

First Quarter Consolidated Statements of Income (Actual/Previous First Quarter)

(Millions of yen)

Items	April 1, 2006 to June 30, 2006		April 1, 2007 to June 30, 2007		Increase (decrease)	
	Amount	%	Amount	%	Amount	%
I. Revenues	73,375	100.0	75,737	100.0	2,361	3.2
Theme park segment	61,500	83.8	63,497	83.8	1,996	3.2
Commercial facilities segment	5,079	6.9	5,428	7.2	348	6.9
Retail business segment	4,027	5.5	3,684	4.9	(343)	(8.5)
Other business segment	2,766	3.8	3,126	4.1	359	13.0
II. Cost of revenues	61,442	83.7	61,589	81.3	146	0.2
Personnel expenses	14,251		14,849		598	
Other expenses	37,044		36,649		(395)	
Depreciation and amortization, aggregate	10,146		10,089		(56)	
Gross profit	11,932	16.3	14,148	18.7	2,215	18.6
III. Selling, general and administrative expenses	7,655	10.5	7,676	10.2	21	0.3
Personnel expenses	3,084		3,064		(20)	
Other expenses	4,155		4,265		109	
Depreciation and amortization, aggregate	415		347		(68)	
Operating income	4,277	5.8	6,471	8.5	2,194	51.3
Theme park segment	4,526	6.2	5,942	7.8	1,415	31.3
Commercial facilities segment	(50)	(0.1)	267	0.4	318	—
Retail business segment	(381)	(0.5)	(212)	(0.3)	168	—
Other business segment	136	0.2	368	0.5	232	169.8
(Eliminations, etc.)	45	0.0	105	0.1	59	131.3
IV. Non-operating income	519	0.7	706	0.9	186	36.0
V. Non-operating expenses	1,498	2.0	1,430	1.8	(68)	(4.6)
Ordinary income	3,297	4.5	5,747	7.6	2,449	74.3
Income before income taxes	3,297	4.5	5,747	7.6	2,449	74.3
Income, residential and enterprise taxes, etc.	1,696	2.3	2,508	3.3	811	47.8
Minority gain	2	0.0	2	0.0	(0)	(25.5)
Net income	1,598	2.2	3,236	4.3	1,638	102.5

【¥2.1 Billion (51.3%) Increase in Operating Income】

I. ¥2.3 Billion (3.2%) Increase in Revenues

- ① **Theme Park Segment** **¥1.9 billion**
 - Theme parks: Increased attendance and revenues per guest, etc. ¥2.0 billion
- ② **Commercial Facilities Segment** **¥0.3 billion**
 - Disney Ambassador Hotel: Increased accommodation revenues, etc. ¥0.3 billion
- ③ **Retail Business Segment** **(¥3.0 billion)**
 - Decrease in The Disney Store merchandise sales
- ④ **Other Business Segment** **¥0.3 billion**
 - Monorail business: Increase in revenues due to fare revision ¥0.1 billion

II. ¥0.1 Billion (0.2%) Increase in Cost of Revenues

- (1) Increase in cost of OLC merchandise sales revenues ¥0.3 billion
- (2) Increase in cost of OLC food & beverage sales revenues ¥0.3 billion
- (3) Decrease in production costs of OLC entertainment shows (¥0.3 billion)
- (4) Decrease in Retail Business Segment cost of revenues (¥0.2 billion)
- ⑤ Transfer from other expenses to personnel expenses due to change in entertainment show cast member employment contracts ¥0.4 billion

Theme Park Information

Items	Change from Prev. 1Q
Attendance	Slight increase
Revenues per guest	Increase
Ticket receipts*1	Increase
Merchandise sales	Unchanged
Food & beverages sales	Slight increase

*1 Ticket price revision was made in Sept. 1, 2006.

Hotel Occupancy Rates

Items	Change from Prev. 1Q
Tokyo DisneySea Hotel MiraCosta	Unchanged
Disney Ambassador Hotel*2	Increase
Palm & Fountain Terrace Hotel	Unchanged

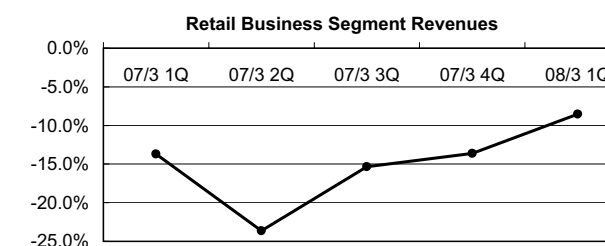
*2 Disney Ambassador Hotel renovated guest rooms and other area from April through July 2006.

The Disney Store Information (See "Supplementary Data" below.)

Items	Change from Prev. 1Q
Revenues at existing stores	Decrease
Store openings/closings	Apr. 1, 2006: 52 stores → June 30, 2006: 53 stores Apr. 1, 2007: 52 stores → June 30, 2007: 52 stores

【Supplementary Data】 Retail Business Segment (The Disney Store)

• Revenues (By quarter, compared with the same quarter in the previous fiscal year)



• Effect of Cost Reforms: ¥0.1 Billion

Decreases in store rents, distribution expenses, head office rental expenses, personnel expenses, etc.

Note: Projected effect of ¥0.4 billion over full fiscal year

(Reference) Forecast: Interim Consolidated Statements of Income (Projected/Previous Interim Period)

(Millions of yen)

Items	April 1, 2006 to Sept. 30, 2006		April 1, 2007 to Sept. 30, 2007		Increase (decrease)	
	Amount	%	Amount	%	Amount	%
Revenues	160,551	100.0	162,090	100.0	1,538	1.0
Theme park segment	134,342	83.7	135,380	83.5	1,037	0.8
Commercial facilities segment	11,285	7.0	11,630	7.2	344	3.1
Retail business segment	8,458	5.3	7,850	4.8	(608)	(7.2)
Other business segment	6,465	4.0	7,230	4.5	764	11.8
Operating income	11,828	7.4	12,380	7.6	551	4.7
Theme park segment	10,943	6.8	11,880	7.3	936	8.6
Commercial facilities segment	313	0.2	430	0.3	116	37.3
Retail business segment	(541)	(0.3)	(510)	(0.3)	30	—
Other business segment	985	0.6	430	0.3	(555)	(56.4)
Ordinary income	9,884	6.2	10,300	6.4	415	4.2
Net income	5,342	3.3	5,940	3.7	597	11.2

【Overview】

1. First-Quarter Results

【Compared with the First Quarter of the Previous Fiscal Year】

- First-quarter revenues and operating income increased compared with the same period in the previous fiscal year due to containment of entertainment-related costs, as attendance and revenues per guest increased in the Theme Park Segment.
- In the Retail Business Segment, the scope of decrease in revenues diminished and cost structure reforms improved the operating loss.

【Compared with the Projected Results】

- First-quarter results for both revenues and operating income in the Theme Park Segment were higher (Because the attendance target was set lower than in the first quarter of the previous fiscal year, the increases in revenues and operating income exceeded the change from the previous first quarter).
- Retail Business Segment results were slightly higher than projected, and expenses of nearly ¥1.0 billion were moved ahead to the second quarter. As a result, consolidated revenues and operating income significantly exceeded projections.

2. Projected Interim and Full-Year Results

- Although progress toward the above interim and full-year projections is ahead of schedule, the projections remain unchanged in light of factors including weather risk in the second quarter and beyond, when the volume of guests in theme parks is large.