

**Reconciliation of Non-GAAP Financial Measures
To Corresponding GAAP Financial Measures
September 27, 2014**

Free cash flow, aggregate segment operating income, and earnings per share excluding certain items affecting comparability are not measures of performance defined by, or calculated in accordance with, generally accepted accounting principles (GAAP). These measures should not be considered in isolation, or as a substitute for the corresponding GAAP financial measure. These measures, as calculated by the Company, may not be comparable to similarly titled measures employed by other companies.

Free cash flow

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

	Quarter Ended		Change
	September 27, 2014	September 28, 2013	
Cash provided by operations	\$ 3,105	\$ 2,735	\$ 370
Less: Investments in parks, resorts and other property	(1,063)	(987)	(76)
Free cash flow	\$ 2,042	\$ 1,748	\$ 294
			17%

	Year Ended		Change
	September 27, 2014	September 28, 2013	
Cash provided by operations	\$ 9,780	\$ 9,452	\$ 328
Investments in parks, resorts and other property	(3,311)	(2,796)	\$ (515)
Free cash flow	\$ 6,469	\$ 6,656	\$ (187)
			(3)%

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

	Quarter Ended		Year Ended	
	September 27, 2014	September 28, 2013	September 27, 2014	September 28, 2013
Cash provided by operations	\$ 3,105	\$ 2,735	\$ 9,780	\$ 9,452
Cash used in investing activities	(1,053)	(1,014)	(3,345)	(4,676)
Cash used in financing activities	(2,620)	(1,778)	(6,710)	(4,214)
Impact of exchange rates on cash and cash equivalents	(101)	56	(235)	(18)
Change in cash and cash equivalents	(669)	(1)	(510)	544
Cash and cash equivalents, beginning of period	4,090	3,932	3,931	3,387
Cash and cash equivalents, end of period	<u>\$ 3,421</u>	<u>\$ 3,931</u>	<u>\$ 3,421</u>	<u>\$ 3,931</u>

Aggregate segment operating income

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

	Quarter Ended		Year Ended	
	September 27, 2014	September 28, 2013	September 27, 2014	September 28, 2013
Segment operating income	\$ 2,775	\$ 2,484	\$ 13,005	\$ 10,724
Corporate and unallocated shared expenses	(203)	(164)	(611)	(531)
Restructuring and impairment charges	(73)	(93)	(140)	(214)
Other income/(expense), net	—	23	(31)	(69)
Interest income/(expense), net	(38)	(26)	23	(235)
Hulu Equity Redemption charge	—	—	—	(55)
Income before income taxes	2,461	2,224	12,246	9,620
Income taxes	(836)	(681)	(4,242)	(2,984)
Net income	<u>\$ 1,625</u>	<u>\$ 1,543</u>	<u>\$ 8,004</u>	<u>\$ 6,636</u>

Earnings per share excluding certain items affecting comparability

The following table reconciles reported EPS to EPS excluding certain items affecting comparability (unaudited):

	Quarter Ended			Year Ended		
	Sept. 27, 2014	Sept. 28, 2013	Change	Sept. 27, 2014	Sept. 28, 2013	Change
Diluted EPS as reported	\$ 0.86	\$ 0.77	12 %	\$ 4.26	\$ 3.38	26 %
Exclude:						
Restructuring and impairment charges ⁽¹⁾	0.03	0.03	— %	0.05	0.07	(29) %
Favorable tax adjustments related to pre-tax earnings in prior years	—	—	nm	—	(0.06)	— %
Tax benefit from prior-year foreign earnings indefinitely reinvested outside the United States ⁽²⁾	—	(0.02)	— %	—	(0.06)	— %
Hulu Equity Redemption charge ⁽³⁾	—	—	nm	—	0.02	— %
Other income/(expense), net ⁽⁴⁾	—	(0.01)	— %	0.01	0.03	(67) %
Diluted EPS excluding certain items affecting comparability ⁽⁵⁾	<u>\$ 0.89</u>	<u>\$ 0.77</u>	16 %	<u>\$ 4.32</u>	<u>\$ 3.39</u>	27 %

(1) Charges for the current quarter and year totaled \$73 million and \$140 million (pre-tax), respectively, driven by severance costs. Charges for the prior-year quarter and year totaled \$93 million and \$214 million (pre-tax), respectively, driven by severance costs.

(2) The prior year includes a tax benefit due to an increase in prior-year earnings from foreign operations indefinitely reinvested outside the United States and subject to tax rates lower than the federal statutory income tax rate (\$41 million for the quarter and \$105 million for the year).

(3) Our share of expense associated with an equity redemption at Hulu LLC (\$55 million pre-tax).

(4) Significant items in the current year include a loss from Venezuelan foreign currency translation (\$143 million pre-tax and before noncontrolling interest), a gain on the sale of property (\$77 million pre-tax) and income related to a portion of a settlement of an affiliate contract dispute (\$29 million pre-tax). Significant items in the prior year include the Celador litigation charge (\$321 million pre-tax) and a gain on the sale of our interest in ESPN STAR Sports and various businesses (\$252 million pre-tax and before noncontrolling interest, of which \$23 million was recorded in the prior-year quarter).

(5) May not equal the sum of the rows due to rounding.