FOR IMMEDIATE RELEASE

April 25, 2002

**THE WALT DISNEY COMPANY REPORTS EARNINGS FOR THE QUARTER AND SIX MONTHS ENDED MARCH 31, 2002**

BURBANK, Calif. – The Walt Disney Company today reported earnings for the quarter and six months ended March 31, 2002.

On an as-reported basis, revenues for the quarter decreased 2% to $5.9 billion and segment operating income decreased 32% to $702 million. Net income and earnings per share were $259 million and $0.13, respectively, for the quarter, compared to a net loss and loss per share adjusted to reflect the new goodwill and intangible asset accounting rules of ($449) million and ($0.21), respectively, in the prior-year quarter. The prior-year quarter included restructuring and impairment charges totaling $1.0 billion ($0.44 per share).

For the six months, as-reported revenues decreased 4% to $13 billion and segment operating income decreased 36% to $1.5 billion. Net income and earnings per share were $697 million and $0.34, respectively, for the six months, compared to a net loss of ($9) million in the prior-year period, which is before the effect of accounting changes and has been adjusted to reflect the new goodwill and intangible asset accounting rules.  The quarter and six-month period results include the operations of ABC Family, acquired on October 24, 2001, and incremental interest expense for borrowings related to that acquisition. Results for the six months also include a $216 million pre-tax gain on the sale of investments recorded in the first quarter of the current fiscal year ($0.07 per share).

On a pro forma basis, revenues for the quarter and six months were $5.9 billion and $13.0 billion, respectively, down 5% and 6%, respectively, from the prior-year periods. For the quarter and six months, pro forma net income was $259 million ($0.13 per share) and $556 million ($0.27 per share), respectively, down 51% and 53%, respectively, from the prior-year periods.

See Table C for a reconciliation of as-reported earnings per share to pro forma earnings per share and Basis of Presentation below. For the second quarter of the current year, as-reported and pro forma results were the same in all respects.

"The message of the second quarter, as with the first, is that Disney continues on track," Eisner said. "Our cost and capital containment efforts have helped us manage through the economic downturn even as we further develop and strengthen our core brands and maintain or increase market share across most of our businesses. We continue to see encouraging signs in our Parks and Resorts unit and we are highly focused on addressing the challenges at the ABC network. Consequently, we anticipate continued improvement in the Company's performance."

**Basis of Presentation**

To enhance comparability, the Company has presented operating results on a pro forma basis, which assumes the events discussed below occurred at the beginning of fiscal 2001, eliminating the one-time impacts of those events.

The Company acquired Fox Family Worldwide, Inc. (subsequently re-named ABC Family Worldwide) on October 24, 2001. The acquisition of ABC Family Worldwide resulted in a $5.2 billion increase in borrowings, consisting of outstanding debt of ABC Family and new short- and long-term debt issuances. Pro forma net interest and other has been adjusted as if these incremental borrowings had been outstanding as of the beginning of fiscal 2001. In March 2001, the Company closed the GO.com portal business and converted its Internet Group common stock into Disney common stock. Additionally, on October 1, 2001, the Company adopted new goodwill and intangible asset accounting rules, and accordingly, no longer amortizes substantially all of its intangible assets.

The Company believes that pro forma results provide additional information useful in analyzing the underlying business results. However, pro forma results are not necessarily indicative of the combined results that would have occurred had these events actually occurred at the beginning of fiscal 2001, nor are they necessarily indicative of future results.

Additionally, we have also presented pro forma earnings adjusted to exclude the current year investment gains and the prior-year restructuring and impairment charges, gain on the sale of a business and the cumulative effect of accounting changes.

## Operating Results

Unless otherwise noted, the following discussion reflects pro forma results.

## Parks and Resorts

Parks and Resorts revenues for the quarter decreased 8% to $1.5 billion and segment operating income decreased 15% to $280 million.

Parks and Resorts results for the quarter reflected lower attendance, guest spending and hotel occupancy at the Walt Disney World Resort and lower guest spending at Disneyland, which were partially offset by increased attendance and the absence of pre-opening costs at the Disneyland Resort. At the Walt Disney World Resort, decreased attendance and hotel occupancy reflected the continued disruption in travel and tourism. At the Disneyland Resort, increased attendance was driven by the addition of Disney’s California Adventure and Disney’s Grand Californian Hotel during the middle of the second quarter of the prior year, as well as strong local attendance reflecting primarily the success of the Annual Passport program. The prior-year pre-opening costs at Disneyland were for the opening of Disney’s California Adventure. Lower spending at both Walt Disney World and Disneyland was due primarily to ticket and other promotional programs.

