

## Shareholders Club Roundtable Discussion Snapshot February 15, 2011 at 6:00pm / Pullman Hotel Bercy – Paris 12

Philippe GAS, CEO, Euro Disney SAS, Greg RICHART, CFO, Euro Disney SAS and Olivier LAMBERT, Head of Investor Relations, Euro Disney S.C.A., want to thank all the members of the Shareholders Club who participated in the roundtable.

This informal question and answer session addressed the following subjects:

- **Financial Performance & Business Model**

- **2010 Activities**

With the economic crisis, the Resort activity was impacted by some significant changes in consumer behavior (more last minute booking, systematic search for deals) and we had to align our strategies to the changing dynamics of the tourism industry.

In 2010, our focus was to increase the average guest spending. We have seen improvements in spending since the beginning of the year, although there was only a slight impact on volume.

The Business group activity had been severely impacted by the economic crisis; however we experienced a solid recovery on this front in 2010.

The real estate development activity represents on average between 2 and 3% of our revenues. While it is important, the Resort segment continues to be the driver of our Group results.

- **First Quarter 2011**

The first quarter 2011 has been very encouraging, even though the December holiday period was significantly impacted by the difficult weather conditions. These principally impacted our local market demand and our Park operations. We remain cautious as growth observed in our various markets remains uneven and the European economies are still fragile. The actual trends are encouraging, with an 8% increase in revenues in our first quarter, which marks the third consecutive quarter of growth in all our key drivers.

- **Return of profitability**

After 2008, we have been impacted by the effects of the unprecedented global economic crisis to which we had to adapt.

Today, the trend is more positive with a return to growth in Europe, although moderate and uneven. Our objective is to have customers return to their pre-crisis behavior.

At the same time, we are also currently repaying our debt and reducing our financial charges, while continue to invest in the Resort. It is the only way that we can expect to reach sustainable profitability.

- **Debt**

Our debt, which represents €1.9 billion, is significant. But we generate sufficient cash flows, €240 million in 2010, to repay our debt in line with the planned reimbursement schedule.

Since 2008, we have repaid €240 million of debt, and by 2014, we will have repaid an additional €450 million, representing 25% of our current debt balance. Moreover, our debt carries a very favorable interest rate, close to 4%, so we do not have intentions to restructure it.

- **Royalties & Management Fee deferrals**

The royalties & management fee deferrals are a cash protection mechanism for use during difficult economic periods, such as these. TWDC has always demonstrated strong support for Euro Disney, specifically:

- Royalties and Management fees were waived from 1994 to 1998
- R&MF were partially waived (-50%) from 1999 to 2003
- Payment deferral of €100 million in 2005 converted into long term debt ("LTD") to be repaid in 2024
- €25 million of R&MF unconditionally deferred into LTD each year from 2005 to 2009
- Another €25 million of R&MFs can be conditionally deferred each year from 2007 to 2014 and converted into LTD

Today, the debt owed to the TWDC amounts to €330 million, most of which is to be repaid in 2024.

- **Marketing & Sales**

- Our new focus is to deliver clear messages, particularly for offers, to better meet guest expectations and to propose the right price for the consumer to unlock demand.

- Our new season, the Disney Magical Moments, is focused on Disneyland Paris' core values: sharing special moments together with family or friends.

- **Theme Parks and Hotels**

- We have some constraints regarding our major investments, which require us to seek approval from our lenders. We have had to make choices in our investments, and they have been, more recently, largely focused in the Walt Disney Studios. The Disneyland Park has not been forgotten, but we rather intend to refresh or improve existing attractions. We have also initiated a multi-year refurbishment program of all our hotels.
- The Disney Village is an additional area of focus. The guest population is very diverse with hotel guests, business guests or local residents. The World of Disney project will open next year at the entrance of the Disney Village and will be an icon of this new dynamic area.
- **Priorities**  
Our priorities remain the quality of the interaction of our Cast Members with the guest, the relevance of our offers and messaging, and innovation in all that we do.

- **News Highlights**

- The Amendment of the Main Agreement with the French public authorities
  - A strong collaboration since 1987 that remains today a « win-win » situation
  - This amendment allows us to secure land development rights and gives us a more appropriate framework to continue to develop our Resort and grow our business in the long term.
  - Land perimeter has been extended from 1,943 to 2,230 hectares, which includes the development of Villages Nature.
- Workers Council:
  - It is an independent legal entity.
  - Euro Disney continues to follow closely the ongoing investigation.
- Roland Garros:
  - It was an interesting project that brought a 20 year vision to the French Open. Although we made a solid proposition on this project, the event will continue to be hosted in Paris.
- Social Media:
  - It is very important to be where the people are: YouTube, Twitter, Facebook, Iphone Applications.
  - We are still in the learning phase with these different types of social media, but are mindful that the guests reading the communications may be children.