EURO DISNEY S.C.A.

2016 Reference Document

French limited partnership with a share capital of €783,364,900
Registered office: 1 rue de la Galmy, 77700 Chessy, France
R.C.S.: 334 173 887 Meaux.

REFERENCE DOCUMENT

Pursuant to Article 212-13 of the *Règlement général* of the *Autorité des marchés financiers* ("AMF"), the present Reference Document was filed with the AMF on February 9, 2017. This document has been prepared by the issuer and under the responsibility of its signatories. This document cannot be used for a financial operation unless it is completed by a *note d'opération* approved by the AMF.

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TECHNICAL AND OTHER KEY TERMS INDICATED THROUGHOUT THE DOCUMENT BY THE USE OF CAPITALS ARE DEFINED IN THE GLOSSARY.

This document is a translation from French into English and has no other value than an informative one. Should there be any difference between the French and the English version, only the text in French language shall be deemed authentic and considered as expressing the exact information published by the Group.

GENERAL OVERVIEW OF THE GROUP

A.1. DESCRIPTION OF THE GROUP'S ACTIVITIES AND STRATEGY

Euro Disney S.C.A. (the "Company" or "parent") and its owned and controlled subsidiaries (collectively, the "Group")[1] commenced operations with the official opening of the Disneyland® Park on April 12, 1992 (the "Opening Day"). The Group also operates the Walt Disney Studios® Park, which opened to the public on March 16, 2002 (together with the Disneyland Park, the "Theme Parks"), a large hotel complex comprising seven hotels (the "Hotels") with approximately 5,800 rooms, two convention centers, the Disney Village® entertainment center, comprised of shopping and restaurant facilities, and Golf Disneyland® (the "Golf Courses"), collectively the "Resort". In addition, the Group manages the real estate development and expansion of the 2,230-hectare property including and surrounding the Resort, approximately 50% of which is yet to be developed. The Resort is modeled on the concepts developed and used by The Walt Disney Company ("TWDC") for its own theme park and hotel infrastructure.

The Company's fiscal year begins on October 1 of a given year and ends on September 30 of the following year (the "Fiscal Year"). For purposes of this document, the Fiscal Year for any given calendar year is the Fiscal Year that ends in that calendar year (for example, Fiscal Year 2016 is the fiscal year that ends September 30, 2016).

A.1.1. Operational Organization of the Group

The Group operates in the following operating segments:

- **Resort operating segment** includes the operation of the Theme Parks, the Hotels, the Disney Village, the Golf Courses and the various services that are provided to guests visiting the Resort destination; and

- **Real estate development operating segment** includes the design, planning and monitoring of improvements and additions to the existing Resort activity, as well as other retail, office and residential real estate projects, whether financed internally or through third-party partners.

[1] The Group also includes Centre de Congrès Newport S.N.C., a consolidated special purpose financing company (the "Financing Company"). Hereafter, references to the "Legally Controlled Group" correspond to the Group, excluding the Financing Company.

Operating Segment Data

(€ in millions, except where indicated)	2016	2015	2014
Key Components of Operating Results:			
Total Group revenues			
Resort operating segment	**1,267**	1,366	1,251
Real estate development operating segment	**11**	7	29
	1,278	1,373	1,280
Total Group costs and expenses			
Resort operating segment	**(1,510)**	(1,446)	(1,327)
Real estate development operating segment	**(10)**	(8)	(19)
	(1,520)	(1,454)	(1,346)
Total Group net (loss)/profit			
Resort operating segment	**(848)**[(1)]	(126)	(126)
Real estate development operating segment	**(10)**	24[(2)]	12
	(858)	(102)	(114)
Key Operating Indicators:			
Theme Parks			
Attendance *(in millions of guests)*[(3)]	**13.4**	14.8	14.2
Average spending per guest *(in €)*[(4)]	**54**	54	51
Hotels			
Occupancy Rate[(5)]	**77%**	79%	75%
Average spending per room *(in €)*[(6)]	**235**	238	231

(1) *Includes an impairment charge for the Group's assets of €565 million. The impairment charge had no impact on the Group's cash position or cash flows. For more details, refer to B.3. "Consolidated Financial Statements", note 3. "Property, Plant and Equipment, Investment Property and Intangible Assets".*
(2) *Includes a €24 million fee recorded in* Other Income *for the early termination of a lease agreement related to office space located in the Walt Disney Studios® Park. For more details, refer to B.3. "Consolidated Financial Statements", note 18. "Related-Party Transactions".*
(3) *Theme parks attendance corresponds to the attendance recorded on a "first click" basis, meaning that a person visiting both parks in a single day is counted as only one visitor.*
(4) *Average spending per guest is the average daily admission price and spending on food, beverage, merchandise and other services sold in the Theme Parks, excluding value added tax.*
(5) *Hotel occupancy rate is the average daily rooms occupied as a percentage of total room inventory (total room inventory is approximately 5,800 rooms).*
(6) *Average spending per room is the average daily room price and spending on food, beverage, merchandise and other services sold in Hotels, excluding value added tax.*

See section B.2. "Group and Parent Company Management Report" for detailed figures on the operating margin.

Resort Operating Segment

Theme Parks

Theme Parks activity includes the operations of the Disneyland® Park, the Walt Disney Studios® Park and related merchandise, food and beverage, special events and other services provided to guests in the Theme Parks. Theme Parks revenues are primarily driven by two factors: the number of guests and the average spending per guest.