Parks and Resorts results for the quarter also benefited from higher royalties generated by increased attendance at the Tokyo Disney Resort following the opening of the Tokyo DisneySea theme park and the Tokyo DisneySea Hotel MiraCosta during the fourth quarter of the prior year.

## Media Networks

Media Networks revenues for the quarter decreased 9% to $2.2 billion and segment operating income decreased 39% to $309 million. See Table A for further detail of Media Networks results.

Broadcasting results for the quarter reflected lower advertising revenues due to lower ratings at the ABC network, lower advertising rates from upfront sales at the ABC television network and the impact of the weak advertising market at the Company's owned television stations.

Disney's share of operating income from cable television activities, which consists of Disney's cable networks and cable equity investments, decreased 6% for the quarter to $348 million. See Table B for further information relating to operating income from cable television activities.

Cable television results for the quarter reflected the soft advertising market at both ESPN and the cable equity investments and higher programming costs at ESPN, partially offset by higher cable network affiliate revenues. Additionally, both the domestic and international Disney Channels, which are insulated from fluctuations in the ad market, showed profit improvement.

**Studio Entertainment**

Studio Entertainment revenues for the quarter increased 2% to $1.6 billion and segment operating income decreased from $164 million to $27 million.

Studio Entertainment results for the quarter were primarily driven by decreases in theatrical motion picture distribution, worldwide home video and worldwide television distribution.

In domestic theatrical motion picture distribution, the strong performance of *Snow Dogs* and *Peter Pan II: Return to Never Land* was more than offset by the impact of higher marketing and distribution costs due to the higher number and timing of releases during the quarter. Marketing and distribution costs are expensed when incurred rather than deferred until the release of the film. Worldwide home video results reflected decreased revenues from the rental business, due to the availability of fewer titles in the current year. Although worldwide sales of DVDs remain strong, total sales of home video units were down during the quarter, reflecting the prior-year success of *Lady and the Tramp II: Scamp's Adventure* and *Remember the Titans*. The declines in worldwide television distribution reflected better performances of live-action titles in the prior-year quarter.

**Consumer Products**

Revenues for the quarter increased 1% to $580 million and segment operating income decreased 5% to $86 million.

Consumer Products results for the quarter reflected decreased worldwide merchandise licensing revenues driven by lower guarantee payments in the current year, partially offset by increases at the Disney Stores. Sales increases at the Disney Stores reflected positive comparative store sales both domestically and internationally.

On April 1, 2002, the Company completed the sale of its Disney Store Japan business to Oriental Land Co. in a transaction that includes a long-term license for the Disney Store brand in Japan.

**Corporate and Unallocated Shared Expenses**

Corporate and unallocated shared expenses decreased 11% to $97 million for the quarter. The decrease was driven by the timing of expenses, partially offset by costs for new financial and human resources information technology systems, which are intended to improve productivity and reduce costs. The prior year was also impacted by higher costs due to the roll-out of the Disney Club, a customer loyalty and appreciation program, in the first quarter of the prior year.

**Net Interest Expense and Other**

Net interest expense and other increased 5% to $158 million for the quarter on a pro forma basis. The increase for the quarter was driven by higher average debt balances and lower capitalized interest, as well as investment gains in the prior-year quarter, partially offset by lower interest rates. As-reported net interest expense increased 61% primarily due to the incremental borrowings related to the ABC Family acquisition.

**Equity in the Income of Investees**

Income from equity investees, consisting primarily of Euro Disney, A&E Television, Lifetime Television and E! Entertainment Television, decreased 27% to $49 million for the quarter. The decrease reflected increased pre-opening costs at Euro Disney due to the opening of Walt Disney Studios at the Disneyland Resort Paris on March 16, 2002, as well as declines at the cable services driven by the soft advertising market.

**Accounting Changes**

Effective October 1, 2001, the Company adopted Statement of Financial Accounting Standards No. 142, *Goodwill and Other Intangible Assets* (SFAS 142). As a result of adopting SFAS 142, a substantial amount of the Company's intangible assets is no longer amortized. Pursuant to SFAS 142, intangible assets that are no longer subject to amortization must be periodically tested for impairment. During the first quarter, the Company made its assessments related to each reporting unit's intangible asset categorization and performed an impairment review, which indicated that the Company's intangible assets were not impaired.

