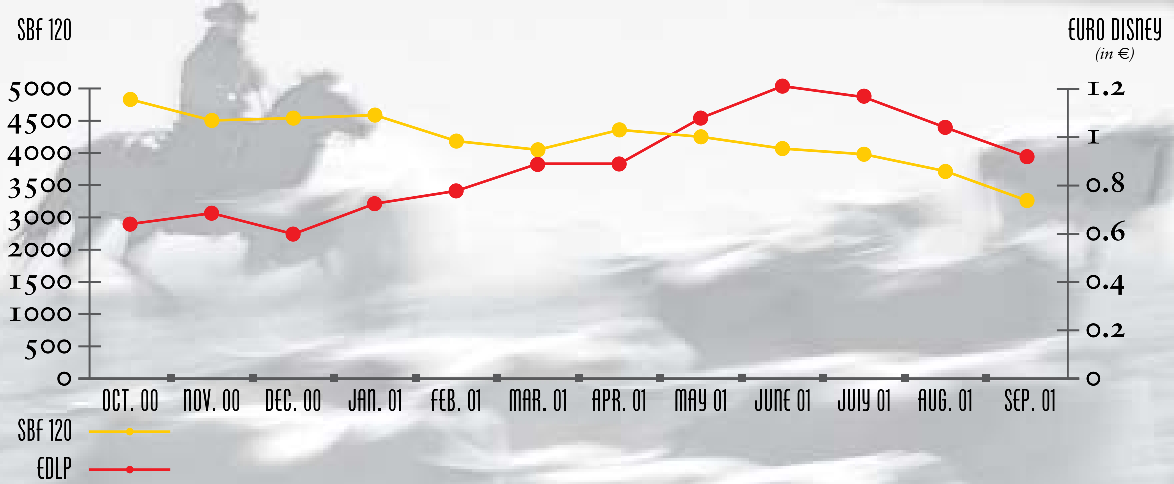
IDENTIFICATION SHEET OF EURO DISNEY S.C.A. CONVERTIBLE BOND

Nominal and coupon	21.34 Euros per bond with a coupon at 6.75 % as of 09/30/01	
Outstanding Bonds	15,916,670 as of 09/30/01	
Parity	1 Convertible Bond = 1.455 new shares as of 09/30/01	
Reimbursement	October 1st, 2001 at 110% of par	
Market place	Paris	
Main codes	Sicovam	8 521
	Reuters	EDLx.PA
	Bloomberg	EURD 6,75 10/01
	ISIN	FR0000085219

IDENTIFICATION SHEET OF EURO DISNEY S.C.A. WARRANT

Number of warrants	290 million as of 09/30/01	
Parity	3 warrants = 1.069 new shares as of 09/30/01	
Exercice period	from December 31, 1995 to July 11, 2004	
Market place	Paris	
Main codes	Sicovam	51 472
	Reuters	RF51472.PA
	Bloomberg	EURD 7/11/04
	ISIN	FR514721

EVOLUTION OF THE SHARE



EURO DISNEY S.C.A. VERSUS SBF 120

SHAREHOLDING STRUCTURE

(as of September 30, 2001)

**via its wholly-owned subsidiary, EDL Holding company*

*** via KINGDOM 5-KR-21. Ltd, a company whose shares are held by trusts for the benefit of Prince Alwaleed and his family*

MARKET CAPITALISATION

Fiscal year	2001	2000	1999
Number of shares (in millions)	*1,056*	*1,056*	*768*
Market capitalisation to September 30 (in millions euros)	*876*	591	1,052
Share price			
High (in euro)*	1.09	1.27	1.47
Low (in euro)*	0.54	0.56	0.96

** Share price adjusted for dilution impact of December 99 equity rights offering*

Shares of Euro Disney S.C.A. are traded on the Paris, Brussels and London stock exchanges. At the end of fiscal year 2001, the stock market capitalisation of Euro Disney S.C.A. totalled € 876 million. In fiscal year 2001, the performance of Euro Disney S.C.A. shares has outperformed the SBF 120. Over the last years, the Company has seen an increase in volume traded, demonstrating the growing interest the invesment community has had in Euro Disney S.C.A.

In December 1999, the Company issued aproximately 288 million new shares through an equity rights offering, which provided preferential subscription rights to existing shareholders. This offering, authorised at the November 2nd, 1999 extraordinary shareholders' meeting, generated net proceeds of € 219.5 million, which are being mainly used to finance a portion of the design and construction costs of the Walt Disney Studios Park.

A warrant, which was issued free of charge to shareholders, on record as of June 14th, 1994, is likewise traded on the Paris stock exchange.

STOCK EXCHANGE ACTIVITY

		Price as of end september 2001*	Fiscal year 2001 average daily volume
Share			
	Paris	0.83 €	1,731,055
	London : local	0.42 £	332,884
	Brussels	0.81 €	69,107
Convertible Bond			
	Paris	24.75 €	
Warrant			
	Paris	0.02 €	114,866

** Last trading day of fiscal year : September 28 in Paris, Brussels and London*

EURO DISNEY S.C.A. SHAREHOLDERS' CLUB

Since 1995, the Euro Disney S.C.A. Shareholders' Club has offered a host of special services reserved for Members, who benefit from significant reductions on admissions and passports for the Disneyland Park and, as of Spring 2002, for the Walt Disney Studios Park. There are also discounts at all hotels, which offer Members a priority booking service (33-1 60 30 60 72).

In 2001, Euro Disney S.C.A. launched even more services for Shareholders' Club Members. As VIPs, they alone are entitled to start their day at the Park at The Salon Mickey, where a complimentary Continental Breakfast awaits them in a charming Victorian setting. A Cast Member is on hand to welcome the Members and help them take full advantage of their day in the Park.

Reduced rates continue at shops and table-service restaurants – many of which now appear in the exclusive French Bottin Gourmand.

From their own homes, Club Members can call a special telephone line (33-1 64 74 56 30) that provides information on all aspects of Euro Disney S.C.A. and the Shareholder's Club, including share prices – Euro Disney S.C.A. shares are listed in Paris, London and Brussels. The year 2001 saw the launch of a new bi-annual newsletter that provides more in-depth information on Company life, as well as the latest Disneyland Resort and Shareholders' Club news and advantages. Shareholders will also find the most recent Company news on the new Internet site *www.eurodisney.com.* An online Boutique reserved exclusively for the Shareholders' Club Members was also opened on the site, offering a regularly updated selection of Disneyland Paris products, at discounted prices.

Finally, Shareholders' Club Members can now participate in events organized especially for them. The year 2001 included visits to Disneyland Park, Hortitours horticultural tours, and Guided Tours that reveal all the secrets of Main Street U.S.A. And all Members have been invited to a sneak preview of the Walt Disney Studios Park opening. Club Membership is simply magic!

For all queries regarding the registration of any of your holdings in Euro Disney S.C.A., please contact:

FRANCE

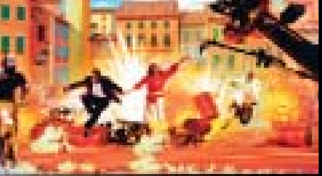
Banque Crédit Agricole Indosuez, Service Actionnaires,
92 920 Paris La Défense Cedex, 33(0)1 41 89 43 24

BELGIUM

KBC Securities, 14, Place Sainte Gudule,
B-1000 Brussels

UNITED KINGDOM

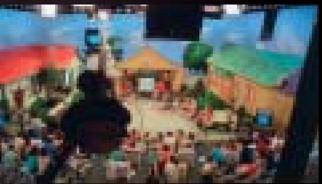
- Share and warrant :
Computershare Services, PO Box 82, The Pavilions, Bridgewater Road, Bristol, B S99 7NH


Stunt Show Spectacular


Rock'n Roller Coaster


Catastrophe Canyon


Ciné Magique


Disney Channel


Armageddon


Studio Tram Tour

Financial report

SUMMARY

GÉRANT'S REPORT

EURO DISNEY S.C.A. FISCAL YEAR 2001

INTRODUCTION

Fiscal year 2001 was a year of planning and investment in the future of our Group. The construction and operational planning and development of the marketing and sales strategy for the opening of our second theme park, the Walt Disney Studios, was a major focus during the year.

Net income decreased € 8.2 million to € 30.5 million, a decrease of 21.2%. This decrease resulted from the combination of improved operating margin generated by real estate development activities offset by increased lease and net financial charges and exceptional costs, including € 5.3 million of pre-opening costs associated with the Walt Disney Studios Park.

The Walt Disney Studios Park is nearly complete and ahead of its original schedule. The new theme park will be located adjacent to the existing theme park and is scheduled to open in spring 2002. The Walt Disney Studios Park will employ approximately 1,500 cast members and will be a live-action, animation and television studio, where guests will experience movies and television both from behind the scenes and in front of the camera. Guests of the park will discover the world of cinema, see how movies are made today and step into the future of movie making.

We expect that the Walt Disney Studios Park will have a significant impact on our results of operations, as discussed below under "Outlook – Fiscal Year 2002". Because of the changes in our financial obligations and the potential impact of the Walt Disney Studios Park, the trends reflected in the Group's historical results of operations may not be fully relevant to an evaluation of our future results of operations.

OPERATING STATISTICS

The following table provides information regarding the key operating indicators of the Group :

	THEME PARK		HOTELS	
FISCAL YEARS	Total guests (in millions)	Spending per guest (1)	Occupancy rate (2)	Spending per room (3)
2001	12.2	€ 43.1	86.0 %	€ 186.3
2000	12.0	€ 42.2	82.9 %	€ 183.0
1999	12.5	€ 40.7	82.6 %	€ 177.3
1998	12.5	€ 39.3	80.9 %	€ 173.8
1997	12.6	€ 38.3	78.0 %	€ 158.9

(1) Average daily admission price and spending for food, beverage and merchandise sold in the Theme Park, including VAT.

(2) Average daily rooms sold as a percentage of total room inventory (total room inventory is approximately 5,800 rooms).

(3) Average daily room price and spending on food, beverage and merchandise sold in hotels, including VAT.

FISCAL YEAR 2001 FINANCIAL RESULTS

Certain reclassifications have been made to the 2000 comparative amounts in order to conform to the 2001 presentation.

REVENUES

Revenues of the Group were generated from the following sources :

	Year ended September 30		VARIATION	
(€ in millions)	2001	2000	Amount	%
Theme Park	476.4	459.5	16.9	3.7 %
Hotels and Disney Village	386.5	370.3	16.2	4.4 %
Other	105.1	114.9	(9.8)	(8.5)%
Resort Segment	968.0	944.7	23.3	2.5 %
Real Estate Development Segment	37.2	14.5	22.7	156.6 %
Total Revenues	*1,005.2*	*959.2*	*46.0*	*4.8 %*

Theme Park revenues increased to € 476.4 million, an improvement of 3.7% over the prior year, driven by an increase of 184,000 theme park guests and moderate increases in spending per guest. Spending per guest increased € 0.9 as a result of moderately higher admissions prices (+0.9%), higher merchandise spending (+3.8%) and food and beverage spending (+2.4%).

Hotels and Disney Village revenues increased to € 386.5 million, an improvement of 4.4% over the prior year. Hotel occupancy increased 3.1 ppt from the prior year to reach a new record level of 86.0%, accounting for a majority of the improvement in revenues. Guest spending per room also increased moderately during the year (+1.8%).

Other Revenues (which primarily includes participant sponsorships and transportation and other travel services sold to guests) decreased € 9.8 million to € 105.1 million, due to an insurance reimbursement received in the prior year. The prior year insurance reimbursement of € 19.7 million was received as compensation for the operating losses incurred as a result of the December 26, 1999 storm, which disrupted prior year operations at the Disneyland Park and the Davy Crockett Ranch. The decrease in other revenues can be primarily attributed to this insurance reimbursement, partially offset by improvements in the remaining components of other revenues.

Real Estate Development revenues increased to € 37.2 million from € 14.5 million in the prior year, an improvement of € 22.7 million, the result of several projects which have been in progress over recent years. Fiscal year 2001 development revenues related primarily to conceptualisation and development assistance services provided to third-party developers that have signed contracts to either purchase or lease land on the Disneyland Resort Paris site for new hotels and an international business park. In addition, revenues include land sales to third-party developers for various residential and commercial projects currently underway in Val d'Europe and elsewhere on the site.

COSTS AND EXPENSES

Costs and expenses of the Group were composed of :

	Year ended September 30,		VARIATION	
(€ in millions)	2001	2000	Amount	%
Direct operating costs*	548.8	531.4	17.4	3.3 %
Marketing, general and administrative expenses	185.5	171.0	14.5	8.5 %
Depreciation and amortisation	54.0	49.9	4.1	8.2 %
Royalties and management fees	31.7	31.1	0.6	1.9 %
Total Costs and Expenses	*820.0*	*783.4*	*36.6*	*4.7 %*

** Includes operating wages and employee benefits, cost of sales for merchandise and food and beverage, transportation services and real estate land sales and other costs such as utilities, maintenance, insurance and operating taxes.*

Operating costs increased 4.7% to € 820.0 million, an increase of € 36.6 million over the prior year. This increase primarily reflects higher labour, cost of sales and marketing costs. Marketing costs increased significantly primarily due to higher media spending designed to heighten awareness of the Disneyland Resort Paris product offer in anticipation of the launch of the Walt Disney Studios Park in spring 2002.

Operating margin grew by 5.3% to € 185.2 million, an improvement of € 9.4 million, driven by the increase in real estate development activities. Real estate development activities contributed € 23.8 million to the operating margin in fiscal year 2001 compared to € 2.9 million in the prior year.

Lease rental expense and net financial charges

Lease rental expense and net financial charges were composed of:

(€ in millions)	Year ended September 30, 2001	2000	VARIATION Amount	%
Lease rental expense	185.8	151.1	34.7	23.0 %
Financial income	(89.8)	(74.8)	(15.0)	(20.1)%
Financial expense	51.5	62.0	(10.5)	(16.9)%
Total	*147.5*	*138.3*	*9.2*	*6.7 %*

Lease rental expense represents payments under financial lease arrangements with the unconsolidated financing companies and approximates the related debt service payments of such financing companies. Financial income is principally composed of the interest income earned on long-term loans provided to the financing companies and interest income on cash and short-term investments, as well as net gains arising from foreign currency transactions. Financial expense is principally composed of interest charges on long-term borrowings and the net impact of interest rate hedging transactions.

The rate of interest forgiveness resulting from the 1994 Financial Restructuring was at its peak during the second half of fiscal year 1994 and has progressively decreased since that time. In fiscal year 1998, substantially all interest charges were reinstated to normal levels; however, approximately € 6.1 million of interest forgiveness per year will continue in effect through fiscal year 2003.

Lease and net financial charges increased by € 9.2 million in fiscal year 2001 when compared to the prior year. This increase is primarily attributable to scheduled increases in lease rental expense related to principal repayments on the debt of the financing companies (€ 20.6 million) and higher variable interest rates than in the prior year (€ 6.9 million). These increases were partially offset by savings on interest charges related to the early repurchase and retirement of a portion of the Company's 6.75% Convertible Bonds (€ 10.7 million) and increased interest income on cash and short-term investments (€ 4.1 million), resulting primarily from the proceeds of the financing for the Walt Disney Studios Park and higher returns on variable rate investments.

The impact of additional interest expenditures (€ 10.8 million) associated with the new credit agreement with *Caisse des Dépôts et Consignations* ("CDC"), which is being used to partially finance the construction of the Walt Disney Studios Park, was entirely offset by the impact of additional interest capitalisation on the project.

During fiscal year 2001, the component of lease rental expense related to the financing companies loan repayments was € 47.4 million. For fiscal years 2002 and 2003, the equivalent amounts are scheduled to increase to € 71.5 million and € 89.6 million, respectively. Of these amounts, third- party loan principal repayments (requiring a net cash outflow from the Group) were € 13.1 million in fiscal year 2001, and will be approximately € 30.3 million and € 37.5 million in fiscal years 2002 and 2003, respectively.

Exceptional income (loss), net

For fiscal year 2001, exceptional losses, net totalled € 7.2 million, primarily reflecting € 5.3 million of Walt Disney Studios Park pre-opening costs, € 2.3 million of losses on the early repurchase of a portion of the Company's 6.75% Convertible Bonds, € 1.5 million of euro implementation costs, € 1.4 million of fixed asset write-offs and € 0.8 million of net adjustments to provisions for risks and charges. These exceptional charges were partially offset by an adjustment to the provision for storm repairs resulting in a net exceptional income of € 2.3 million.

For fiscal year 2000, exceptional income, net totalled € 1.2 million, primarily reflecting € 10.1 million of net adjustments to provisions (excluding the storm) and asset valuation reserves, partially offset by fixed asset write-offs of € 3.4 million, € 2.6 million of Walt Disney Studios Park pre-opening costs and € 1.7 million of net losses related to the storm.

Net income

Despite an improvement in the operating margin, net income during fiscal year 2001 decreased € 8.2 million reflecting higher lease and net financial charges and higher net exceptional charges of € 8.4 million.

CAPITAL INVESTMENT, LIQUIDITY AND FINANCING

Capital Investment

Capital expenditures during the year totalled € 243.9 million and related primarily to the construction of the Walt Disney Studios Park (€ 191.2 million) and investments related to current operations.

Debt

Our principal indebtedness (excluding accrued interest) increased to € 1,099.9 million at September 30, 2001 compared to € 873.8 million at September 30, 2000 as a result of € 381.1 million of new drawings on the CDC credit agreement for the construction of the Walt Disney Studios Park, offset by € 3.3 million of scheduled principal repayments, and € 155.5 million related to the early repurchase of 6.7 million of the Company's 6.75% Convertible Bonds which matured on October 1, 2001. Including the unconsolidated financing companies, our principal indebtedness was € 2,565.1 million as of September 30, 2001 compared to € 2,349.8 million as of September 30, 2000.

Our principal payment obligations, and the principal portion of our lease payments to the unconsolidated financing companies, recommenced in fiscal year 1998 pursuant to the terms of the 1994 Financial Restructuring. We paid € 77.0 million and € 172.0 million (including the Convertible Bond repurchases) of principal in fiscal years 2000 and 2001, respectively (net of principal payments we receive from the subordinated loans we made to the financing companies). On the same basis, we will be required to pay € 411.9 million and € 47.3 million of net principal in fiscal years 2002 and 2003, respectively.

Additionally, the Financial Restructuring agreements include covenants with respect to our financing arrangements. These covenants include restrictions on additional indebtedness and capital expenditures, the provision of certain financial information and compliance with certain financial thresholds.

Liquidity

As of September 30, 2001, cash and short-term investments totalled € 552.8 million, an increase of € 144.7 million over the prior year end balance. The increase resulted primarily from:

• Cash Flows from Operating Activities	€ 143.6 million
• Cash Flows from Financing Activities	€ 218.5 million
• Cash Flows used in Investing Activities	€ (217.4) million

Cash flows from operating activities decreased 15% to € 143.6 million primarily as a result of lower net earnings and a change in working capital that was less favourable than in the prior year.

Cash flows from financing activities included the proceeds of the new credit agreement with the CDC in the amount of € 381.1 million, partially offset by € 160.8 million of early repurchases of a portion of the Company's 6.75% Convertible Bonds, as well as € 3.3 million of scheduled principal repayments on the Group's debt.

Cash flows used in investing activities totalled € 217.4 million and related primarily to construction costs of the Walt Disney Studios Park and investments related to renovations and improvements to the existing asset base.

Since September 30, 2001, the Company has reduced its cash and debt level due to the maturity of its 6.75% Convertible Bonds, which had an outstanding balance of € 373.7 million as of year-end.

Based upon available cash and short-term investments, The Walt Disney Company ("TWDC") € 167.7 million credit facility and current forecasts of operating performance, we believe that the Group will have the resources necessary to meet funding requirements arising in the short-term, including our needs related to the construction and pre-opening costs of the Walt Disney Studios Park. The Group's future liquidity will depend upon, among other things, improvements in operating earnings sufficient to finance ongoing capital expenditure requirements and debt repayments.

Equity

Shareholders' equity increased to € 1,277.9 million at September 30, 2001 from € 1,247.5 million at September 30, 2000, as a result of net income for fiscal year 2001.

As of September 30, 2001, TWDC, through indirect wholly-owned subsidiaries, held 39.1% of the Company's shares and approximately 17.3% of the Company's shares were owned by trusts for the benefit of Prince Alwaleed Bin Talal Bin Abdulaziz Al Saud and his family. No other shareholder has indicated to the Company that it holds more than 5% of the share capital of the Company. No dividend allocation is proposed with respect to fiscal year 2001, and no dividends were paid with respect to fiscal years 2000, 1999 and 1998.

Market risk and financial instruments

We are exposed to the impact of interest and foreign currency exchange rate changes. In the normal course of business, we employ established policies and procedures to manage our exposure to changes in interest and foreign currency exchange rates using primarily swaps and forward rate agreements. It is our policy to enter into interest and foreign currency rate transactions only to the extent considered necessary to meet our objectives. We do not enter into interest and foreign currency rate transactions for speculative purposes.

The Group has significant variable rate short-term investments, long-term receivables and debt. We also have interest rate risk associated with lease obligations, as amounts due under these contracts are tied to variable interest rates. With respect to these interest rate sensitive instruments and obligations, a hypothetical 10% increase in interest rates, as of September 30, 2001 and 2000, would have a € 0.6 million and € 3.2 million, respectively unfavourable impact on our near-term annual cash flows. This amount excludes the positive cash flow impact such a change in interest rates would have on short-term investment income.

The Group's exposure to foreign currency risk relates primarily from British pound denominated sales and U.S. dollar denominated exposures. The Group primarily utilises foreign exchange forward contracts to hedge these expenditures. With respect to these foreign exchange rate sensitive instruments, a hypothetical 10% adverse change in the U.S. dollar and British pound exchange rates (correlation between currencies is not taken into account) as of September 30, 2001 and 2000 would result in a € 11.6 million and € 12.0 million decrease in their market value, respectively. No amount of this decrease would impact earnings since the loss on these instruments would be offset by an equal gain on the underlying exposure being hedged.

OTHER MATTERS

Implementation of the Euro

As of February 17, 2002, the French franc currency will be officially withdrawn from circulation and the new euro-denominated bills and coins, which will be put in circulation on January 1, 2002, will become the currency in France.

We fully expect to complete the necessary modifications to our back-office systems before January 1, 2002. Our fiscal year 2001 – 2002 pricing is already euro based and all signage and price tickets are expected to be euro denominated before January 1, 2002. We anticipate no significant business risk associated with adopting the euro.

Total costs for euro preparation are currently estimated at € 4.5 million of which approximately € 2.7 million has been incurred through September 30, 2001 (€ 1.5 million in fiscal year 2001). These costs relate to program coordination, signage for dual pricing, training, and communication activities and are expensed as incurred. The above amounts do not include capital expenditures associated with IT systems enhancements and the acquisition of new equipment. Capital expenditures related to the euro implementation are currently estimated to be € 1.5 million of which, approximately € 1.4 million has been incurred as of September 30, 2001.

OUTLOOK

OUTLOOK - FISCAL YEAR 2002

For the Theme Parks, Hotels and Disney Village:

• The Walt Disney Studios Park – an added dimension to our product offer
Construction of our new theme park, to be located adjacent to the existing park, is nearing completion with the March 16, 2002 opening planned to coincide with the 10th anniversary year of the Disneyland Resort Paris. The construction is ahead of-schedule and on-budget with approximately € 350.6 million of project related expenditures incurred as of September 30, 2001.

The launch of the Walt Disney Studios Park will mark an important expansion of the product offer and the strategy of marketing the resort. The Walt Disney Studios Park will add a new dimension to our product offer. New marketing and sales initiatives will focus on generating high awareness of this new dimension in our product offer and on increasing the guest length of stay. In parallel with these initiatives, our plan is to create additional hotel capacity: in fiscal year 2002 by stronger relationships with off-site hotels, and beginning in fiscal year 2003 by additional on the site hotel capacity through third-party hotel operators.

• A focus on the heart of our product offer – the Disneyland Park.
Even after the opening of the Walt Disney Studios Park, the success of the Disneyland Park will continue to be fundamental to the Company's commercial and financial success. Marketing expenditures in fiscal year 2001 were increased in order to focus awareness on the Disneyland Resort Paris product offer and in particular the existing theme park. The entertainment offer will also be reinforced in fiscal year 2002 and will include *The Wonderful World of Disney Parade*, the *Main Street Electrical Parade, The Tarzan Encounter* and *Mulan*, *the Legend* stage shows, as well as an improved *White Christmas* display and festivities

For the Christmas Season 2001, Disneyland Park is celebrating *White Christmas* from November 10, 2001 to January 6, 2002. New additions to our 2001 calendar include an *Enchanted Forest* and *Father Christmas' Grotto*, while family shows and traditional entertainment such as the *Christmas Parade*, the *Tree Lighting Ceremony* and *Christmas Carolers* will bring seasonal entertainment to the Disneyland Park every day. An all-new firework extravaganza will bring a spectacular end to an evening at the Park.

In the Real Estate Development division:
Fiscal year 2001 was a banner year which translated into record revenues and operating margin for this segment of our business. In fiscal year 2002, the Group anticipates a strong, but lower level of contribution from this segment than in fiscal year 2001. In the current year, we finalised agreements with third-party hotel operators for 1,100 additional on site hotel rooms. In fiscal year 2002, we plan to continue discussions with potential partners to further increase our hotel capacity. In addition, commercial development of the town centre of Val d'Europe and the International Business Park is expected to continue and translate into additional land sale revenue for the Group.

Including the developments currently underway, the Group has used approximately 900 hectares out of the total 2,000 hectares reserved exclusively for the development of the site.

Recent World Events

Recent incidents of international terrorism and the resulting military actions, as well as an international economic slowdown, have adversely affected travel-related industries. These events may continue to reduce personal and business travel as well as discretionary consumer spending. The Group cannot be certain as to the extent this situation will impact its operating results for fiscal year 2002. However, management is closely monitoring its operating trends and has developed cost-reduction strategies to address the risks.

Conclusion

The Walt Disney Studios Park will have a significant impact on our results of operations beginning in fiscal year 2002 when the park is scheduled to open. Until the opening, we do not expect to receive any material revenues from the Walt Disney Studios Park. We do expect to incur pre-opening costs and expenses relating to the Walt Disney Studios Park that will impact our net results in 2002.

Continued improvement in our operating margins will be key to our success. For fiscal year 2002, our attention will be focused on increased attendance, occupancy and guest spending primarily through the opening of the Walt Disney Studios Park, but also by maintaining and improving the offer of our existing theme park, Disneyland. In addition, we will continue to work to maximise the results of our Real Estate Development segment. We are committed to achieving improvements in our operating drivers, as they are the basis of future growth in our results.

CHESSY, November 14, 2001

The Gérant, Euro Disney S.A.
Jay RASULO, Chairman and Chief Executive Officer

Jay Rasulo

CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED BALANCE SHEETS

(€ in millions)

		NOTES*	September 30, 2001	2000	1999
FIXED ASSETS	Intangible assets		14.9	11.4	13.6
	Tangible assets	3	839.7	658.3	493.9
	Financial Assets	4	1,378.9	1,414.9	1,435.2
			2,233.5	*2,084.6*	*1,942.7*
CURRENT ASSETS	Inventories	5	37.0	36.1	33.8
	Accounts receivable: - Trade	6	73.5	81.1	75.1
	- Other	7	121.2	120.6	107.2
	Short-term investments	8	422.9	387.7	273.2
	Cash		129.9	20.4	29.3
			784.5	*645.9*	*518.6*
DEFERRED CHARGES		9	88.1	63.3	57.5
	Total Assets		**3,106.1**	**2,793.8**	**2,518.8**
SHAREHOLDERS' EQUITY	Share capital	10	804.8	804.8	585.2
	Share premium	10	288.9	288.9	288.9
	ORA's, conditionally waived		-	-	151.4
	Retained earnings	10	184.2	153.8	115.3
			1,277.9	*1,247.5*	*1,140.8*
QUASI-EQUITY		11	152.8	152.8	1.1
PROVISIONS FOR RISKS AND CHARGES		12	31.1	21.8	13.3
BORROWINGS		13	1,141.2	916.8	983.3
CURRENT LIABILITIES	Payable to related companies	14	90.9	77.0	57.9
	Accounts payable and accrued liabilities	15	334.9	302.6	256.4
			425.8	*379.6*	*314.3*
DEFERRED REVENUES		16	77.3	75.3	66.0
	Total Shareholders' Equity and Liabilities		**3,106.1**	**2,793.8**	**2,518.8**

**See Notes to Consolidated Financial Statements*

CONSOLIDATED STATEMENTS OF INCOME

(€ in millions)	NOTES*	Year ended September 30, 2001	2000	1999
REVENUES	17	1,005.2	959.2	920.2
COSTS AND EXPENSES	18	(820.0)	(783.4)	(754.0)
INCOME BEFORE LEASE AND FINANCIAL CHARGES		*185.2*	*175.8*	*166.2*
Lease rental expense	24	(185.8)	(151.1)	(131.1)
Financial income		89.8	74.8	54.6
Financial expense		(51.5)	(62.0)	(68.5)
		(147.5)	*(138.3)*	*(145.0)*
INCOME BEFORE EXCEPTIONAL ITEMS		37.7	37.5	21.2
Exceptional income / (loss), net	19	(7.2)	1.2	2.4
Net Income		*30.5*	*38.7*	*23.6*
Average number of common shares outstanding (in millions)	10	1,056	992	768
Earnings / per Share (€)		*0.03*	*0.04*	*0.03*

** See Notes to Consolidated Financial Statements*

CONSOLIDATED STATEMENTS OF CASH FLOWS

(€ in millions)		NOTES*	Year ended September 30, 2001	2000	1999
Net Income			30.5	38.7	23.6
Operating Items Not Requiring Cash Outlays:					
	Depreciation and amortisation	18	54.0	49.8	48.9
	Other		41.7	20.0	14.0
Changes in:	Receivables		7.0	(20.1)	(23.3)
	Inventories		(0.9)	(2.3)	(0.9)
	Payables and other accrued liabilities		11.3	82.8	45.7
	Cash Flows from Operating Activities		*143.6*	*168.9*	*108.0*
	Capital expenditures for tangible and intangible assets	3	(205.4)	(197.2)	(68.7)
	Increase in deferred charges		(12.0)	(9.3)	(3.8)
	Other	-	-	1.3	0.4
	Cash Flows used in Investing Activities		*(217.4)*	*(205.2)*	*(72.1)*
	Proceeds from new borrowings	13	381.1	-	-
	Repurchase of convertible bonds	13	(160.8)	(56.7)	-
	Repayments of borrowings	13	(3.3)	(19.1)	(0.5)
	Net proceeds from equity offering	10	-	219.5	-
	Increase/Decrease in debt security deposit		1.5	(2.1)	-
	Other		-	(4.1)	-
	Cash Flows from / (used in) Financing Activities		*218.5*	*137.5*	*(0.5)*
	Change in cash and cash equivalents		144.7	101.2	35.4
	Cash and cash equivalents, beginning of period		403.7	302.5	267.1
	Cash and Cash Equivalents, end of period		*548.4*	*403.7*	*302.5*
Supplemental Cash Flow Information:	Interest paid		59.3	50.6	57.0
	Lease rental expense paid		85.4	65.6	67.8
Reconciliation to Balance Sheet:	Cash		129.9	20.4	29.3
	Short-term investments		422.9	387.7	273.2
	Bank overdrafts *(recorded in accounts payable and accruals)*		(4.4)	(4.4)	-
	Cash and Cash Equivalents, end of period		*548.4*	*403.7*	*302.5*

** See Notes to Consolidated Financial Statements*

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

EURO DISNEY S.C.A. AND SUBSIDIARIES

1- DESCRIPTION OF THE BUSINESS AND THE FINANCIAL RESTRUCTURING

1-1 Description of the Business

Euro Disney S.C.A. (the "Company") and its wholly-owned subsidiaries (collectively, the "Group") commenced operations with the official opening of Disneyland Park on April 12, 1992 ("Opening Day"). The Group operates the Disneyland Resort Paris, which includes the Disneyland Park (the "Theme Park"), seven themed hotels, two convention centres, the Disney Village entertainment centre and a golf course in Marne-la-Vallée, France. In addition, the Group manages the real estate development and expansion of the related infrastructure of the property.

The Company, a publicly held French company, is owned 39% by indirect, wholly-owned subsidiaries of The Walt Disney Company ("TWDC") and managed by Euro Disney S.A. (the Company's Gérant), an indirect, 99%-owned subsidiary of TWDC. The General Partner is EDL Participations S.A., also an indirect, wholly-owned subsidiary of TWDC.

Entities included in the fiscal year 2001 consolidated financial statements and their primary operating activities are as follows:

COMPANY	% OF CONTROL AND OWNERSHIP	PRIMARY OPERATING ACTIVITY
Euro Disney S.C.A.		Operator of the Theme Park, Disneyland Hotel, Davy Crockett Ranch and golf course, and manager of real estate development
EDL Hôtels S.C.A.	99.9	Operator of the Phase IB Facilities (see terms defined below)
Centre de Divertissements S.A.	99.8	Special purpose leasing companies, all subsidiaries of EDL Hôtels S.C.A., which were created in connection with the leasing and financing of the Phase IB Facilities
Cheyenne Hôtel S.A.	99.8	
Hôtel New York S.A.	99.8	
Hôtel Santa Fe S.A.	99.8	
Newport Bay Club S.A.	99.8	
Sequoia Lodge S.A.	99.8	
EDL Services S.A.	99.8	Management company of the Phase IB Financing Companies (see terms defined below)
EDL Hôtels Participations S.A.	99.9	General Partner of EDL Hôtels S.C.A., ED Resort S.C.A. and ED Resort Services S.C.A.
Euro Disney Vacances S.A.	99.9	Tour operator selling Disneyland Resort Paris holiday packages, principally to guests from Germany, Benelux, the United Kingdom and Italy.
Euro Disney Vacaciones S.A.	99.9	Spanish subsidiary of Euro Disney Vacances S.A.
Val d'Europe Promotion S.A.	99.8	Real estate developer
S.E.T.E.M.O. Imagineering S.A.R.L.	100.0	Provides studies and supervision of construction for theme park attractions
ED Spectacles S.A.R.L.	100.0	Operator of Buffalo Bill's Wild West Show
Débit de Tabac S.N.C.	100.0	Tobacco retailer at Disney Village
ED Resort S.C.A.	99.9	Companies currently inactive
ED Resort Services S.C.A.	99.9	
ED Finances 1 S.N.C.	100.0	
ED Finances 2 S.N.C.	100.0	
ED Finances 3 S.N.C.	100.0	
ED Finances 4 S.N.C.	100.0	

1-2 Disneyland Resort Paris Financing

The Group owns the Disneyland Hotel, the Davy Crockett Ranch, the golf course, the underlying land thereof and the land on which the five other hotels and the Disney Village entertainment centre are located and leases substantially all the remaining operating assets as follows:

Phase IA

In 1989, various agreements were signed between the Company and Euro Disneyland S.N.C. (the "Phase IA Financing Company") for the development and financing of the Theme Park. Pursuant to the original sale/leaseback agreement, all of the assets of the Theme Park and the underlying land, as of Opening Day, were sold by the Company to the Phase IA Financing Company and simultaneously leased back to the Company. In 1994, the Company cancelled its original agreement with the Phase IA Financing Company and established certain new agreements. Under this new lease structure, the Phase IA Financing Company is leasing substantially all of the Theme Park assets to Euro Disney Associés S.N.C. ("EDA SNC"), an indirect, wholly-owned affiliate of TWDC, which is in turn subleasing those assets to the Company. The Group has no ownership interest in the Phase IA Financing Company or EDA SNC.