Effective October 1, 2000, the Company adopted AICPA Statement of Position No. 00-2, *Accounting by Producers or Distributors of Films* (SOP 00-2), and Statement of Financial Accounting Standards No. 133, *Accounting for Derivative Instruments and Hedging Activities* (SFAS 133), and recorded one-time after-tax charges for the adoption of the standards totaling $228 million (or $0.11 per share) and $50 million (or $0.02 per share), respectively in the prior-year.

## FORWARD-LOOKING STATEMENTS

Management believes certain statements in this press release may constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. These statements are made on the basis of management's views and assumptions regarding future events and business performance as of the time the statements are made. Actual results may differ materially from those expressed or implied. Such differences may result from actions taken by the Company, including restructuring or strategic initiatives and actions relating to the Company's strategic sourcing initiative, as well as from developments beyond the Company's control, including international, political and military developments that may affect travel and leisure businesses generally; changes in domestic and global economic conditions that may, among other things, affect the performance of the Company's theatrical and home entertainment releases, the advertising market for broadcast and cable television programming and consumer products. Changes in domestic competitive conditions and technological developments may also affect performance of all significant Company businesses.

***Editor's Note: The Company makes available its quarterly earnings releases, annual report to shareholders, fact book and SEC filings on its Investor Relations Web site located at http://www.disney.com/investors***

The Walt Disney Company

AS-REPORTED CONSOLIDATED STATEMENTS OF INCOME

(unaudited; in millions, except per share data)

| | Three Months Ended March 31 | | Six Months Ended March 31 | |
|---|---|---|---|---|
| | 2002 | 2001 | 2002 | 2001 |
| Revenues | $ 5,904 | $ 6,049 | $ 12,952 | $ 13,482 |
| Costs and expenses | (5,299) | (5,133) | (11,698) | (11,416) |
| Amortization of intangible assets | (2) | (184) | (5) | (477) |
| Gain on sale of business | – | – | – | 22 |
| Net interest expense and other | (158) | (98) | (103) | (207) |
| Equity in the income of investees | 49 | 66 | 119 | 148 |
| Restructuring and impairment charges | – | (996) | – | (1,190) |
| Income before income taxes, minority interests and the cumulative effect of accounting changes | 494 | (296) | 1,265 | 362 |
| Income taxes | (205) | (238) | (504) | (624) |
| Minority interests | (30) | (33) | (64) | (63) |
| Income before the cumulative effect of accounting changes | 259 | (567) | 697 | (325) |
| Cumulative effect of accounting changes: | | | | |
| Film accounting | – | – | – | (228) |
| Derivative accounting | – | – | – | (50) |
| Net income (loss) | $ 259 | $ (567) | $ 697 | $ (603) |
| Earnings (loss) attributed to: | | | | |
| Disney common stock | $ 259 | $ (548) | $ 697 | $ (486) |
| Internet Group common stock | – | (19) | – | (117) |
| | $ 259 | $ (567) | $ 697 | $ (603) |
| Earnings (loss) per share before the cumulative effect of accounting changes attributed to: | | | | |
| Disney common stock (basic and diluted) | $ 0.13 | $ (0.26) | $ 0.34 | $ (0.10) |
| Internet Group common stock (basic and diluted) | $ n/a | $ (0.45) | $ n/a | $ (2.72) |
| Earnings (loss) per share including the cumulative effect of accounting changes attributed to: | | | | |
| Disney common stock (basic and diluted) (1) | $ 0.13 | $ (0.26) | $ 0.34 | $ (0.23) |
| Internet Group common stock (basic and diluted) | $ n/a | $ (0.45) | $ n/a | $ (2.72) |
| Earnings (loss) attributed to Disney common stock before the cumulative effect of accounting changes adjusted for the impact of SFAS 142 in fiscal 2001 | $ 259 | $ (449) | $ 697 | $ (9) |
| Earnings (loss) per share attributed to Disney common stock before the cumulative effect of accounting changes adjusted for the impact of SFAS 142 in fiscal 2001 | | | | |
| Diluted | $ 0.13 | $ (0.21) | $ 0.34 | $ 0.00 |
| Basic | $ 0.13 | $ (0.22) | $ 0.34 | $ 0.00 |
| Average number of common and common equivalent shares outstanding: | | | | |
| Disney: | | | | |
| Diluted | 2,045 | 2,098 | 2,043 | 2,101 |
| Basic | 2,039 | 2,082 | 2,039 | 2,082 |
| Internet Group (basic and diluted) | n/a | 42 | n/a | 43 |

(1) The per share impacts of the film and derivative accounting changes for the six month period were ($0.11) and ($0.02), respectively.