Phase IB

In 1991, various agreements were signed for the development and financing of five hotels: Hotel New York, Newport Bay Club, Sequoia Lodge, Hotel Cheyenne and Hotel Santa Fe, and the Disney Village entertainment centre (collectively, the "Phase IB Facilities"). Pursuant to sale/leaseback agreements, the Phase IB Facilities were sold by the Company to six special purpose companies that were established for the financing of Phase IB (the "Phase IB Financing Companies") and are being leased back to the operator, EDL Hôtels S.C.A. The Group has no ownership interest in the Phase IB Financing Companies.

Hereafter, reference to the "Phase I SNCs" includes the Phase IA Financing Company and the Phase IB Financing Companies.

Additional Capacity Theme Park Assets

In 1994, the Company entered into a sale/leaseback agreement with EDA SNC for certain Theme Park assets which were constructed subsequent to Opening Day. Pursuant to this agreement, these assets were sold by the Company and the Phase IA Financing Company to EDA SNC and are being leased back to the Company.

Newport Bay Club Convention Centre

In 1996, various agreements were signed with Centre de Congrès Newport S.A.S., an indirect, wholly-owned affiliate of TWDC for the development and financing of a second convention centre located adjacent to the Newport Bay Club hotel. Pursuant to sale/leaseback agreements, the assets of the Newport Bay Club Convention Centre were sold as they were constructed by EDL Hôtels S.C.A. to Centre de Congrès Newport S.A.S. and are leased back to the operator, EDL Hôtels S.C.A.

Hereafter, reference to the "Financing Companies" includes the Phase IA Financing Company, the Phase IB Financing Companies, EDA SNC and Centre de Congrès Newport S.A.S.

The Walt Disney Studios Park

The Group is constructing the Walt Disney Studios Park, a second theme park located at the Disneyland Resort Paris (the "Walt Disney Studios Park"). The Walt Disney Studios Park will be designed around the theme of a live-action, animation and television studio with both recreational and educational themes. The Walt Disney Studios Park is scheduled to open in the spring of 2002 and will cover, at opening, approximately 25 hectares. The current construction budget for the Walt Disney Studios Park is approximately € 610 million, excluding interest charges that will be capitalised as part of the cost of the completed assets. The project is being financed by the proceeds of the December 1999 equity offering (see Note 10) and a new € 381.1 million subordinated credit agreement executed with the *Caisse des Dépôts et Consignations* on September 30, 1999 ("CDC Walt Disney Studios Park loans") (see Note 13).

1-3 Financial Restructuring

In 1994, the Company, TWDC, the Phase I SNCs and certain of the financial institutions and companies that are creditors of the Company and the Phase I SNCs (the "Lenders") executed agreements related to a financial restructuring (the "Financial Restructuring"). The Financial Restructuring was essentially comprised of concessions and contributions made by the Lenders and TWDC and the prepayment of certain outstanding loan indebtedness of the Group and the Phase I SNCs with the € 880.5 million net proceeds of a rights offering. The Financial Restructuring continues to have a significant positive impact on the Group's net income mainly due to the partial waiver of royalties and management fees by TWDC and remaining interest forgiveness.

2- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation and Use of Estimates

The Group's consolidated financial statements are prepared in conformity with accounting principles generally accepted in France. The preparation of these financial statements requires management to make estimates and assumptions that affect the amounts presented in the financial statements and footnotes thereto. Actual results could differ from those estimates. Certain reclassifications to the 2000 and 1999 comparative amounts have been made to conform to the 2001 presentation.

Principles of Consolidation

The Group's consolidated financial statements include the accounts of the Company and its subsidiaries. All significant intercompany accounts and transactions have been eliminated.

Leased Assets

The Group leases a significant portion of its operating assets. Pursuant to options available under French accounting principles, the Group accounts for these transactions as operating leases.

Fixed Assets

Intangible assets consist of software costs and licensee rights and are carried at cost. Amortisation is computed on the straight-line method over two to ten years. Tangible assets are carried at cost. Depreciation is computed on the straight-line method based upon estimated useful lives, as follows:

	Estimated useful lives
Secondary infrastructure	10 to 25 years
Buildings	20 to 33 years
Leasehold improvements, furniture, fixtures and equipment	2 to 25 years

Interest costs incurred for the construction of fixed assets and the acquisition and development of land are capitalised using the weighted average interest rate incurred on the Company's borrowings. Projects under development are capitalised to the extent technical and economic feasibility has been established.

Inventories

Inventories are stated at the lower of cost or market value, on a weighted-average cost basis.

Income Taxes

The Group files a consolidated tax return. The Group provides for deferred income taxes on temporary differences between financial and tax reporting. The Group uses the liability method under which deferred taxes are calculated applying currently enacted tax rates expected to be in effect when the temporary differences will reverse.

Debt Issue Costs

Direct costs of the issuance of debt are capitalised and amortised on a straight-line basis over the life of the related debt. Upon repurchase and/or retirement of debt, a pro rata amount of the unamortised issue costs is expensed and included as part of the gain or loss resulting from the transaction.

Pension and Retirement Benefits

Contributions to state funded retirement plans and the Group's supplemental defined contribution pension plan are expensed as incurred and no future commitments exist with respect to these plans. Retirement indemnities paid under the Group's collective bargaining agreement are expensed as paid. The future commitment with respect to these indemnities is disclosed (see Note 25).

Risk Management Contracts

In the normal course of business, the Group employs a variety of off-balance-sheet financial instruments to manage its exposure to fluctuations in interest and foreign currency exchange rates, including interest rate and cross-currency swap agreements, forward, and option contracts. The Group designates and assigns the financial instruments as hedges for specific assets, liabilities or anticipated transactions. When hedged assets or liabilities are sold or extinguished or the anticipated transactions being hedged are no longer expected to occur, the Group recognises the gain or loss on the designated hedging financial instruments. The Group accrues the differential for interest rate and cross-currency swaps to be paid or received under the agreements as interest and exchange rates shift as adjustments to interest income or expense over the lives of the swaps. Gains and losses on the termination of swap agreements, prior to their original maturity, are deferred and amortised over the remaining original term of the instruments. Gains and losses arising from foreign currency forward and option contracts are recognised as offsets of gains and losses resulting from the items being hedged.

Foreign Currency Transactions

Transactions denominated in foreign currencies are recorded in French francs at the exchange rate prevailing at the month-end prior to the transaction date. Assets and liabilities denominated in foreign currencies are stated at their equivalent value in French francs at the exchange rate prevailing as of the balance sheet date. Net exchange gains or losses resulting from the translation of assets and liabilities in foreign currencies at the balance sheet date are deferred as translation adjustments. Provision is made for all unrealised exchange losses to the extent not hedged.

Participant Revenue

Fees billed to companies ("Participants") that enter into long-term marketing agreements with the Group for the sponsorship of attractions are recognised as revenue rateably over the period of the applicable agreements.

Operating Subsidies

Operating subsidies are recorded as operating income at the point the amount is contractually due and definitive.

Earnings per Share

Earnings per share of common stock is computed on the basis of the weighted average number of shares outstanding during the fiscal year.

Statement of Cash Flows

The statement of cash flows measures changes in cash and cash equivalents. Cash and cash equivalents consist of cash on hand and short-term investments with original maturities of three months or less. Short-term investments are stated at the lower of cost or market value.

3- TANGIBLE FIXED ASSETS

(€ in millions)	September 30, 2000	Additions	Deductions	Transfers/Adjustments	September 30, 2001
Land and secondary infrastructure	249.2	-	(0.1)	15.4	264.5
Buildings	278.6	0.5	(0.5)	34.7	313.3
Leasehold improvements, furniture, fixtures and equipment	193.9	3.3	(0.5)	10.3	207.0
Subtotal	*721.7*	*3.8*	*(1.1)*	*60.4*	*784.8*
Construction in progress	215.0	223.8	(0.8)	(65.4)	372.6
Accumulated depreciation	(278.4)	(39.8)	0.5	-	(317.7)
Total	*658.3*				*839.7*

Fixed assets with a net book value of € 171.4 million at September 30, 2001, are either mortgaged or pledged as security under loan agreements. In fiscal years 2001 and 2000, interest capitalised on assets during their construction period amounted to € 15.1 million and € 4.1 million, respectively.

4- FINANCIAL ASSETS

(€ in millions)	September 30, 2001	September 30, 2000
Phase IA Financing Company loans receivable (a)	958.6	984.5
Phase IB Financing Companies loans receivable (b)	367.7	376.1
Other (c)	52.6	54.3
Total	*1 378.9*	*1 414.9*

(a) Phase IA Financing Company loans receivable

Pursuant to the original Theme Park financing agreements and the Financial Restructuring, the Company provided long-term subordinated loans of € 1,010.1 million to the Phase IA Financing Company. The loans bear interest at EURIBOR. However, pursuant to the Financial Restructuring, the applicable interest rate on the outstanding balance has been temporarily reduced and will return to the contractual rate beginning in fiscal year 2004.

In addition, effective October 1st, 1999, the Phase IA Financing Company and the Company agreed to certain modifications of the terms of the loans, including an acceleration of the principal reimbursement schedule and a modification of the contractual interest rate. Under the revised terms, the applicable rate is EURIBOR plus a variable margin. Accordingly, the effective rate on the loans for fiscal years 2001 and 2000 was 5.34% and 4.29%, respectively. Principal repayments commenced in fiscal year 1998 and will continue through fiscal year 2013. Principal repayments in fiscal years 2001 and 2000 were € 25.9 million and € 15.5 million, respectively. Scheduled principal repayments in fiscal year 2002 are € 31.7 million. Under the new lease structure established in 1994 (see Notes 1-2 and 24-1), these long-term subordinated loans are pledged as security.

(b) Phase IB Financing Companies loans receivable

Pursuant to the original Phase IB financing agreements and the Financial Restructuring, EDL Hôtels S.C.A. provided long-term subordinated loans of € 390.4 million to the Phase IB Financing Companies. The loans bear interest at a fixed rate of 6%. However, pursuant to the Financial Restructuring, the applicable interest rate on the outstanding balance was temporarily reduced to 4% and will return, beginning in fiscal year 2004, to the contractual rate. Principal repayments commenced in fiscal year 1998 and are scheduled to continue through fiscal year 2016. Principal repayments in fiscal years 2001 and 2000 were € 8.4 million and € 7.0 million, respectively. Scheduled principal repayments in fiscal year 2002 are € 9.5 million.

(c) Other

Other consists primarily of long-term deposits. In accordance with certain conditions stipulated in connection with the Financial Restructuring, the Group is required to maintain a security deposit as a pledge for the benefit of the Phases IA and IB Lenders. The deposit amounts are interest bearing and are not available to the Group until all of the senior debt pursuant to the financing agreements has been paid and other obligations by both the Lenders and the Group have been satisfied.

5- INVENTORIES

Inventories consist primarily of merchandise, food and beverage and supplies. These amounts are stated net of allowance for obsolete and slow moving items of € 1.8 million and € 1.5 million at September 30, 2001 and 2000, respectively.

6- TRADE ACCOUNTS RECEIVABLE

Trade accounts receivable are due primarily from tour operators and travel agents (arising from sales of Theme Park entrance tickets, hotel rooms and amenities) as well as billings for participant fees. As of September 30, 2001 and 2000, the reserve for potentially uncollectible accounts was € 4.4 million and € 4.0 million, respectively. As of September 30, 2001, trade receivables included non-current receivables amounting to € 1.2 million.

7- OTHER ACCOUNTS RECEIVABLE

	September 30,	
(€ in millions)	2001	2000
VAT	92.7	90.1
Other	28.5	30.5
Total	*121.2*	*120.6*

All amounts are due within one year.

8- SHORT-TERM INVESTMENTS

Short-term investments consist primarily of cash equivalents such as money market instruments and certificates of deposit, carried at cost, which approximated market value at September 30, 2001 and 2000.

9- DEFERRED CHARGES

	September 30,	
(€ in millions)	2001	2000
Financial contributions to public infrastructure (a)	60.5	41.2
Other (b)	27.6	22.1
Total	*88.1*	*63.3*

(a) Financial contributions to public infrastructure

Financial contributions to public infrastructure consist primarily of a payment of € 34.3 million made by the Group to the S.N.C.F. (Société Nationale des Chemins de Fer Français), the French national railway company, as part of its financial commitment to the construction of the T.G.V. (high speed train) railway station located within Disneyland Resort Paris. This contribution is being amortised over a period of twenty years (beginning on the opening of the T.G.V. station in 1994). Remaining amounts relate to various financial contributions to the construction of primary infrastructure, such as roadways and water, gas and electricity distribution systems. Contributions to public infrastructure are stated net of accumulated amortisation of € 24.7 million and € 21.5 million at September 30, 2001 and 2000, respectively.

(b) Other

Other consists primarily of the cost of major renovations performed on Disneyland Resort Paris assets. As of September 30, 2001 and 2000, these costs totalled € 34.8 million and € 22.7 million, respectively and are reported net of accumulated amortisation of € 10.8 million and € 5.6 million, respectively.

10- SHAREHOLDERS' EQUITY

(€ in millions)

	Number of Shares (in thousands)	Share Capital	Share Premium	Reinstatement of ORAs	Retained Earnings
Balance at September 30, 1999	*767 834*	*585.3*	*288.9*	*151.4*	*115.3*
Issuance of new shares					
(net of issuance costs)	287 938	219.5			
Reinstatement of ORAs				(151.4)	
Allocation to General Partner					(0.2)
Net income					38.7
Balance at September 30, 2000	*1 055 772*	*804.8*	*288.9*	-	*153.8*
Issuance of new shares	15	-			
Allocation to General Partner					(0.2)
Net income					30.5
Balance at September 30, 2001	*1 055 787*	*804.8*	*288.9*	-	*184.2*

- *Number of shares*
The number of shares above represent the Company's issued, outstanding and fully paid shares, at the respective dates.

- *Share capital*
In December 1999, the Company completed an equity offering, which resulted in the issuance of 287.9 million of new shares at a price of € 0.8. Gross proceeds from the issuance were € 230.3 million.

- Reinstatement of ORAs
The conditions for a reinstatement of the interest and capital rights of the ORAs, which had been conditionally waived in fiscal year 1998, were met as of September 30, 1999. Thus, on October 1, 1999, the waived rights were reinstated and the carrying value of the ORAs was reclassified to quasi-equity (see Note 11).

- Retained earnings
At September 30, 2001 and 2000, the Company's retained earnings include a legal reserve of € 15.4 million and € 13.6 million, respectively, which is not available for distribution.

- Warrants
As part of the Financial Restructuring, the Company issued 290 million warrants, enabling the holders of such warrants to subscribe for 1.069 shares of the Company's common stock at a price of € 6.10 for every three warrants held. The warrants have a term of ten years and may be exercised between January 1996 and July 2004.

11- QUASI-EQUITY

In 1994, as part of the Financial Restructuring, the Company issued 2,500,121 bonds reedemable in shares (“ORAs”) with a nominal value of € 60.98, a coupon rate of 1% per annum and a ten-year term. Upon maturity, each ORA will be redeemable by the issuance of 10.691 shares of the Company’s common stock.

In fiscal year 1998, the Company purchased and exercised options offered by TWDC and certain other holders of the ORAs that conditionally waived the interest and capital redemption rights of the ORAs in return for an option exercise price of € 0.49 per ORA. Options were exercised relative to 2,482,807 ORAs at a total cost of € 1.2 million, including the option premiums and exercise prices.

As a result of the waivers, ORAs with a carrying value of € 151.4 million were transferred from quasi-equity to shareholders’ equity. The waived rights were subject to reinstatement if certain financial tests were satisfied on or before September 30, 2003. Based on the fiscal year 1999 results, the conditions for the reinstatement of the interest and capital redemption rights were met and, effective October 1, 1999, the waived rights were reinstated. Consequently this amount was transferred back to quasi-equity.

12- PROVISIONS FOR RISKS AND CHARGES

At September 30, 2001 and 2000, provisions for risks and charges primarily included provisions for various charges, claims and litigation. In fiscal year 2001, the increase in provisions for risks and charges is primarily related to the reassessment of certain existing risks offset by the final settlement of a claim related to the original construction of the Theme Park.

13- BORROWINGS

(€ in millions)	September 30, 2001	2000
Convertible bonds (a)	373.7	525.3
CDC Phase I loans (b)	168.9	168.9
CDC Walt Disney Studios Park loans (c)	381.1	-
Phase IA credit facility (d)	128.3	130.5
Phase IB credit facility (e)	27.3	28.4
Other	20.6	20.7
	1 099.9	*873.8*
Accrued interest	41.3	43.0
Total	*1 141.2*	*916.8*

(a) Convertible bonds

In 1991, the Company issued 28,350,000 unsecured 6.75% fixed rate convertible bonds with an aggregate face value of € 605.1 million. Each convertible bond had a face value of € 21.34 and was convertible into 1.455 shares of the Company's common stock. As of September 30, 2001, 15,916,670 bonds remained outstanding in the amount of € 373.7 million, including a bond redemption premium due upon maturity of € 34.0 million. On October 1, 2001, these bonds matured and cash was made available to reimburse the outstanding obligation plus accrued interest payable of € 22.9 million. Accrued interest and bond redemption premium as of September 30, 2000 amounted to € 32.5 million and € 43.4 million, respectively.

During fiscal years 2001 and 2000, the Company repurchased and subsequently cancelled, before maturity, 6,664,709 and 2,305,604 bonds, respectively, generating an exceptional loss of € 2.3 million and € 0.5 million, respectively.

(b) Caisse des Dépôts et Consignations ("CDC") Phase I loans

Pursuant to the original credit agreement and the Financial Restructuring, the Company borrowed from the CDC € 40.6 million senior debt and € 128.3 million subordinated debt. The senior debt is secured by the Theme Park, Disneyland Hotel, Davy Crockett Ranch, and other related facilities and the underlying land thereof. The subordinated debt is unsecured. The loans originally bore interest at a fixed rate of 7.85%; however, effective as of September 30, 1999, the terms of these loans were modified so as to reduce the fixed interest rate to 5.15%, defer principal repayments and to extend the final maturity date from fiscal year 2015 to fiscal year 2024. At September 30, 2001 and 2000, accrued interest related to these loans was € 8.1 million.

(c) CDC Walt Disney Studios Park loans

On September 30, 1999, the Company executed a credit agreement with the CDC to provide € 381.1 million of subordinated loans to finance a portion of the construction costs of the Walt Disney Studios Park. The credit agreement includes four loan tranches, two of € 76.2 million each maturing in fiscal years 2015 and 2021, respectively and two of € 114.3 million, each maturing in fiscal years 2025 and 2028, respectively. The loans were fully drawn during fiscal year 2001 in connection with the construction of the Walt Disney Studios Park. The loans bear interest at a fixed rate of 5.15% per annum, unless interest or principal payments were to be deferred under the provisions of the loans, during which time the interest rate on the deferred amounts is EURIBOR plus 2% or 5.15%, whichever is greater. The timing of interest payments depends on the size of the Company's surpluses in cash and short-term investments at each scheduled annual repayment date. At September 30, 2001, accrued interest related to these loans was € 9.6 million.

(d) Phase IA credit facility

Pursuant to the original credit agreement with a syndicate of international banks and the Financial Restructuring, the Company borrowed € 148.6 million under the Phase IA credit facility. The obligations under this credit facility are secured by the Theme Park, Disneyland Hotel, Davy Crockett Ranch, other related facilities and the underlying land thereof. Principal repayments commenced in fiscal year 2000 with final repayment in fiscal year 2010. From October 1, 1996 to September 30, 2003, the loans bear interest at EURIBOR plus 1.28% (4.94% at September 30, 2001). From October 1, 2003, the margin will decrease and the applicable rate will be EURIBOR plus 1%. At September 30, 2001 and 2000, accrued interest related to this loan amounted to € 0.2 million and € 1.8 million, respectively.

(e) Phase IB credit facility

Pursuant to the original credit agreement with a syndicate of international banks and the Financial Restructuring, EDL Hôtels S.C.A. borrowed € 29.7 million under the Phase IB credit facility. The obligations under this credit facility are secured by the Phase IB Facilities. Principal repayments commenced in fiscal year 1998 with final repayment in fiscal year 2012. From October 1, 1997 to September 30, 2003, the loans bear interest at EURIBOR plus 1.33% (4.99% at September 30, 2001). From October 1, 2003, the margin will decrease and the applicable rate will be EURIBOR plus 1%.

TWDC line of credit

As part of the Financial Restructuring, TWDC agreed to make available until 2004, upon request by the Company, a subordinated unsecured € 167.7 million standby revolving credit facility to the Group, which bears interest at EURIBOR. As of September 30, 2001, the Company had not drawn on this facility.

Debt covenants

The Financial Restructuring agreements include covenants with respect to the restructured financing arrangements between the Group and the Lenders. These covenants primarily consist of restrictions on additional indebtedness and capital expenditures, the provision of certain financial information and compliance with certain financial ratio thresholds, which were most recently modified by subsequent agreements with the Lenders in 2001. In conjunction with the Walt Disney Studios Park, the Lenders agreed to authorise the capital investment for the project and to modify these covenants during the construction period, including the approval of an increase of € 15.2 million per year in the maximum level of recurring capital expenditures for fiscal years 2000 through 2002.

The Group's borrowings at September 30, 2001 have the following scheduled maturities:

(€ in millions)	
2002	381.6
2003	9.8
2004	26.2
2005	31.9
2006	16.3
Thereafter	634.1
Total	*1 099.9*

14- PAYABLE TO RELATED COMPANIES

Payables to related companies principally include payables to the Financing Companies for rent payable pursuant to the Theme Park and Hotel Leases and sub-leases (see Note 24) and payables to wholly-owned subsidiaries of TWDC for royalties and management fees (see Note 18) and costs associated with the construction of the Walt Disney Studios Park. All amounts are due within one year.

15- ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	September 30,	
(€ in millions)	2001	2000
Suppliers	161.8	151.7
Payroll and employee benefits	53.0	50.2
VAT	65.1	61.0
Other	55.0	39.7
Total	*334.9*	*302.6*

All amounts are due within one year.

16- DEFERRED REVENUES

Deferred revenues consist primarily of participant revenues, prepaid rent and gains on the sale of assets that are being recognised as income over the term during which the assets are leased back to the Group.

17- REPORTED SEGMENTS

The Group has two reportable segments: the Resort, which includes the operations of the Theme Park, Hotels and Disney Village and Real Estate Development. The Group evaluates the performance of its segments based primarily on income before lease, net financial charges and exceptional items. The accounting policies of these segments are the same as those described in Note 2 "Summary of Significant Accounting Policies".

The table below presents information about reported segments for fiscal years 2001 and 2000:

	Year ended September 30,	
(€ in millions)	2001	2000
Segment Revenues		
Resort activities	968.0	944.7
Real estate development activities	37.2	14.5
Total Revenues	*1 005.2*	*959.2*
Segment Income before Lease and Net Financial Charges		
Resort activities	161.4	172.9
Real estate development activities	23.8	2.9
Total Income before Lease and Net Financial Charges	*185.2*	*175.8*

18- COSTS AND EXPENSES

	Year ended September 30,	
(€ in millions)	2001	2000
Direct operating costs (a)	548.8	531.4
Marketing, general and administrative expenses	185.5	171.0
Depreciation and amortisation	54.0	49.9
Royalties and management fees (b)	31.7	31.1
Total	*820.0*	*783.4*

(a) Direct Operating Costs

Direct operating costs include operating wages and employee benefits, cost of sales for merchandise and food and beverage, transportation services and real estate land sales and other costs such as utilities, maintenance, insurance and operating taxes.

(b) Royalties and Management Fees

Royalties represent primarily payments to wholly-owned indirect subsidiaries of TWDC under a licence agreement that grants the Group the right to use any present or future intellectual or industrial property of TWDC incorporated in attractions or other facilities including the right to sell merchandise incorporating intellectual property rights owned by TWDC. Management fees are payable to Euro Disney S.A., the Company's Gérant, as specified in the Company's by-laws. Royalties and management fees are based primarily upon operating revenues.

In fiscal year 1999, after a five year waiver resulting from the Financial Restructuring, royalties were reinstated at half their original rate and management fees were reinstated at a reduced rate. Royalties will be fully reinstated beginning in fiscal year 2004 and management fees will progressively increase through fiscal year 2018. During both fiscal years 2001 and 2000, the rates applicable to each revenue category were consistent and ranged from zero to five percent. During fiscal year 2001, royalties and management fees were € 21.8 million and € 9.9 million, respectively. During fiscal year 2000, royalties and management fees were € 21.5 million and € 9.6 million respectively.

19- EXCEPTIONAL INCOME (LOSS)

	Year ended September 30,	
(€ in millions)	2001	2000
Provisions for risks and asset valuation reserves (a)	(0.8)	10.1
Pre-opening costs – the Walt Disney Studios Park	(5.3)	(2.6)
Euro implementation costs	(1.5)	(0.6)
Loss on early repurchase of 6.75% Convertible Bonds (b)	(2.3)	(0.5)
Fixed assets write-offs	(1.4)	(3.4)
Other (c)	4.1	(1.8)
Total	*(7.2)*	*1.2*

(a) Provisions for risks and asset valuation reserves

These amounts are principally due to adjustments of provisions for construction claims and other litigation offset by the reversal of certain asset valuation reserves.

(b) Loss on early repurchase of 6.75% Convertible Bonds

During fiscal years 2000 and 2001, the Company made early repurchases of a portion of its 6.75% Convertible Bonds. The exceptional losses represent the difference between the book value for the bonds on the Company's books on the date of these repurchases and the cash paid for the bonds. (See Note 13(a) for additional information).

(c) Other

The fiscal year 2001 amount includes a € 2.3 million reversal of a portion of the provision for repairs necessitated by the December 26th storm. The fiscal year 2000 amount included a loss of € 1.7 million relating to the repairs and clean-up costs incurred as a result of the December 26th storm, net of the related insurance reimbursement.

20- INCOME TAXES

Income tax expense is calculated using the statutory tax rate in effect as of the balance sheet date. For fiscal years 2001 and 2000, this rate was approximately 36.4% and 37.8%, respectively. During fiscal years 2001 and 2000, no income tax was payable by the Group as a result of the utilisation of tax loss carryforwards. Accordingly, the Group's effective tax rate for these periods was 0%.

At September 30, 2001, unused tax loss carryforwards were approximately € 503 million, of which, approximately € 91 million, if not utilised, will expire in fiscal year 2006. The remaining tax losses can be carried forward indefinitely; however, due to the uncertainty of the ultimate realisation of these tax benefits, the Group has not recorded any deferred tax assets.

21- STOCK OPTIONS

In 1994, the Company's shareholders approved the implementation of an employee stock option plan (the "1994 Plan") authorising the issuance of stock options for acquisition of up to 2.5% of the Company's outstanding common stock. Through September 30, 2001, the Company had granted a total of 8,605,283 options, net of cancellations, (to acquire one share of common stock each) to certain managers and employees at a market exercise price which represented the average closing market price over the preceding 20 trading days. The options are valid for 10 years from their issuance date and become exercisable over 5 years in equal instalments beginning one year from the date of grant. Upon termination of employment, any unvested options are cancelled. However, options that are exercisable as of the date of termination, may be exercised within a specified period of time or else they are cancelled.

In March 1999, the Company's shareholders approved the implementation of a second employee stock option plan, with substantially the same terms as the 1994 Plan, authorising the issuance of stock options for acquisition of up to 2.5 % of the Company's outstanding common stock. The options granted under that plan are valid for 8 years from their issuance date. Through September 30, 2001, the Company had granted a total of 16,734,400 options, net of cancellations, under this plan.

A summary of the Company's stock option activity for the years ended September 30, 2001 and 2000, is as follows:

	Number of Options (in thousands)	Weighted-average Exercise Price (in €)
Balance at September 30, 1999	**15,879**	**1.38**
Options granted	10,496	0.83
Options exercised	-	-
Options cancelled	(7,255)	1.38
Ajustement (a)	900	-
Balance at September 30, 2000	**20,020**	**1.09**
Options granted	9,395	0.70
Options exercised	(14)	0.83
Options cancelled	(4,076)	1.06
Balance at September 30, 2001	**25,325**	**0.95**

(a) Adjustment

As a result of the December 1999 rights offering (see Note 10), and in accordance with French Law, the number of stock options and the exercise prices for the outstanding options have been adjusted in order to compensate for the dilutive effect of the offering.

The following table summarises information about stock options at September 30, 2001:

	OPTIONS OUTSTANDING			OPTIONS EXERCISABLE	
Range of Exercise Price	Number of Shares (in thousands)	Weighted-average Remaining Contractual Life (in years)	Weighted-average Exercise Price	Number of Shares (in thousands)	Weighted-average Exercise Price
€ 0.50 – 1.00	16,720	7	€ 0.76	1,516	€ 0.83
€ 1.01 – 2.00	7,900	5	€ 1.24	6,211	€ 1.24
€ 2.01 – 2.50	705	4	€ 2.32	705	€ 2.32
	25,325	**6**	**€ 0.95**	**8,432**	**€ 1.26**

22- FINANCIAL INSTRUMENTS

22-1 INTEREST RATE RISK MANAGEMENT TRANSACTIONS

The Group uses interest rate swaps and other instruments to manage its exposure to changes in interest rates and to lower its overall borrowing costs. The impact of changes in interest rates affects financial income and expense as well as lease rental expense of the Group.

The following table summarises, by notional amounts, the activity for interest rate contracts outstanding during the years ended September 30, 2001 and 2000. Roll-forward activity, which represents renewal of existing positions, is excluded.

(€ in millions)	"Forward agreements"/"Swaps"
Balance at September 30, 1999	**382.2**
Additions	75.3
Maturities/Terminations	(457.5)
Balance at September 30, 2000	-
Additions	563.8
Maturities/Terminations	-
Balance at September 30, 2001	**563.8**

During fiscal year 2001, the Company entered into several interest rate swap agreements which became effective at or near September 30, 2001 and have a term of 2 years. These agreements require the company to pay fixed interest rates ranging from 3.79% to 4.69% and to receive interest payments calculated based upon 3-month EURIBOR on the outstanding notional amounts, which total € 563.8 million as of September 30, 2001.

The total interest rate differential resulting from interest rate hedging instruments did not have a material impact on interest expense in fiscal years 2001 and 2000. The fair value of these contracts is estimated to be the same as the cost or gain to the Group to terminate its interest rate hedging contracts. At September 30, 2001 taking into account the prevailing interest rate environment and credit worthiness of counterparties, this amount would represent a loss of € 8.1 million.

22-2 CURRENCY RISK MANAGEMENT TRANSACTIONS

The Group's exposure to foreign currency risk relates principally to variations in the value of the U.S. dollar and certain European currencies.

The Group's objective is to reduce earnings and cash flow volatility associated with foreign exchange rate changes to allow management to focus its attention on its core business issues and challenges. Accordingly, the Group enters into various contracts that change in value as foreign exchange rates change to protect the value of its existing foreign currency assets and liabilities, commitments and anticipated foreign currency revenues and expenses.

At September 30, 2001 and 2000, the Group had € 103.4 million and € 58.4 million, respectively, of foreign currency hedge contracts outstanding, consisting of forward exchange contracts and options. The fair value of these contracts is estimated to be the same as the cost or gain to the Group of terminating its foreign exchange contracts. This amount was a loss of € 2.0 million and a gain of € 4.9 million at September 30, 2001 and 2000, respectively.

22-3 CONCENTRATIONS OF CREDIT RISK

Management believes no significant concentration of credit risk exists with respect to the Group's financial instruments. The Group utilises a variety of off-balance sheet instruments for hedging purposes. At September 30, 2001 and 2000, neither the Group nor the counterparties were required to collateralise their respective obligations under the terms of these hedging contracts.

23- COMMITMENTS AND CONTINGENCIES

There are various legal proceedings and claims against the Group relating to construction and other activities incident to the conduct of its business. Management has established provisions for such matters and does not expect the Group to suffer any material additional liability by reason of such actions, nor does it expect that such actions will have a material effect on its liquidity or operating results.

The Company is jointly liable for all Phase IA Financing Company obligations under the Phase IA credit agreement which total € 312.7 million as of September 30, 2001.

EDL Hôtels S.C.A. has guaranteed all Phase IB Financing Companies' obligations under the Phase IB credit facility which total € 156.6 million as of September 30, 2001.

As part of the terms of the Financial Restructuring, the Company was required to pay a one-time development fee of € 182.9 million to TWDC upon the satisfaction of certain conditions, including conditions relating to the launch and financing of a second phase of development. In order to obtain the approval for the financing of the Walt Disney Studios Park from the Lenders, TWDC agreed to amend the terms and conditions of the development fee so that it will not be due until future events occur, including the repayment of the existing bank debt of the Company and of the CDC Walt Disney Studios Park loans and the achievement by the Group of specified cash flow levels.

24- LEASED ASSETS

The Group owns the Disneyland Hotel, the Davy Crockett Ranch, the golf course, the underlying land thereof and the land on which the other five hotels and Disney Village are located, and leases substantially all of the remaining operating assets. Pursuant to options available under French accounting principles, the Group has not capitalised these leases and has accounted for them as operating leases.