# The Walt Disney Company
## PRO FORMA CONSOLIDATED STATEMENTS OF INCOME
### (unaudited; in millions, except per share data)

| | Three Months Ended March 31 | | Six Months Ended March 31 | |
|---|---|---|---|---|
| | 2002 | 2001 | 2002 | 2001 |
| Revenues | $ 5,904 | $ 6,215 | $ 12,983 | $ 13,792 |
| Costs and expenses | (5,299) | (5,237) | (11,725) | (11,590) |
| Amortization of intangible assets | (2) | (5) | (5) | (13) |
| Gain on sale of business | – | – | – | 22 |
| Net interest expense and other | (158) | (151) | (115) | (316) |
| Equity in the income of investees | 49 | 67 | 119 | 153 |
| Restructuring and impairment charges | – | (134) | – | (328) |
| Income before income taxes, minority interests and the cumulative effect of accounting changes | 494 | 755 | 1,257 | 1,720 |
| Income taxes | (205) | (283) | (501) | (688) |
| Minority interests | (30) | (32) | (64) | (63) |
| Income before the cumulative effect of accounting changes | 259 | 440 | 692 | 969 |
| Cumulative effect of accounting changes: | | | | |
| Film accounting | – | – | – | (228) |
| Derivative accounting | – | – | – | (50) |
| Net income | $ 259 | $ 440 | $ 692 | $ 691 |
| Earnings per share before the cumulative effect of accounting changes (basic and diluted) | $ 0.13 | $ 0.21 | $ 0.34 | $ 0.46 |
| Earnings per share including the cumulative effect of accounting changes (basic and diluted) (1) | $ 0.13 | $ 0.21 | $ 0.34 | $ 0.33 |
| Earnings before the cumulative effect of accounting changes, excluding the investment gain in fiscal 2002, restructuring and impairment charges and gain on the sale of business in fiscal 2001 | $ 259 | $ 524 | $ 556 | $ 1,181 |
| Earnings per share before the cumulative effect of accounting changes, excluding the investment gain in fiscal 2002, restructuring and impairment charges and gain on the sale of business in fiscal 2001: | | | | |
| Diluted | $ 0.13 | $ 0.25 | $ 0.27 | $ 0.56 |
| Basic | $ 0.13 | $ 0.25 | $ 0.27 | $ 0.57 |
| Average number of common and common equivalent shares outstanding: | | | | |
| Diluted | 2,045 | 2,105 | 2,043 | 2,108 |
| Basic | 2,039 | 2,089 | 2,039 | 2,090 |

(1) The per share impacts of the film and derivative accounting changes for the six month period were ($0.11) and ($0.02), respectively.

THE WALT DISNEY COMPANY SEGMENT RESULTS
For the Quarter Ended March 31
(unaudited, in millions)

| | As Reported | | Pro Forma | | % |
|---|---|---|---|---|---|
| | 2002 | 2001 | 2002 | 2001 | Change |
| Revenues: | | | | | |
| Media Networks | $ 2,196 | $ 2,258 | $ 2,196 | $ 2,417 | (9)% |
| Parks and Resorts | 1,525 | 1,650 | 1,525 | 1,650 | (8)% |
| Studio Entertainment | 1,603 | 1,573 | 1,603 | 1,573 | 2 % |
| Consumer Products | 580 | 568 | 580 | 575 | 1 % |
| | $ 5,904 | $ 6,049 | $ 5,904 | $ 6,215 | (5)% |
| Segment operating income: (1) | | | | | |
| Media Networks | $ 309 | $ 445 | $ 309 | $ 503 | (39)% |
| Parks and Resorts | 280 | 329 | 280 | 329 | (15)% |
| Studio Entertainment | 27 | 164 | 27 | 164 | (84)% |
| Consumer Products | 86 | 87 | 86 | 91 | (5)% |
| | $ 702 | $ 1,025 | $ 702 | $ 1,087 | (35)% |