24-1 Theme Park and Hotel Leases

Description

The Group leases the Theme Park, the Phase IB Facilities and the Newport Bay Club Convention Centre, directly or indirectly, from eight special purpose financing companies. The following discussion summarises the significant terms of each lease:

• Theme Park - Phase IA Lease

Originally, pursuant to the Phase IA financing agreements, the Company leased the Theme Park directly from the Phase IA Financing Company under a crédit-bail (financial lease) which commenced Opening Day and was to end when the underlying borrowings and interest were repaid in full by the Phase IA Financing Company. Pursuant to the terms of the Financial Restructuring, a new leasing structure for the Theme Park assets was implemented.
Under the new lease structure, effective June 30, 1994, the original financial lease was cancelled and a new financial lease established whereby the Phase IA Financing Company leases the Theme Park to EDA SNC with terms similar to the original financial lease. The Company, in turn, is subleasing the Theme Park from EDA SNC for a term of 12 years with rent substantially equal to the amount invoiced by the Phase IA Financing Company to EDA SNC. At the end of the sublease term, the Company will have the option to acquire the leasehold position of EDA SNC upon payment of an option fee of approximately € 78.7 million. If the Company does not exercise this option and thereby elects to discontinue leasing the Theme Park, EDA SNC may continue to lease the assets, with an ongoing option to purchase them for an amount approximating the balance of the Phase IA Financing Company's then outstanding debt. Alternatively, EDA SNC could terminate the lease, in which case EDA SNC would pay the Phase IA Financing Company an amount equal to 75% of its then outstanding debt, and could then sell or lease the assets on behalf of the Phase IA Financing Company, in order to satisfy the remaining debt, with any excess proceeds payable to the benefit of EDA SNC.

• Theme Park - Additional Capacity Attractions Lease

As part of the Financial Restructuring, EDA SNC purchased certain tangible fixed assets, principally Theme Park attractions constructed subsequent to Opening Day, for their book value of € 213.4 million and subsequently leased the assets back to the Company for a period of 12 years for a fixed annual lease payment of € 2.1 million. At the end of the lease term, the Company will have the option to purchase the assets for € 213.4 million. If this option is exercised, TWDC has agreed to provide financing over an eight-year term at an interest rate of 1% per annum. As an alternative to this purchase option, the Company may enter into a new 12-year financial lease for these assets with EDA SNC at the end of the original lease term, with terms substantially similar to those of the financing for the purchase option described above. At the end of this second lease term, the Company will have the option of purchasing the leased assets for a nominal amount.

• Hotel - Phase IB Facilities Leases

EDL Hôtels S.C.A. indirectly leases the Phase IB Facilities from the Phase IB Financing Companies. The leases will terminate in 2016, when the underlying borrowings and interest of the Phase IB Financing Companies are fully repaid. Beginning in fiscal year 1998, the Group has the option to acquire the leased assets for an amount approximating the balance of the Phase IB Financing Companies' outstanding debt. Should this option not be exercised, EDL Hôtels S.C.A. will have the option to purchase these assets for a nominal amount upon expiration of the leases.

• Hotel - Newport Bay Club Convention Centre Lease

EDL Hôtels S.C.A. has sale-leaseback agreements with Centre de Congrès Newport S.A.S., for the Newport Bay Club Convention Centre. The lease began in November 1997 and has a term of 20 years, at the end of which EDL Hôtels S.C.A. has the option to repurchase the convention centre for a nominal amount. Annual lease payment amounts are based upon the construction costs of the asset and an interest rate of 6 month EURIBOR + 20 basis points.

Lease rental expense was € 185.8 million and € 151.1 million for the years ended September 30, 2001 and 2000, respectively. The rental expense under these leases consists of the lessor's debt service payments (principal and interest), including those related to the long-term loans granted by the Group (as described in Note 4), and any operating costs (primarily property taxes) incurred by the lessor. Thus, lease rental expense fluctuates principally with the lessor's interest expense variations, due to variable interest rates and interest forgiveness rate changes, and the timing of principal repayments on the leasing entities' debt.

Lease Commitments

The following table summarises the gross amount of future minimum rental commitments (excluding operating costs) due to the Financing Companies, under non-cancellable operating leases. The future commitments calculation is based upon the following assumptions:
- Average future EURIBOR of 6%.
- The Group will exercise its purchase options on the Phase IB Facilities at the end of the Phase IB lease terms.
- The Company will exercise its option at the end of the 12th year of the Theme Park Phase IA lease. In this event, the Company will pay an option fee of € 78.7 million and will continue to lease the assets. The option fee and the resulting lease obligations are reflected in the following commitment table in fiscal year 2006 and thereafter.
- The Company will exercise its option under the Theme Park – Additional Capacity Attractions Lease and will purchase the leased assets for € 213.4 million. The purchase price of the leased assets is included in the following commitment table in fiscal year 2006.

Lease commitments as of September 30, 2001 are as follows:

		LOANS GRANTED BY THE GROUP TO LESSORS (SEE NOTE 4)		
(€ in millions)	Lease Commitments (Gross amounts)	Interest Payments	Principal Repayments	Lease Commitments (Net amounts)
2002	212.7	(78.2)	(41.2)	93.3
2003	226.2	(75.6)	(52.1)	98.5
2004	254.0	(82.9)	(67.2)	103.9
2005	263.6	(78.2)	(74.7)	110.7
2006	571.2	(73.0)	(89.9)	408.3
Thereafter	2,704.7	(303.9)	(1,001.0)	1,399.8
Total	*4,232.4*	*(691.8)*	*(1,326.1)*	*2,214.5*

Lease rental commitments include principal and interest amounts due to the Group as repayment of the long-term loans granted by the Group to the Phase I SNCs. However, the portion of the rental commitments related to principal and interest amounts on the long-term loans granted by the Group to the Phase I SNCs has no cash flow impact on the Group as the cash outflow for this portion of lease rental expense is exactly offset by the cash inflow of interest and principal repayments. Therefore, the portion of the gross rental commitment related to the repayment of these long-term loans is separately identified to arrive at a total net lease commitment.

Book value of leased assets

As the Group accounts for these transactions as operating leases, the historical cost and depreciation of the assets, and related secured indebtedness are not included in the Group's consolidated financial statements. The book value and depreciation of the assets, which are carried by the Financing Companies, are summarised as follows:

(€ in millions)	September 30, 2001 Historical Cost	Accumulated Depreciation	Net Book Value	Estimated Useful Lives
Intangible assets	15.7	(11.6)	4.1	10 years
Land and secondary infrastructure	302.6	(113.6)	189.0	10 to 25 years
Buildings	1,852.1	(699.4)	1,152.7	25 to 33 years
Leasehold improvements, furniture, fixtures and equipment	406.4	(313.9)	92.5	5 to 25 years
Total	*2,576.8*	*(1,138.5)*	*1,438.3*	

Depreciation expense using the straight-line method, as reported by the Financing Companies, was € 122.6 million for the years ended September 30, 2001 and 2000.

24-2 Other Leases

The Group has other operating leases, primarily for office and computer equipment and vehicles, for which total rental expense was € 26.7 million and € 24.4 million for the years ended September 30, 2001 and 2000, respectively. Future minimum rental commitments under these non-cancellable operating leases as of September 30, 2001 are as follows:

(€ in millions)	
2002	7.6
2003	6.6
2004	5.6
2005	4.7
2006	4.3
Thereafter	1.7
Total	*30.5*

25- EMPLOYEES

The weighted-average number of employees employed by the Group was:

	Year ended September 30	
	2001	2000
Cadres	1,997	1,854
Non-cadres	9,112	9,578
Total	*11,109*	*11,432*

Total employee costs for the years ended September 30, 2001 and 2000 were € 307.0 million and € 297.6 million, respectively.

All employees participate in state funded pension plans in accordance with French laws and regulations. Certain employees also participate in a supplemental defined contribution plan. Contributions to all plans are based on gross wages and are shared between the employees and the Group. Contributions paid by the Group are expensed as incurred. In addition, retirement indemnities are paid under the terms of the Group's collective bargaining agreement.

A new collective bargaining agreement became effective in April 2001, which among other things increased the retirement benefits provided by the Group to its employees. Under the agreement, a retirement indemnity ranging from one-half a month to 3 months of gross wages is provided to employees who retire from the Group at the age of 60 or older after completing at least 1 year of service.

As of September 30, 2001, the future commitment with respect to these retirement indemnities was estimated to be € 5.8 million compared to € 0.3 million as of September 30, 2000, with the change attributable to modification in the retirement indemnity benefits during the year. Retirement indemnities paid during fiscal years 2001 and 2000 were immaterial.

26- DIRECTORS' FEES

During the years ended September 30, 2001 and 2000, fees paid to members of the Company's Supervisory Board were € 201,994.94 and € 190,561.27, respectively.

27- SUMMARY OF DIFFERENCES BETWEEN ACCOUNTING PRINCIPLES ADOPTED BY THE GROUP AND GENERALLY ACCEPTED ACCOUNTING PRINCIPLES IN THE U.S. AND SUPPLEMENTAL DISCLOSURES

As a result of the 1994 rights offering referred to in Note 1-3, Euro Disney S.C.A. is required to file an annual report on Form 20-F with the Securities and Exchange Commission ("SEC") in the United States within six months of September 30 each year. As explained in the summary of significant accounting policies, the consolidated financial statements have been prepared in accordance with accounting principles generally accepted in France ("French GAAP").

French GAAP varies in certain significant respects from accounting principles generally accepted in the United States ("U.S. GAAP") particularly for leases of operating assets, which are accounted for as operating leases in accordance with one of the options allowed by French GAAP, rather than being capitalised. Additionally, in connection with the Financial Restructuring, the Company's computation of interest expense under French GAAP differs significantly from U.S. GAAP.

The reconciliations of net income and equity between French and U.S. GAAP are shown below, followed by a condensed consolidated balance sheet prepared under U.S. GAAP. A description of the accounting principles which materially differ also follows:

Reconciliation of Net Income (Loss)

	Year ended September 30,	
(€ in millions)	2001	2000
Net Income, as reported under French GAAP	30.5	38.7
Lease and interest adjustments	(78.4)	(106.0)
Other	(2.7)	1.1
Net Loss under U.S. GAAP	*(50.6)*	*(66.2)*
Comprehensive Income Items:		
Interest rate hedges	(8.1)	-
Comprehensive Loss under US GAAP	*(58.7)*	*(66.2)*

Reconciliation of Shareholders' Equity

	September 30,	
(€ in millions)	2001	2000
Shareholders' Equity, as reported under French GAAP	1,277.9	1,247.5
Cumulative lease and interest adjustments	(1,251.3)	(1,172.9)
Effect of revaluing the ORAs and sale/leaseback transactions	178.1	178.1
Other	(25.0)	(14.6)
Shareholders' Equity under U.S. GAAP	*179.7*	*238.1*

Balance sheet under US GAAP

(€ in millions)	September 30, 2001	2000
Current assets	830.9	692.2
Other assets	157.0	133.3
Fixed assets	2,551.1	2,493.3
Total Assets	*3,539.0*	*3,318.8*
Current liabilities	568.7	478.4
Non current liabilities	225.5	252.5
Borrowings*	2,565.1	2,349.8
Shareholders' Equity	179.7	238.1
Total Liabilities and Equity	*3,539.0*	*3,318.8*

** (excluding accrued interest)*

Lease and interest adjustments

The Group leases substantially all of its operating assets under various agreements. Under French GAAP, the Group has not capitalised these leases and is accounting for them as operating leases. Under U.S. GAAP, the underlying assets and liabilities and related depreciation and interest expense are reflected in the Group's financial statements.

Under U.S. GAAP, all interest charges relating to debt instruments whose interest rates are scheduled to change or have interest "holidays" or forgiveness periods are required to be calculated in accordance with the "effective interest method". This method calculates the estimated interest charges over the life of the debt, and allocates this amount evenly over the term of the debt using an effective yield. During fiscal years 2000 and 2001, this adjustment resulted in less interest expense under US GAAP than that reported under French GAAP, as interest expense calculated using this method differs from actual interest paid.

Financial Instruments

In 1998, the Financial Accounting Standards Board ("the FASB") issued Statement of Financial Accounting Standards 133, *Accounting for Derivative Instruments and Hedging Activities*. This statement was subsequently amended by the issuance of Statement of Financial Accounting Standards 137 ("SFAS 137") and Statement of Financial Accounting Standards 138 ("SFAS 138"). The Group adopted Statement of Financial Accounting Standards 133 as amended by SFAS 137 and SFAS 138 ("SFAS 133"), effective October 1, 2000. SFAS 133 requires that all derivative instruments be recorded on the balance sheet at their fair value. Changes in the fair value of derivatives are recorded each period in current earnings or in other comprehensive income, depending on whether a derivative is designated as part of a hedging relationship and, if it is, depending on the type of hedging relationship. For fair-value hedges in which the Company is hedging changes in an asset's, a liability's, or a firm commitments's fair value, changes in the fair value of the derivative instrument will generally be offset in the income statement by changes in the hedged item's fair value. For cash flow hedges in which the Company is hedging the variability of cash flows related to a variable-rate asset, variable-rate liability, or a forecasted transaction, the effective portion of the gain or loss on the derivative instrument will be reported in other comprehensive income. The gain or loss on the derivative instrument that is reported in other comprehensive income will be reclassified as earnings in the periods during which earnings are impacted by the variability of the cash flows of the hedged items. The ineffective portion of all hedges will be recognised in current-period earnings.

While SFAS 133 provides for a significant change in the accounting guidance related to derivative instruments and hedging activities, the Company has determined that the more stringent accounting and documentation requirements under SFAS 133 will not cause any significant changes in its overall risk management strategy and in its overall hedging activities.

As a result of adopting SFAS 133 and in accordance with the transition provisions, the Company recorded a one-time gain of € 4.7 million related to its foreign currency derivative instruments representing the cumulative effect of the adoption.

During fiscal year 2001, the Company recorded the change in the fair value of its derivative financial instruments in comprehensive income. For foreign exchange derivatives, Company recorded a charge of € 6.7 million in financial expenses. This charge represents the change in the market value of all foreign exchange derivative outstanding as of September 30, 2001.

Extraordinary items

Under French GAAP the definition of exceptional items differs significantly from the U.S. GAAP definition of extraordinary items. During fiscal years 2000 and 2001, the Company incurred € 0.5 million and € 2.3 million, respectively, of losses related to the early extinguishment of its 6.75% Convertible Bonds (See Note 13(a) for additional information). Under French GAAP these amounts are classified as exceptional losses in the Consolidated Statement of Income. Under U.S. GAAP these amounts would be classified as an extraordinary loss on the early extinguishment of debt.

No other exceptional items in the French GAAP Statement of Income would be classified as extraordinary under U.S. GAAP during fiscal years 2000 or 2001.

Comprehensive Income

Comprehensive income is a term used to define all non-owner changes in shareholders' equity. Comprehensive income is a concept not addressed by French GAAP. Under U.S. GAAP, comprehensive income includes, in addition to net income:

- Additional paid-in capital related to compensation cost on shares issued to employees
- Net unrealised holding gains/losses arising during the period on available for sale securities
- Movements in cumulative translation adjustments
- SFAS 133 mark to market adjustments on derivative financial instruments designated as hedges.

Included in other comprehensive income in fiscal year 2001 is a loss of € 8.1 million representing the change in value of interest rate derivates designated as cash flow hedges.

Employee stock options

Under U.S. GAAP, the Group follows Statement of Financial Accounting Standards 123, Accounting for Stock-Based Compensation ("SFAS 123"). The Group has elected under the provisions of SFAS 123 to continue to measure compensation costs using the method of accounting prescribed by Accounting Principles Board Opinion 25, Accounting for Stock Issued to Employees.

Earnings per share

Under U.S. GAAP, the Group follows Statement of Financial Accounting Standards 128, Earnings per Share, which requires the presentation of basic and diluted earnings per share ("EPS"). Basic EPS excludes all dilution and is calculated using the weighted-average number of common shares outstanding during the period. Diluted EPS reflects the potential dilution that would occur if securities or other contracts to issue common stock were exercised or converted into common stock.

Under U.S. GAAP, basic and diluted loss per share amounts for fiscal years 2001 and 2000 were € 0.05 and € 0.07, respectively. As of September 30, 2001 and 2000, 179 million and 183 million, respectively of potential shares were excluded from the computation of diluted earnings per share because their effect would have been anti-dilutive.

Borrowings

Reconciliation of Borrowings

(€ in millions)	September 30, 2001	2000
Total Borrowings, as reported under French GAAP*	1,099.9	873.8
Unconsolidated Phase I SNCs debt and lease financing arrangements	1,469.2	1,482.3
Borrowings including unconsolidated Financing Companies	*2,569.1*	*2,356.1*
U.S. GAAP adjustments to revalue lease financing arrangements and ORAs	(4.0)	(6.3)
Total U.S. GAAP Borrowings*	*2,565.1*	*2,349.8*

** (excluding accrued interest)*

Description Unconsolidated Phase I SNC's debt and Lease Financing Arrangements

As described in Note 24, the Group has not capitalised the leases of its operating assets but has accounted for them as operating leases. Under U.S. GAAP, the underlying assets and liabilities are reflected in the Group's balance sheet. The underlying assets associated with these leases are set out in Note 24 above. Set out below is a schedule of U.S. GAAP obligations associated with these leases:

(€ in millions)	September 30, 2001	2000
CDC Phase I loans (a)	361.3	361.3
Phase IA credit facility (b)	312.7	319.8
Phase IB credit facility (c)	156.6	162.5
Phase IA partners' advances (d)	304.9	304.9
Phase IB partners' advances (e)	96.8	96.8
EDA SNC lease financing arrangement (f)	213.4	213.4
Newport Bay Club Convention Centre lease financing arrangement	23.5	23.5
	1,469.2	*1,482.2*
Discount on EDA SNC lease financing arrangement (f)	(47.4)	(51.6)
Total	*1,421.8*	*1,430.6*

(a) CDC Phase I loans

Pursuant to the original credit agreement and the Financial Restructuring, the Company borrowed from the CDC € 86.9 million senior debt and € 274.4 million subordinated debt. The senior debt is secured by the Theme Park, Disneyland Hotel, Davy Crockett Ranch, and other related facilities and the underlying land thereof. The subordinated debt is unsecured. The loans bear interest at a fixed rate of 7.85%; however, effective as of September 30, 1999, the terms of these loans were modified so as to reduce the interest rate to 5.15%, defer principal repayments and to extend the final maturity date from fiscal year 2014 to fiscal year 2024. At September 30, 2001 and 2000, accrued interest related to these loans was € 16.9 million.

(b) Phase IA credit facility

The Phase IA credit facility consists of several tranches and is collateralised by a mortgage on the Theme Park, Disneyland Hotel, Davy Crockett Ranch, other related facilities and the underlying land thereof. The Company is a co-obligor on this facility with the Phase IA Financing Company. The loan bears interest at EURIBOR plus 1.03% (4.69% at September 30, 2001). Principal repayments commenced in fiscal year 2001.

(c) Phase IB credit facility

The Phase IB credit facility is secured by the Phase IB Facilities. The loan bears interest at EURIBOR plus 1.33% (4.99% at September 30, 2001). Principal repayments commenced in fiscal year 1998.

(d) Phase IA partners' advances

These advances are related to Phase IA assets and bear interest at a fixed rate of 3.0%, however, pursuant to the terms of the Financial Restructuring, the applicable interest rate was reduced by 54% in both fiscal years 2001 and 2000. Principal repayments are scheduled to commence in fiscal year 2010.

(e) Phase IB partners' advances

These advances currently consist of two tranches, including € 18.8 million of bank borrowings, and are collateralised by Phase IB assets. The bank borrowings totalling € 18.8 million bear interest at EURIBOR plus 1.46% (5.12% at September 30, 2001). The remaining advances totalling € 78.0 million bear interest at a fixed rate of 3.0%, however, pursuant to the terms of the Financial Restructuring, the applicable interest rate was reduced by approximately 35% in both fiscal years 2001 and 2000. Principal repayments are scheduled to commence in fiscal year 2006.

(f) EDA SNC lease financing arrangement

Represents the Company's obligation under the Theme Park-Additional Capacity Attractions lease with EDA SNC (as described in Notes 1-2 and 24). Under U.S. GAAP, this transaction is considered a financing arrangement at a rate below market levels; therefore, the obligation was discounted to reflect current market rates of interest at the inception of the lease. The discounted obligation is being accreted and will arrive at its maturity value of € 213.4 million in June 2006. As of September 30, 2001 and 2000, the discounted value of this obligation was € 166.0 million and € 161.8 million, respectively.

These outstanding borrowings have the following scheduled maturities as of September 30, 2001:

(€ in millions)	
2002	30.3
2003	37.5
2004	40.9
2005	50.9
2006	61.0
Thereafter	1,201.2
Total	*1,421.8*

Bonds redeemable in shares ("ORAs")

Under French GAAP, the ORAs were originally recorded at face value as quasi-equity. In fiscal year 1998, the carrying value of the waived ORAs was transferred to shareholders' equity, as a result of a waiver of ORA rights. In fiscal year 2000, this amount was transferred back to quasi-equity, following the reinstatement of the waived rights (see Note 11). Under U.S. GAAP, the ORAs were recorded at their discounted fair value upon issuance and included in the Company's outstanding borrowings. Upon maturity in 2004, these bonds will be redeemed in shares of the Company and € 38.1 million will be transferred to shareholders' equity. The difference between the discounted fair value of the ORAs at their issuance and their maturity value is being amortised to interest expense. As of September 30, 2001 and 2000, the carrying value of the ORAs included in U.S. GAAP borrowings was € 43.6 million and € 45.4 million, respectively.

Royalties and Management Fees

The Group is party to a licensing agreement under which the Group pays royalties to an indirect wholly-owned subsidiary of TWDC. In addition, the Company is bound by the terms of its by-laws to pay management fees to Euro Disney S.A., also an indirect wholly-owned subsidiary of TWDC. As part of the Financial Restructuring, the terms of the licensing agreement and the terms of the Company's by-laws were modified to reduce the amounts of these fees. See Note 18(b) for a full description. Under both French and US GAAP, royalties and management fees have been recorded as due in accordance with the terms of the modified contracts.

The table below compares the total amount of the royalties and management fees recorded in the Consolidated Statements of Income to that which would have been recorded under the original terms of the modified contracts. Pro forma net loss and net loss per share reflect the loss for the periods as if the royalties and management fees had not been reduced as part of the Financial Restructuring.

	Year ended September 30,	
(€ in millions, except per share data)	2001	2000
Pro-forma royalties and management fees under terms of the original contracts	103.4	100.6
Reduction due to 1994 Financial Restructuring	(71.7)	(69.5)
Royalties and management fees recorded	31.7	31.1
Pro forma US GAAP Net Loss	(122.3)	(135.7)
Pro forma US GAAP Net Loss Per Share (in €)	(0.12)	(0.14)

REPORT OF THE STATUTORY AUDITORS

ON THE CONSOLIDATED FINANCIAL STATEMENTS (Year ended September 30, 2001)

To the Shareholders of
EURO DISNEY S.C.A.
Chessy

Ladies and Gentlemen,

In compliance with the assignment entrusted to us by your Shareholders' Annual General Meeting, we have conducted our audit of the accompanying consolidated financial statements expressed in Euros of Euro Disney S.C.A. as of September 30, 2001.

These consolidated financial statements have been approved by Euro Disney S.A., Gerant of Euro Disney S.C.A.. Our role is to express an opinion on these consolidated financial statements based on our audit.

We conducted our audits of these consolidated financial statements in accordance with French professional standards, which require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement.

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated financial statements. An audit also includes assessing the accounting principles used and significant estimates made, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements, prepared in accordance with French accounting principles, give a true and fair view of the Group's financial position and its assets and liabilities as of September 30, 2001 and the results of operations of the companies included in the consolidation for the year then ended.

We have also verified the information provided in the Gérant's report on the Group. We have no comment to make as to its fair presentation and its conformity with the consolidated financial statements.

Paris, November 15, 2001

The Statutory Auditors

Befec - Price Waterhouse
Member of PricewaterhouseCoopers
Brian TOWHILL

François MARTIN

GENERAL REPORT OF THE SUPERVISORY BOARD

ON THE MANAGEMENT OF THE EURO DISNEY S.C.A. GROUP

To the Shareholders of
EURO DISNEY S.C.A.
Chessy

Ladies and Gentlemen,

We are pleased to present you our General Report on the management of the Euro Disney S.C.A. (the "Company") and its subsidiaries (collectively, the "Group") for the year ended September 30, 2001.

We do not have any particular comments on the Management Report of the Gerant on the Group, which we have reviewed and which has been submitted to you.

The net income of Euro Disney S.C.A. Group amounts to € 30.5 million, representing a decrease of 21.2% as compared to the previous fiscal year.

This decrease results from higher lease and net financial charges and exceptional costs, including € 5.3 million of pre-opening costs associated with the Walt Disney Studios Park, partially offset by the improved operating margin generated by real estate development activities.

Park attendance improved by 1.7% to reach 12.2 million guests in fiscal year 2001 as compared to 12 million guests in fiscal year 2000.

Spending per guest continued to improve (+2.1%). Spending per guest increased € 0.9 as a result of both moderately higher admissions prices (+0.9%) and higher spending per guest in merchandise (+3.8%) and food and beverage (+2.4%).

During fiscal year 2001, hotel occupancy reached a new record level of 86% while guest spending per room also increased moderately during the year (+1.8%).

License fees payable to subsidiaries of The Walt Disney Company ("TWDC") and management fees payable to the Company's Gerant amounted to € 31.7 million in fiscal year 2001 compared to € 31.1 million in fiscal year 2000.

Income before lease and net financial charges increased to € 185.2 million in fiscal year 2001 as compared to € 175.8 million in the previous year, reflecting an increase of 5.3% of the operational margin mainly due to real-estate activities.

GENERAL REPORT OF THE SUPERVISORY BOARD
ON THE MANAGEMENT OF THE EURO DISNEY S.C.A. GROUP

Real-estate activities generated € 37.2 million revenues in fiscal year 2001, compared to € 14.5 million for the prior year, and contributed € 23.8 million to the operating margin in fiscal year 2001 compared to € 2.9 million in the prior year.

Lease and net financial charges increased to € 147.5 million, as compared to € 138.3 million in fiscal year 2000, primarily attributable to scheduled increases in lease rental expense related to principal repayments on the debt of the financing companies.

The principal indebtedness of the Group (excluding accrued interests) increased during fiscal year 2001 to reach € 1,099.9 million (2,565.1 million including the debt of the unconsolidated financial companies), compared to € 873.8 million and 2,349.8 million, respectively, as of September 30, 2000.

This increase is mainly due to the drawings on the loan agreements for the construction of the Walt Disney Studios Park, offset by the early repurchase by the Group of a portion of the 6.75% convertible bonds which matured on October 1, 2001 and by € 3.3 million of scheduled principal repayments.

Within this context, the net consolidated profit of the Group for the year amounts to € 30.5 million, which includes:

- profit before exceptional items of € 37.7 million, and
- exceptional loss of € 7.2 million.

We inform you that the Supervisory Board met four times during fiscal year 2001 to review the financial situation of the Group, its activities, and the outlook and strategy being pursued. We also inform you that the Audit Committee met three times during fiscal year 2001 to review on behalf of the Supervisory Board the financial reporting process and the audit thereof, the internal control environment and the review thereof. The Committee reviewed also the internal and external audit functions.

Yours sincerely,

Paris, November 19, 2001

The Supervisory Board

Antoine JEANCOURT-GALIGNANI

PARENT COMPANY INFORMATION
(PARENT COMPANY, EURO DISNEY S.C.A.)

FIVE YEAR FINANCIAL REVIEW

Year ended September 30,	2001	2000	1999	1998	1997
CAPITAL AT THE END OF THE PERIOD					
Share Capital (in €)	804,768,524	804,757,074	585,277,704	585,029,919	584,287,353
Number of outstanding ordinary shares	1,055,787,093	1,055,772,071	767,834,014	767,508,941	766,534,759
aximum amount of shares which can be created by way of:					
- conversion of bonds	23,158,755	32,856,360	33,871,745	33,871,755	33,871,755
- conversion of ORAs	26,728,794	26,728,794	173,140	173,140	25,001,210
- exercise of warrants	103,338,319	103,338,461	96,668,500	96,668,533	96,668,715
- exercise of employee stock options	25,325,000	20,020,000	15,879,000	15,987,000	16,488,000
RESULT OF THE PERIOD *(€ in millions)*					
Sales (net of VAT)	910.4	857.2	840.6	816.5	779.0
Income before income taxes, depreciation and provisions	48.3	78.1	43.0	67.8	51.5
Income taxes / (tax benefits)	(8.4)	(7.9)	(10.8)	(14.6)	(16.3)
Net Income / (loss	31.0	36.3	22.6	40.1	35.7
Dividends distributed	-	-	-	-	-
EARNINGS PER SHARE *(in €)*					
Earnings per share before depreciation and provisions but after income taxes	0.05	0.08	0.07	0.11	0.09
Earnings per share after income taxes and depreciation and provisions	0.03	0.04	0.03	0.05	0.05
Net dividend per share	-	-	-	-	-
PERSONNEL					
Average number of employees	11,029	11,352	10,496	10,555	10,229
Total payroll costs (€ in millions)	227.4	220.1	200.8	196.7	185.1
Total employee benefit costs (€ in millions)	74.5	72.6	77.6	78.7	76.8

SIGNIFICANT OPERATING CONTRACTS

AGREEMENTS WITH FRENCH GOVERNMENTAL AUTHORITIES

On March 24, 1987, TWDC entered into an agreement on the creation and operation of Euro Disneyland in France (the “Master Agreement”) with the Republic of France, the Region of Ile-de-France, the Department of Seine-et-Marne, the Public Establishment for the Development of the New Town of Marne-la-Vallée (l'Etablissement Public d'Aménagement de la Ville Nouvelle de Marne-la-Vallée - EPA-Marne) and the Régie autonome des transports parisiens (RATP) for the development in various phases of 1,943 hectares of undeveloped land located 32 kilometres east of Paris in Marne-la-Vallée, France (the “Resort”). Immediately after the signature of the Master Agreement, TWDC assigned its rights and obligations under the Master Agreement to Euro Disney Corporation, a wholly-owned subsidiary. The French governmental authorities party to the Master Agreement have subsequently waived all rights of recourse against TWDC under the Master Agreement. In addition, in 1988 a new public entity named the Public Establishment for the Development of Sector IV of Marne-la-Vallée (Etablissement Public d'Aménagement du Secteur IV de Marne–la–Vallée) (“EPA France”), with responsibility for the development of the entirety of the Resort, was created pursuant to the Master Agreement, and became a party thereto. The Company and Euro Disneyland S.N.C. (“the Phase IA Financing Company”) became parties to the Master Agreement in April 1989, as well as Euro Disney Associés S.N.C. in January 1995 following the Financial Restructuring. While the Company, the Phase IA Financing Company and Euro Disney Associés S.N.C. are severally responsible towards the French public authorities for the performance of the Master Agreement, the Company, in its capacity of main partner of such authorities and main beneficiary of their undertakings under the Master Agreement, has ultimate responsability for the same.

The Master Agreement, as amended from time to time, determines the general outline of each phase of development of the Disneyland Paris project (the “Project”) as well as the legal and initial financial structure. It provides that loans with specific terms and conditions shall be granted. The main provisions of the Master Agreement are summarised below.

Development planning

The Master Agreement sets out a master plan for the development of the land and a general development program defining the type and size of facilities that the Company has the right, subject to certain conditions, to develop over a 30-year period ending in 2017.

Before beginning any new development phase, the Company must provide EPA-France and several French public authorities, a proposal and other relevant information with information for approval. On the basis of the information provided, the Company and the authorities involved develop a detailed development programme.

On December 9, 1997, the Company and EPA France concluded a detailed programme for a new phase of the Val d'Europe urban development.

Financing of infrastructure

The Master Agreement specifies the conditions under which the infrastructure is to be provided by the French authorities to the Project. The relevant French public authorities have a continuing obligation to finance construction of the primary infrastructure, such as motorway interchanges, primary roadways to access the site, water distribution and storage facilities, rain water and waste water treatment facilities, waste treatment facilities, gas and electricity distribution systems, as well as telecommunication networks. The Master Agreement also specifies the terms and conditions of the Company’s contribution to the financing of certain infrastructure.

Infrastructure provided by the French governmental authorities included the extension of the “A” line of the RER suburban rail network (which links Paris and its eastern and western suburbs to Chessy-Marne-la-Vallée Disneyland Paris), the construction of two interchanges directly linking the Resort to the A4 motorway, a TGV station linking the Resort to other major cities in Europe, the completion of the “boulevard circulaire”, and the opening of a second RER station at Val d’Europe-Serris/Montévrain.

Land rights

The Master Agreement provides for the right of the Company, subject to certain conditions, to acquire the land necessary for the completion of the Project at the Marne-la-Vallée site. The exercise by the Company of these acquisition rights is subject to certain development deadlines, which if not met would result in the expiration of said rights. To date, all minimum development deadlines have been met and no land rights have expired. The next deadline is December 31, 2007.

In order to maintain these land acquisition rights for the remaining undeveloped land around the Resort (approximately 1,100 hectares), the Company is required to pay annual fees to EPA France. For fiscal year 2001, these fees totaled € 0.6 million.

As of September 30, 2001, about 900 hectares of land had been developed or were the subject of undertakings for development.

Department of Seine-et-Marne tax guarantee

In addition, and pursuant to the Master Agreement, the Company, the Phase IA Financing Company, EDA SNC and the French State guaranteed a minimum level of tax revenues to the Department of Seine-et-Marne. If the Department’s tax revenues are less than the amount of charges borne by the Department for primary and secondary infrastructure during the period from 1992 to 2003, the French State on the one hand, and the Company, on the other hand, shall reimburse, in equal shares to the Department, the difference, up to an aggregate amount of € 30.5 million (adjusted for inflation from 1986). No amounts were due as of the end of the first measurement period on December 31, 1998. A second and last assessment, covering the entire period, will be made on December 31, 2003.