The Company evaluates the performance of its operating segments based on segment operating income. A reconciliation of segment operating income to income before income taxes, minority interests and the cumulative effect of accounting changes is as follows:

| | As Reported | | Pro Forma | |
|---|---|---|---|---|
| | 2002 | 2001 | 2002 | 2001 |
| Segment operating income | $ 702 | $ 1,025 | $ 702 | $ 1,087 |
| Corporate and unallocated shared expenses | (97) | (109) | (97) | (109) |
| Amortization of intangible assets | (2) | (184) | (2) | (5) |
| Net interest expense and other | (158) | (98) | (158) | (151) |
| Equity in the income of investees | 49 | 66 | 49 | 67 |
| Restructuring and impairment charges | – | (996) | – | (134) |
| Income before income taxes, minority interests and the cumulative effect of accounting changes | $ 494 | $ (296) | $ 494 | $ 755 |

(1) Segment earnings before interest, income taxes, depreciation and amortization (EBITDA) is as follows:

| | As Reported | | Pro Forma | |
|---|---|---|---|---|
| | 2002 | 2001 | 2002 | 2001 |
| Media Networks | $ 354 | $ 489 | $ 354 | $ 548 |
| Parks and Resorts | 441 | 468 | 441 | 468 |
| Studio Entertainment | 37 | 175 | 37 | 175 |
| Consumer Products | 102 | 112 | 102 | 116 |
| | $ 934 | $ 1,244 | $ 934 | $ 1,307 |

# THE WALT DISNEY COMPANY SEGMENT RESULTS
For the Six Months Ended March 31
(unaudited, in millions)

| | As Reported | | Pro Forma | | % |
|---|---|---|---|---|---|
| | 2002 | 2001 | 2002 | 2001 | Change |
| Revenues: | | | | | |
| Media Networks | $ 5,172 | $ 5,225 | $ 5,202 | $ 5,516 | (6)% |
| Parks and Resorts | 2,958 | 3,374 | 2,958 | 3,374 | (12)% |
| Studio Entertainment | 3,408 | 3,423 | 3,408 | 3,423 | -- |
| Consumer Products | 1,414 | 1,460 | 1,415 | 1,479 | (4)% |
| | $ 12,952 | $ 13,482 | $ 12,983 | $ 13,792 | (6)% |
| Segment operating income: (1) | | | | | |
| Media Networks | $ 551 | $ 971 | $ 555 | $ 1,094 | (49)% |
| Parks and Resorts | 467 | 713 | 467 | 713 | (35)% |
| Studio Entertainment | 176 | 316 | 176 | 316 | (44)% |
| Consumer Products | 261 | 256 | 261 | 269 | (3)% |
| | $ 1,455 | $ 2,256 | $ 1,459 | $ 2,392 | (39)% |

The Company evaluates the performance of its operating segments based on segment operating income. A reconciliation of segment operating income to income before income taxes, minority interests and the cumulative effect of accounting changes is as follows:

| | As Reported | | Pro Forma | |
|---|---|---|---|---|
| | 2002 | 2001 | 2002 | 2001 |
| Segment operating income | $ 1,455 | $ 2,256 | $ 1,459 | $ 2,392 |
| Corporate and unallocated shared expenses | (201) | (190) | (201) | (190) |
| Amortization of intangible assets | (5) | (477) | (5) | (13) |
| Gain on sale of business | – | 22 | – | 22 |
| Net interest expense and other | (103) | (207) | (115) | (316) |
| Equity in the income of investees | 119 | 148 | 119 | 153 |
| Restructuring and impairment charges | – | (1,190) | – | (328) |
| Income before income taxes, minority interests and the cumulative effect of accounting changes | $ 1,265 | $ 362 | $ 1,257 | $ 1,720 |

(1) Segment EBITDA is as follows:

| | As Reported | | Pro Forma | |
|---|---|---|---|---|
| | 2002 | 2001 | 2002 | 2001 |
| Media Networks | $ 642 | $ 1,060 | $ 647 | $ 1,185 |
| Parks and Resorts | 789 | 995 | 789 | 995 |
| Studio Entertainment | 197 | 340 | 197 | 340 |
| Consumer Products | 290 | 305 | 290 | 318 |
| | $ 1,918 | $ 2,700 | $ 1,923 | $ 2,838 |