PARTICIPANT AGREEMENTS

In connection with the Disneyland Park, the Walt Disney Studios Park and Disney Village, the Company has entered into long term participant agreements with companies that are leaders in their fields. As of the close of fiscal year 2001, 13 participant agreements were in effect, with the following companies: American Express, Banque Nationale de Paris, Coca-Cola, Esso, France Telecom, Hasbro Inc., Hertz, IBM, Kodak-Pathé, McDonald’s, Nestlé, Philips and Renault. These participant agreements provide the Disneyland Paris participants with the following rights in exchange for an individually negotiated fee: (i) a presence on site through the sponsoring of one or more of the Disneyland Park, the Walt Disney Studios Park (from the opening in March, 2002) or Disney Village's attractions, restaurants or other facilities, (ii) promotional and marketing rights with respect to the category of product which is covered by the participant agreement, and (iii) the status of privileged supplier of the Company. Each participant agreement terminates automatically in the event of termination of the License Agreement between The Walt Disney Company (Netherlands) B.V. and the Company (See License Agreement below).
During fiscal year 2001, the Company renewed the participant agreement with Nestlé and entered into two new participant agreements with General Motors Europe and Kellogg’s, respectively. These participant agreements will take effect during fiscal year 2002.

UNDERTAKINGS AND AGREEMENTS OF TWDC AND SUBSIDIARIES

UNDERTAKINGS

In connection with the Financial Restructuring, TWDC agreed, so long as certain indebtedness is outstanding to the Group's major creditors, to hold at least 34% of the common stock of the Company until June 10, 1999, at least 25% until June 10, 2004 and at least 16.67% thereafter. In connection with the financing of the Walt Disney Studios, TWDC has committed to hold at least 16.67% of the common stock of the Company until 2027.

TWDC has also undertaken, if it licenses another theme park using the TWDC name or other TWDC intellectual or industrial property rights (except for subsequent phases of Disneyland Paris) within 800 kilometers (approximately 500 miles) of Disneyland Paris in the five-year period following April 12, 1997, to offer or cause to be offered to the Company the option to acquire up to a 49% equity interest in that park at a price equal to the pro rata share of the fair market value of such park, or at the offering price of the shares of the company owning such park in the case of a public offering. In addition, and pursuant to a separate letter to the creditors under one of the Company's principal debt agreements, TWDC has agreed that if it opens such a themed park within a 2,500-kilometre radius of Disneyland Paris prior to January 1, 2004 and before the Company meets certain financial conditions, TWDC will guarantee the repayment of amounts outstanding under such debt agreements until January 1, 2004, or such time as the financial conditions have been met.

The Company and Euro Disneyland Participations S.A., an indirect 99.9%-owned subsidiary of TWDC (which is also a partner of the Phase IA Financing Company), have agreed to indemnify the partners of the Phase IA Financing Company for all liabilities arising under the Master Agreement of the Company and the Phase IA Financing Company. To the extent the resources of the Company and the Phase IA Financing Company are insufficient to cover any such indemnity, TWDC, through a wholly-owned subsidiary, has agreed to indemnify the partners of the Phase IA Financing Company up to € 76.2 million. In connection with the Financial Restructuring, EDA SNC also undertook certain indemnification obligations in favour of the partners of the Phase IA Financing Company with respect to certain liabilities arising under the Master Agreement.

DEVELOPMENT AGREEMENT

Pursuant to a development agreement dated February 28, 1989 (the “Development Agreement”) with the Company, Euro Disney S.A. provides, and arranges for other subsidiaries of TWDC to provide the Company with a variety of technical and administrative services. These services are in addition to the services Euro Disney S.A. is required to provide as Gérant and include, among other things, the development of conceptual designs for the Disneyland Park and future facilities and attractions, the manufacture and installation of special show elements, the implementation of specialised training for operating personnel, the preparation and updating of operations, maintenance and technical manuals, and the development of a master land-use plan and real estate development strategy. As the Development Agreement concerns the entire project, the services provided by Euro Disney S.A. pursuant to the Development Agreement extend to all the installations of the Walt Disney Studios, primarily for the design and construction of said installations. Euro Disneyland Imagineering S.A.R.L. (“EDLI”), an indirect subsidiary of TWDC, was responsible for management and administration of the overall design as well as the construction of the Disneyland Park, including the design and procurement of the show-and-ride equipment. Furthermore, most of the other facilities at the Resort were designed under the supervision of the Company with the administrative and technical assistance of affiliates of TWDC specialised in the development of hotels, resorts and other retail and commercial real estate projects in the United States, in accordance with the related services agreements.

The Company reimburses Euro Disney S.A. for all of its direct and indirect costs incurred in connection with the provision of services under the Development Agreement. These costs include (i) all operating expenses of Euro Disney S.A., including overhead and implicit funding costs, (ii) all costs incurred directly by Euro Disney S.A. billed to it by third parties and (iii) certain costs plus 10% billed to Euro Disney S.A. for services performed by TWDC or any of its affiliates. Such costs vary substantially from one fiscal year to another depending upon the projects under development.

The Development Agreement has an initial term of 30 years and can be renewed for up to three additional 10-year terms at the option of either party. The Development Agreement may be terminated by Euro Disney S.A. and by the Company under certain conditions, in particular in case of a change of control of the Company and of the Phase IA Financing Company, or in case either company were to be liquidated.

License Agreement

Under a license agreement between The Walt Disney Company (Netherlands) B.V. (a subsidiary of TWDC which was granted a license by TWDC) and the Company (the "License Agreement"), the Company has the right to use any present or future TWDC intellectual or industrial property rights that may be incorporated into attractions and facilities designed from time to time by TWDC and made available to the Company for the Project. In addition, the License Agreement authorises the sale, on the site, of merchandise incorporating or based on TWDC intellectual property rights owned by, or otherwise available to, TWDC. These intellectual property rights are registered in the name of TWDC, which is responsible for the control of their protection in France. Royalties to be paid by the Company for the use of these rights were originally equal to:

(I) 10% of gross revenues (net of value-added tax ("VAT") and other similar taxes) from rides, admissions and related fees (such as parking, tour guide and similar service fees) at all theme parks and attractions;

(II) 5% of gross revenues (net of VAT and other similar taxes) from merchandise, food and beverage sales in or adjacent to any theme park or other attraction, or in any other facility (with the exception of the Disneyland Hotel), the overall design concept of which is based predominantly on a TWDC theme;

(III) 10% of all fees paid by Participants; and

(IV) 5% of all gross Resort (net of VAT and other similar taxes) from the exploitation of hotel rooms (the contractual definitions of which exclude the hotels presently operated at Disneyland Resort Paris by the Group) and related charges at certain Disney-themed accommodations (with the exception of the Disneyland Hotel).

As part of the Financial Restructuring, TWDC waived its right to receive royalties for fiscal year 1994 through fiscal year 1998. Starting in fiscal year 1999 until fiscal year 2003 (inclusive), the royalties payable by the Company will be calculated at rates equal to 50% of the rates stated above. These reduced rates will cease to apply during this period if and as from the date the Company's debt under the financial agreements is reimbursed in whole. Beginning in fiscal year 2004, the royalties payable by the Company will be calculated at 100% of the rates stated above.

The License Agreement has an initial term of 30 years and can be renewed for up to three additional 10-year terms at the option of either party. The License Agreement gives TWDC substantial rights and discretion to approve, monitor and enforce the use of TWDC properties within the site. The License Agreement may be terminated by TWDC upon the occurrence of certain events, including the removal or replacement of the Gérant, a change in control, directly or indirectly, of the Company, certain affiliates and the Phase IA Financing Company, the liquidation of such companies, certain assignments of the Company's interests in the License Agreement, the imposition of laws or regulations that prohibit the Company, certain affiliates and the Phase IA Financing Company from performing any of their material obligations under the License Agreement or the imposition of taxes, duties or assessments that would materially impair the assets, surplus or distributable earnings of the Company or certain of its affiliates.

LEGAL STRUCTURE OF EURO DISNEY S.C.A.

Euro Disney S.C.A. is a société en commandite par actions ("S.C.A.") governed principally by Chapter II of the Commercial Code ("code de commerce") and decree n°. 67-236 of March 23, 1967 on commercial companies. The Company was originally structured and incorporated 1985 in the form of a French société anonyme ("S.A."). In 1988, EDL Holding Company, currently owner of approximately 39.1% of the share capital of the Company, acquired 99% of the share capital of the Company. An extraordinary general meeting of the shareholders of the Company held on February 24, 1989 decided to modify its corporate form from an S.A. to an S.C.A. In November 1989, Euro Disneyland S.C.A. became a publicly held company as a result of a public offering of its common stock in France, the United Kingdom and Belgium. At the annual general meeting of the shareholders held on February 4, 1991, the Company's present corporate name, Euro Disney S.C.A., was adopted.

The four primary components of the Company's legal structure are:

- the gérant (manager) (the "Gérant"),
- the conseil de surveillance (the "Supervisory Board"),
- the associé commandité (the "General Partner"),
- the associés commanditaires ou actionnaires (the "limited partners" or "shareholders").

THE GÉRANT

Under French law, the primary responsibility of the Gérant of a société en commandite par actions is to manage the Company at all times in the Company's best interests. When the Company was formed Euro Disney S.A., a French société anonyme was appointed as its sole Gérant. The Gérant is an indirect 99%-owned subsidiary of TWDC. Under the Company's by-laws, the Gérant has the power to take any and all action in the name of the Company within the scope of the Company's corporate purpose and to bind the Company in all respects.

If the Gérant ceases to hold office for any reason, the General Partner, currently an indirect subsidiary of TWDC, has the exclusive right to appoint a successor. The Gérant may resign on giving six months' notice to the Supervisory Board and may only be removed from office in the following circumstances:

- for incapacity, including bankruptcy or judicial reorganisation by the General Partner,

- for any other reason with the consent of both the General Partner and holders of a two-thirds majority of the share capital of the Company in an extraordinary meeting; or

- by a court on the grounds of cause légitime (legitimate cause).

Under the by-laws, the Gérant is entitled to annual fees consisting of a base management fee and a management incentive fee, and is also entitled to a fee payable on the sale of hotels, each as described below. In addition, the by-laws provide that the Gérant is entitled to be reimbursed by the Company for all its direct and indirect expenses incurred in its role as Gérant. No amendment may be made to the entitlement of the Gérant to remuneration or reimbursement of expenses except by amendment to the Company's by-laws which requires the approval of the General Partner and the shareholders.

Base Management Fee of the Gérant

The base management fee was originally equal to 3% (initially scheduled to increase to 6% in 1997) of the total revenues of the Group, as defined in the by-laws of the Company, less 0.5% of the net income for the relevant fiscal year.

As part of the Financial Restructuring, the *Gérant* permanently waived its base management fee for fiscal years 1992 through 1994. In addition, the Company's by-laws were amended, at an extraordinary general meeting of the shareholders held on June 8, 1994, such that the base management fee will equal the following percentages of the total revenues of the Group, as defined, for the relevant fiscal year:

– from October 1, 1993 to September 30, 1998	:	0.0 % ;
– from October 1, 1998 to September 30, 2008	:	1.0 % ;
– from October 1, 2008 to September 30, 2013	:	1.5 % ;
– from October 1, 2013 to September 30, 2018	:	3.0 % ;
– and from October 1, 2018 on	:	6.0 %.

Beginning on October 1, 2008, the right of the *Gérant* to receive payment of that portion of the base management fee in excess of an amount equal to 1% of the total revenues, as defined, will be contingent upon the Company achieving a positive consolidated net income before taxes for the fiscal year to which such fee relates, after taking into account all such remuneration, and upon the Company's legal ability to distribute dividends for such fiscal year. In addition, that portion of the base management fee in excess of an amount equal to 3% of the total revenues, as defined, for any fiscal year will not be due or payable until after certain indebtedness of the Company and the Phase I SNC's has been repaid in full, and may not exceed 40% of the Company's consolidated after-tax profits for such fiscal year (computed on the basis of a base management fee of 3%). Certain of the Company's debt agreements also provide for the deferral of payment of the base management fee under specified circumstances.

Management Incentive Fee

In connection with the Financial Restructuring, the by-laws of the Company were amended at an extraordinary general meeting of the shareholders held on June 8, 1994, to provide that the *Gérant*'s management incentive fee for a given fiscal year be fixed at 30% of any portion of pre-tax cash flow, as defined in the by-laws of the Company, in excess of 10% of the total consolidated gross fixed assets for the relevant fiscal year. The agreements related to the Financial Restructuring provide for the deferral of payment of the management incentive fee under specified circumstances.

Hotel Sale Fee

The Company must also pay to the *Gérant*, upon the sale of any of the hotels, a fee equal to 35% of pre-tax net revenue arising from the sale of any such hotel. This fee was not changed in the Financial Restructuring.

THE SUPERVISORY BOARD

The members of the Supervisory Board are elected by the shareholders. The by-laws provide for a minimum of three members, each of whom must be a shareholder. The Supervisory Board requires, under its own charter, that each of its members hold at least 1,000 shares.

The role of the Supervisory Board is to monitor the general affairs and the management of the Company, in the Company's best interest and in the best interest of the shareholders, as well as to monitor the transparency and quality of the information communicated to the shareholders. Pursuant to French law, the Supervisory Board is entitled to receive the same information and has the same rights as the statutory auditors of the Company. The Supervisory Board must present to the annual general meeting of the shareholders a report indicating irregularities or inaccuracies, if any, in the annual accounts.

The Supervisory Board must approve all agreements between the Gérant and the Company, as well as all contracts described in the paragraph “the Shareholders” below and any amendments thereto, and must report on such agreements, contracts and amendments thereto to the next general meeting of the shareholders following their conclusion. In addition, the by-laws provide that the Supervisory Board approval is required to enable the Gérant to enter into any material agreements on behalf of the Company with TWDC or any subsidiary thereof, or before deciding any material amendment to such agreements. The by-laws also provide that any employees of the Gérant or any person affiliated with the Gérant or the Supervisory Board will be disqualified from voting on such agreements or any amendments thereto.

The current members of the Supervisory Board hold office for three-year terms ending on the dates of the annual general meetings of shareholders called to approve the financial statement for the fiscal years ending September 30, 2001 and 2002, and may be re-elected. New members, as well as those who are re-elected, will each serve for periods of three years from the date of their election or re-election.

THE GENERAL PARTNER

The General Partner has unlimited liability for all debts and liabilities of the Company.

The General Partner is EDL Participations S.A. (“EDL Participations”), a French société anonyme that is a 99.8%-owned subsidiary of EDL Holding Company. EDL Participations cannot be removed as General Partner without its consent and cannot dispose of any part of its interest as General Partner without the approval of such disposal by a vote of the holders of a majority of shares of common stock and a majority of the voting rights of the shareholders present or represented at a general shareholders' meeting. A unanimous vote of the shareholders is required to approve a transfer of EDL Participations' entire interest.

Except with regard to the election or removal of members of the Supervisory Board by the shareholders, a resolution may be adopted only by the shareholders in a general meeting with the prior approval of the General Partner. The General Partner is entitled to a distribution each year equal to 0.5% of the Company's net after-tax profits (after deduction of losses carried forward). The General Partner received such a distribution in the amount of approximately € 0.2 million in respect of fiscal years 1999 and 2000 and is entitled to a distribution of approximately € 0.2 million in respect of fiscal year 2001.

THE SHAREHOLDERS

The shareholders are convened to the general meetings of shareholders and deliberate in accordance with the legal and regulatory requirements in effect. During each general meeting, each shareholder is entitled to a number of votes equal to the number of shares that he or she holds or represents. In lieu of attending a meeting in person, each shareholder may give a proxy to another shareholder or his or her spouse, vote by mail, or send to the Company a blank proxy, under the conditions provided by law and regulations.

Matters requiring a resolution passed by the holders of a simple majority of shares at an ordinary general meeting include, without limitation:

- elections to the Supervisory Board;

- approval of the statutory and consolidated accounts, including payment of any dividend proposed by the Gérant; and

- approval of any contract or transaction (other than contracts or transactions entered into under standard terms and in the ordinary course of business) or amendments thereto, entered into directly or indirectly between the Company and the Gérant or any member of the Supervisory Board or any Company's shareholder holding more than 5 % of the voting rights, or if this shareholder is a company the controlling company thereof within the meaning of Article L. 233-3 of the “Code de commerce”, as well as any contract or transaction into which any one of these persons is indirectly interested or which is entered into between the Company and a company in which the Gérant or a member of the Company's Supervisory Board or a member of the Gérant's board of directors has ownership or holds a position of general partner, manager, director, chief officer or member of the supervisory board. Shareholders with an interest in the contract or transaction are not prohibited from voting on such contract or transaction, unless they hold one of the positions set forth above.

Any resolution submitted for the vote of the shareholders at an ordinary general meeting may be passed only with the prior approval of the General Partner, except for those relating to the election, resignation or dismissal of the members of the Supervisory Board.

A resolution passed by a two-thirds majority vote of the shareholders present or represented at an extraordinary general meeting is required for the approval of any amendment to the Company's by-laws, including any increase or reduction in the share capital, any merger or spin-off, or any conversion of the Company to another form of company. Any resolution submitted for the vote of the shareholders at an extraordinary general meeting requires the prior approval of the General Partner.

CORPORATE ORGANISATION OF THE GROUP

Operating Companies

EURO DISNEY S.C.A.

The Company operates the Disneyland Park, the Disneyland Hotel, the Davy Crockett Ranch and the golf course. The Company will also operate the second theme park Walt Disney Studios, scheduled to open in March 2002.

EDL HÔTELS S.C.A.

EDL Hôtels S.C.A., a 99.9%-owned subsidiary of the Company, which operates all of the hotels except the Disneyland Hotel and the Davy Crockett Ranch, and also the Disney Village, is structured as a French société en commandite par actions governed by the same principles as the Company.

The general partner of EDL Hôtels S.C.A. is EDL Hotels Participations S.A., a French société anonyme 99.9% owned by the Company. The gérant of EDL Hôtels S.C.A. is Euro Disney S.A., which is also the gérant of the Company.

FINANCING COMPANIES

PHASE IA FINANCING COMPANY AND EURO DISNEY ASSOCIÉS S.N.C.

Euro Disneyland S.N.C. (the "Phase IA Financing Company") owns the Disneyland Park and leases it to Euro Disney Associés S.N.C ("EDA S.N.C."), an indirect wholly-owned affiliate of TWDC, pursuant to a leasing agreement entered into in connection with the Financial Restructuring. Both companies are structured as French sociétés en nom collectif. EDA S.N.C., in turn, subleases the Disneyland Park to the Company. Also, as part of the Financial Restructuring, the Company and the Phase IA Financing Company sold to EDA S.N.C. certain Disneyland Park assets constructed after the opening of the Disneyland Park for € 213.4 million, which are leased back to the Company by EDA S.N.C. based upon a nominal interest rate of 1%. The Company has an option to repurchase such assets and the right to extend the term of the lease.

The partners of the Phase IA Financing Company are various banks, financial institutions and companies holding an aggregate participation of 83%, and Euro Disneyland Participations S.A., a French S.A. and an indirect 99.8%-owned subsidiary of TWDC, holding a participation of 17%. The Group has no ownership interest in the Phase IA Financing Company. The Company is jointly liable for a significant portion of the indebtedness of the Phase IA Financing Company (approximately two-thirds of the outstanding indebtedness due under the IA Bank Loan Agreement). The partners are subject to unlimited joint and several liability for the financial obligations of the Phase IA Financing Company. The banks which are parties to the IA Bank Loan Agreement and the CDC, with regard to CDC Prêts Participatifs, however, have effectively waived any recourse against the partners of the Phase IA Financing Company. The Phase IA Financing Company has generated tax losses due to interest charges during the construction period and depreciation expense from the opening of the Disneyland Park on April 12, 1992 until December 31, 1996. The legal structure of the Phase IA Financing Company enables its partners to take these French tax losses directly into their own accounts for French tax purposes. In return, the partners agreed to provide subordinated partners' advances to the Phase IA Financing Company at an interest rate below the market rate.

The Phase IA Financing Company is managed by a Gérant, Société de Gérance d'Euro Disneyland S.A., a French S.A. and an indirect 99.8%–owned subsidiary of TWDC.

Phase IB Financing Companies

Hôtel New York Associés S.N.C., Newport Bay Club Associés S.N.C., Sequoia Lodge Associés S.N.C., Cheyenne Hotel Associés S.N.C., Hôtel Santa Fe Associés S.N.C. and Centre de Divertissements Associés S.N.C. (collectively, the "Phase IB Financing Companies"), each of which (i) rents the land on which the related hotel or Disney Village, as the case may be, is located, from EDL Hôtels S.C.A. pursuant to a building lease agreement relating to such land which is owned by EDL Hôtels S.C.A., (ii) owns the related hotel or Disney Village, as the case may be, and (iii) leases the related hotel or Disney Village, as the case may be, to the related Phase IB S.A. (as defined below), and (iv) is structured as a French SNC governed by the same principles as the Phase IA Financing Company.

The partners of the Phase IB Financing Companies are various banks and financial institutions that are lenders of the Phase IB Financing Companies. The Group has no ownership interest in the Phase IB Financing Companies. EDL Hôtels S.C.A., a wholly-owned subsidiary of the Company, has guaranteed all the obligations of the Phase IB Financing Companies with respect to the loans extended by their lenders and partners. The partners of the Phase IB Financing Companies are subject to unlimited joint and several liability for the obligations of the Phase IB Financing Companies. However, the lenders of the Phase IB Financing Companies have waived any recourse against the partners of the Phase IB Financing Companies. The Phase IB Financing Companies have consistently generated tax losses primarily due to interest charges during the construction period and depreciation expense from April 12, 1992 until December 31, 1995 with the exception of Centre de Divertissements Associés S.N.C., which generated tax losses until December 31, 1998. The legal structure of the Phase IB Financing Companies enabled their partners to take these French tax losses directly into their own accounts for French tax purposes. In return, the partners agreed to provide subordinated partners' advances to the Phase IB Financing Companies at an interest rate below the market rate.

Pursuant to the respective by-laws of the Phase IB Financing Companies, the Gérant of each of the Phase IB Financing Companies is EDL Services S.A., a French SA and a 99.8%–owned subsidiary of the Company.

Phase IB S.A.s

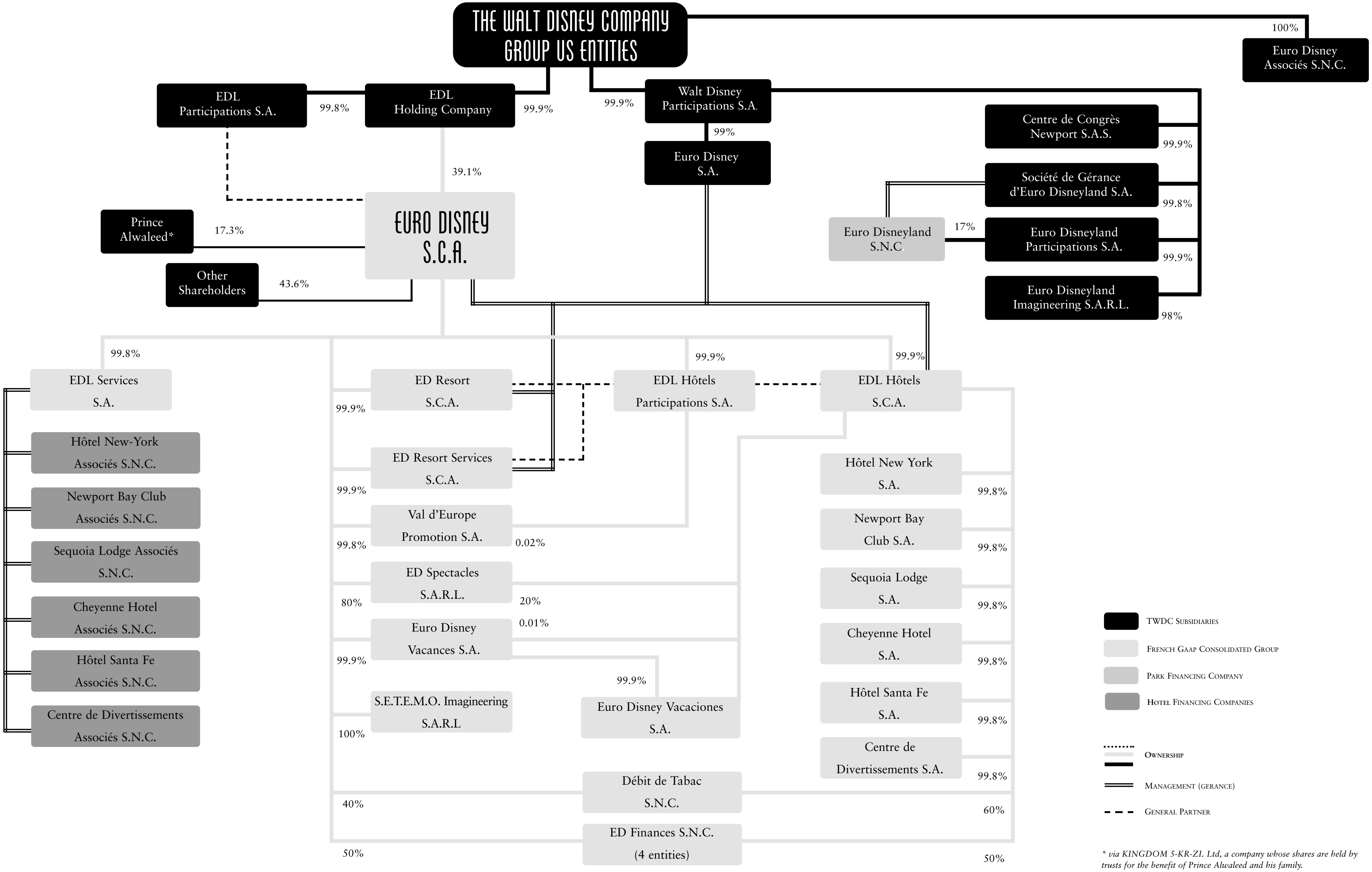
Hôtel New York S.A., Newport Bay Club S.A., Sequoia Lodge S.A., Cheyenne Hotel S.A., Hôtel Santa Fe S.A. and Centre de Divertissements S.A. (collectively, the "Phase IB SAs"), pursuant to a leasing agreement with the relevant hotel or Disney Village, as the case may be, rents from the related Phase IB Financing Company and subleases such property to EDL Hôtels S.C.A. The Phase IB S.A.s are structured as French S.A.s and are 99.8%–owned subsidiaries of EDL Hôtels S.C.A.

Centre de Congrès Newport S.A.S.

Centre de Congrès Newport S.A.S., a 99.9% affiliate of TWDC, structured as a French société par actions simplifiée, entered into a building lease with EDL Hôtels S.C.A. pursuant to which it financed the construction of the Newport Bay Club Convention Center and, when completed, leased it back pursuant to a leasing agreement to EDL Hôtels S.C.A. EDL Hôtels S.C.A. has an option to repurchase such assets.

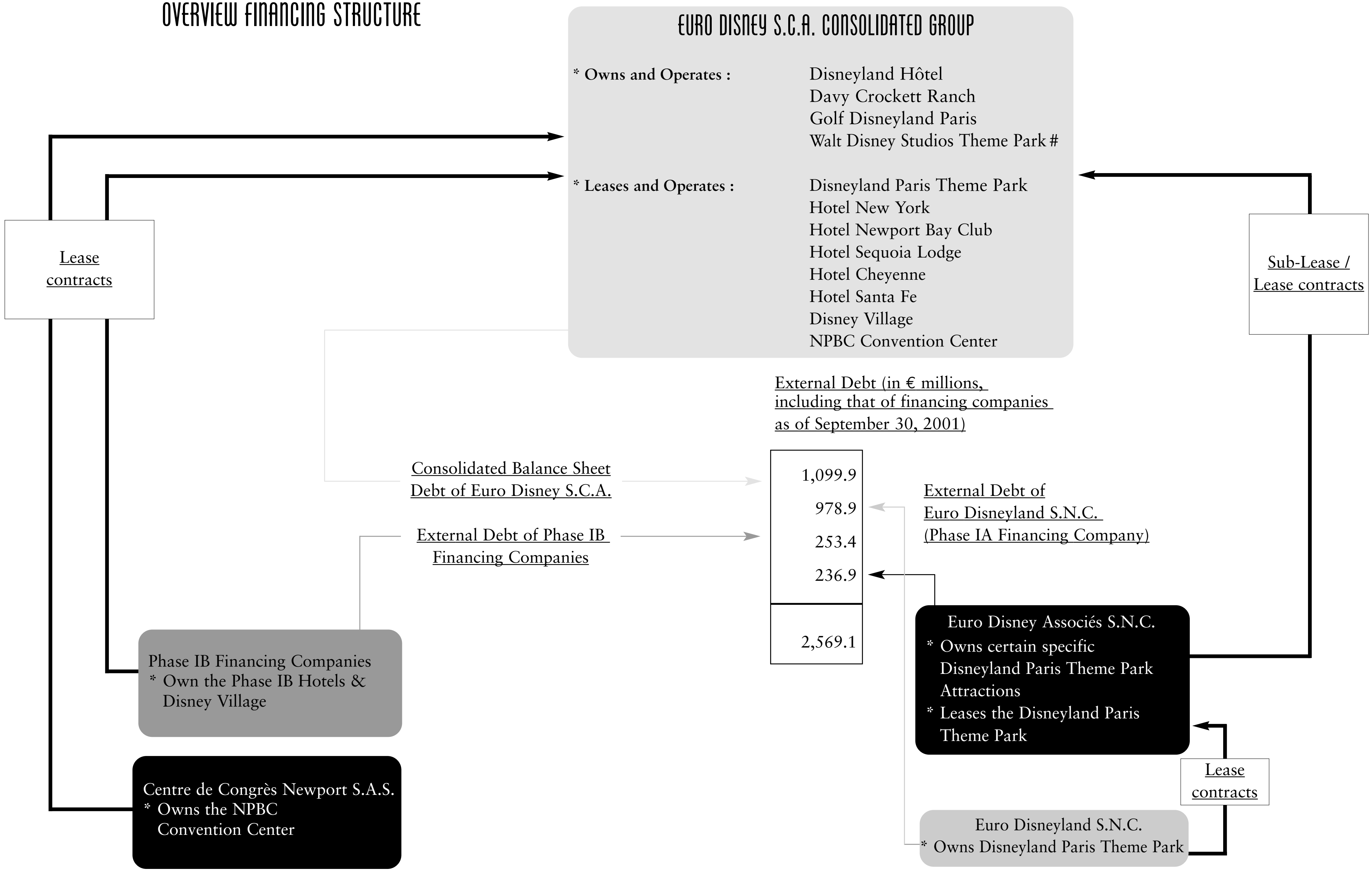
OWNERSHIP STRUCTURE OF THE GROUP

OVERVIEW OF GROUP LEGAL STRUCTURE



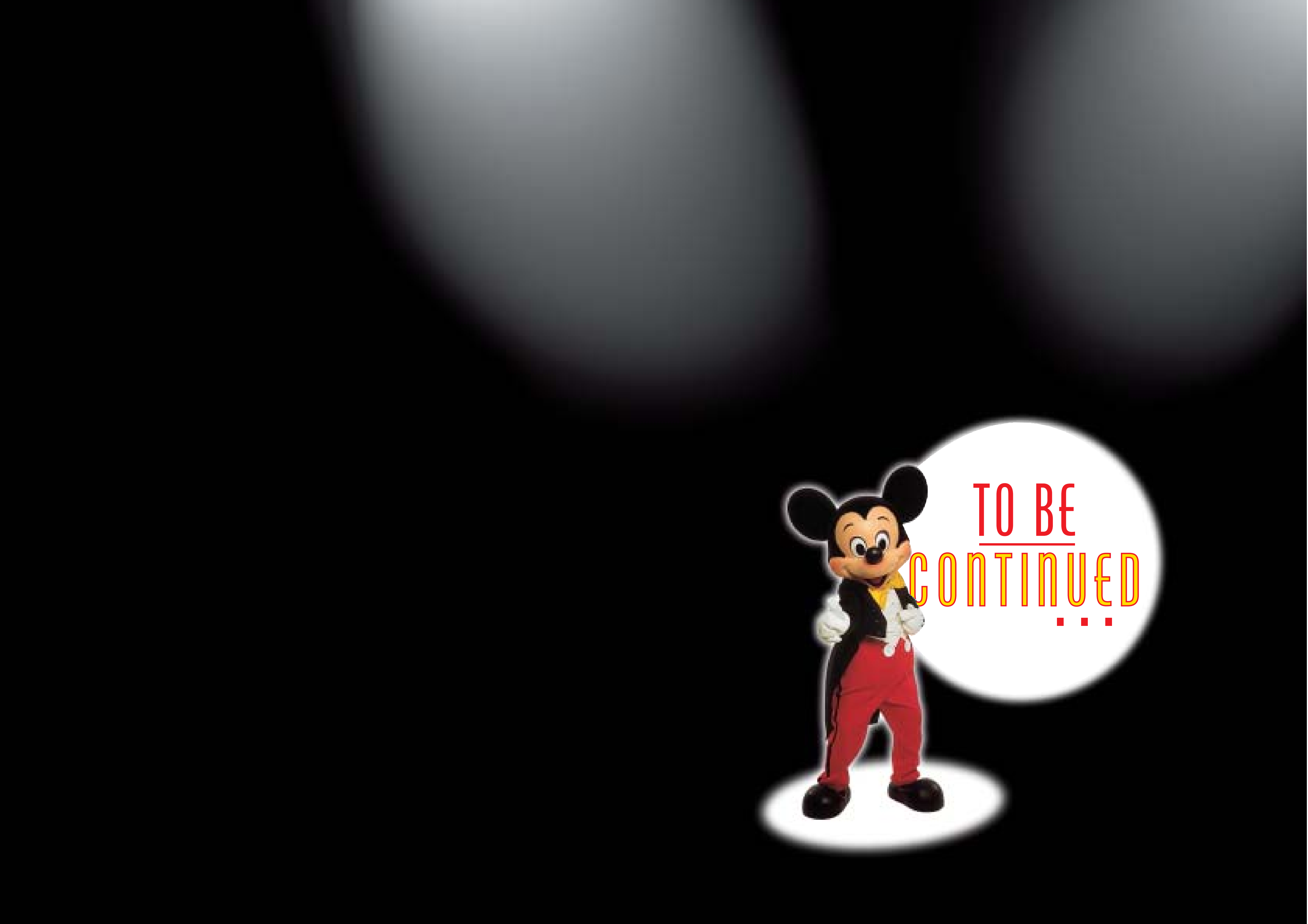
* via KINGDOM 5-KR-ZI. Ltd, a company whose shares are held by trusts for the benefit of Prince Alwaleed and his family.

OVERVIEW FINANCING STRUCTURE



 # currently under construction and scheduled for opening in spring 2002.

Partners, everyone a big thank you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