**Table A**

MEDIA NETWORKS
(unaudited, in millions)

| Quarter Ended March 31 | Pro Forma 2002 | 2001 | % Change |
|---|---|---|---|
| Revenues: | | | |
| Broadcasting | $ 1,290 | $ 1,513 | (15)% |
| Cable Networks | 906 | 904 | -- |
| | $ 2,196 | $ 2,417 | (9)% |
| Segment operating income (loss): | | | |
| Broadcasting | $ (11) | $ 167 | n / m |
| Cable Networks | 320 | 336 | (5)% |
| | $ 309 | $ 503 | (39)% |

| Six Months Ended March 31 | Pro Forma 2002 | 2001 | % Change |
|---|---|---|---|
| Revenues: | | | |
| Broadcasting | $ 2,766 | $ 3,315 | (17)% |
| Cable Networks | 2,436 | 2,201 | 11 % |
| | $ 5,202 | $ 5,516 | (6)% |
| Segment operating income (loss): | | | |
| Broadcasting | $ (87) | $ 454 | n / m |
| Cable Networks | 642 | 640 | -- |
| | $ 555 | $ 1,094 | (49)% |

**Table B**

## CABLE TELEVISION ACTIVITIES
(unaudited, in millions)

| Quarter Ended March 31 | Pro Forma 2002 | Pro Forma 2001 | % Change |
|---|---|---|---|
| Operating income: | | | |
| Cable Networks | $ 320 | $ 336 | (5)% |
| Equity investments: | | | |
| A&E, Lifetime and | | | |
| E! Entertainment Television | 128 | 170 | (25)% |
| Other | 36 | 56 | (36)% |
| | 484 | 562 | (14)% |
| Partner share of operating income | (136) | (190) | 28 % |
| Disney share of operating income | $ 348 | $ 372 | (6)% |

| Six Months Ended March 31 | Pro Forma 2002 | Pro Forma 2001 | % Change |
|---|---|---|---|
| Operating income: | | | |
| Cable Networks | $ 642 | $ 640 | -- |
| Equity investments: | | | |
| A&E, Lifetime and | | | |
| E! Entertainment Television | 294 | 356 | (17)% |
| Other | 101 | 122 | (17)% |
| | 1,037 | 1,118 | (7)% |
| Partner share of operating income | (328) | (396) | 17 % |
| Disney share of operating income | $ 709 | $ 722 | (2)% |

Note: Amounts presented in this table represent 100% of the operating income for all of the Company's cable businesses. The Disney share of operating income represents the Company's ownership interest in cable television operating income. Cable networks are reported in "Segment operating income" in the consolidated statements of income. Equity investments are accounted for under the equity method and the Company's proportionate share of the net income of its cable equity investments is reported in "Equity in the income of investees" in the consolidated statements of income.

**Table C**

The following table provides a reconciliation of as-reported earnings per share attributed to Disney common stock to pro forma earnings per share before the cumulative effect of accounting changes, excluding the investment gain in fiscal 2002 and restructuring and impairment charges and gain on the sale of business in fiscal 2001 (unaudited).

| | Three Months Ended March 31 | | Six Months Ended March 31 | |
|---|---|---|---|---|
| | 2002 | 2001 | 2002 | 2001 |
| As-reported earnings per share attributed to Disney common stock | $ 0.13 | $ (0.26) | $ 0.34 | $ (0.23) |
| Adjustment to attribute 100% of Internet Group operating results to Disney common stock (72% included in as-reported amounts) | – | (0.01) | – | (0.06) |
| Adjustment to exclude GO.com restructuring and impairment charges | – | 0.40 | – | 0.40 |
| Adjustment to exclude pre-closure GO.com portal operating results and amortization of intangible assets | – | 0.02 | – | 0.09 |
| Adjustment to reflect the impact of the new SFAS 142 accounting rules | – | 0.06 | – | 0.13 |
| Adjustment to exclude the cumulative effect of accounting changes | – | – | – | 0.13 |
| Pro forma earnings per share before the cumulative effect of accounting changes | 0.13 | 0.21 | 0.34 | 0.46 |
| Adjustment to exclude restructuring and impairment charges | – | 0.04 | – | 0.10 |
| Adjustment to exclude fiscal 2002 investment gain | – | – | (0.07) | – |
| Pro forma earnings per share before the cumulative effect of accounting changes, excluding the investment gain in fiscal 2002, restructuring and impairment charges and gain on the sale of business | $ 0.13 | $ 0.25 | $ 0.27 | $ 0.56 |

The impact on fiscal 2001 of the gain on sale of business and the pro forma impact of ABC Family had less than a $0.01 impact.