The Theme Parks are operated on a year-round basis. Due to the nature of the business, operations are subject to seasonal fluctuations, with peak periods mainly in the summer season as well as bank holidays and vacation periods in the Group's key markets. The Group's activities are also subject to significant fluctuations between weekdays and weekends, especially in off-peak periods.

Disneyland® Park

The Disneyland Park is composed of five "themed lands": Adventureland®, Discoveryland®, Fantasyland®, Frontierland® and Main Street, U.S.A®. These areas include themed attractions, shows, restaurants, merchandise shops and refreshment carts and kiosks. The Disneyland Park covers approximately 50 hectares.

The entertainment in the Disneyland® Park also includes *Disney Dreams®!*, a nighttime spectacular with the *Sleeping Beauty Castle* as a backdrop that features classic Disney storytelling brought to life with the latest technical special effects.

Walt Disney Studios® Park

The Walt Disney Studios® Park opened to the public on March 16, 2002 and covers approximately 25 hectares. The Walt Disney Studios Park comprises four principal themed areas: Backlot, Front Lot, Production Courtyard® and Toon Studio®. These areas include themed attractions, shows, restaurants, merchandise shops and refreshment carts and kiosks.

In July 2016, a new musical show, *Mickey and the Magician,* launched at *Animagique Theater* in the Walt Disney Studios Park.

Hotels and Disney Village®

Hotels and Disney Village® operating revenues include room rentals, food and beverage sales, merchandise sales, conventions, dinner shows and fixed and variable rent received from third-party partners operating within the Resort. The Hotels and the Disney Village operate on a year-round basis and are subject to the same seasonal fluctuations as the Theme Parks.

Hotels

The Group operates seven Hotels at the Resort: the Disneyland® Hotel, Disney's Hotel New York®, Disney's Newport Bay Club®, Disney's Sequoia Lodge®, Disney's Hotel Cheyenne®, Disney's Hotel Santa Fe® and Disney's Davy Crockett Ranch. Together, the Hotels have a total capacity of approximately 5,800 rooms.

Disneyland® Paris hosts more than 850 events annually, including meetings, conferences and exhibitions. There are convention centers at Disney's Hotel New York and Disney's Newport Bay Club. These convention centers and other areas in the Resort provide 19,300 m² of meeting facilities, including two large conference halls, 95 meeting rooms and a 6,500 m² event venue for up to 4,000 persons.

The Group has differentiated its Hotels from its competitors by developing exclusive services and unique events for its guests, such as early Theme Parks opening hours. The Group differentiates pricing at its Hotels according to the season and the level of demand with a focus on maximizing total revenues.

In addition to the seven Hotels, several third-party hotels have signed marketing and/or sales agreements with the Group to operate near the Resort.

Disney Village

The Disney Village is the largest entertainment center of the Ile-de-France region excluding Paris, and consists of approximately 44,000 m² of themed dining, entertainment and shopping facilities. It is a free-entrance venue situated next to the Marne-la-Vallée/Chessy TGV/RER train station and between the Theme Parks and the Hotels.

On December 7, 2016, a VAPIANO® restaurant opened in the Disney Village. This new restaurant of approximately 1,000 m² offers Italian cuisine prepared in-house with fresh products.

The Group manages most of the Disney Village facilities, such as the *Buffalo Bill's Wild West Show*, merchandise boutiques, bars and restaurants. As of September 30, 2016, the following facilities were managed by third parties: Earl of Sandwich, the multiplex Gaumont cinema, King Ludwig's Castle, the LEGO store, McDonald's, Planet Hollywood, Rainforest Café and Starbucks Coffee.

The Disney Village is subject to the same seasonal fluctuations as the Theme Parks and Hotels operations.

Real Estate Development Operating Segment

In accordance with the agreement entered with TWDC, the French Republic and certain other French public authorities for the creation and the operation of the Resort (the "Main Agreement"), the Group's real estate development activities include the planning and development of the 2,230-hectare site including and surrounding the Resort.

Land Rights

The Main Agreement provides the Group the right, subject to certain conditions, to acquire the land necessary for the expansion of the Resort on the Marne-la-Vallée site from the Public Development Department (*Etablissement Public d'Aménagement* or "EPA") of the fourth district (*Secteur IV*) of the new town of Marne-la-Vallée ("EPA-France"). These land acquisition rights are not recorded as an asset in the Group's consolidated financial statements until the land is purchased. The cost of infrastructure that is required to be constructed by EPA-France and French public authorities in order to make the land viable for use is included in the purchase price for the land. The Group also incurs costs for certain development studies and services that are intended to optimize future development of the remaining undeveloped land. These costs are expensed as incurred.

The exercise of these acquisition rights is subject to certain minimum development deadlines (the next of which is on December 31, 2022) which if not met or amended, could result in the expiration of part of these rights. Any land acquisition rights for the remaining undeveloped land that are not included in a development phase or approved by the Group and the relevant French authorities will expire in March 2030. As of September 30, 2016, all minimum development deadlines have been met and no land rights have expired unused.

In order to maintain the Group's land acquisition rights for the remaining undeveloped land around the Resort, the Group is required to pay annual fees to EPA-France, which amounted to €0.3 million for Fiscal Year 2016. These fees are capitalized and allocated to the cost of land when it is purchased by the Group. For more details on the Main Agreement, please refer to section A.3. "History and Development of the Group".

Real Estate Development Activities

Development activities include the planning, design and monitoring of improvements and additions to the existing Resort, as well as other commercial and residential real estate projects to be located within or surrounding the Resort, whether financed internally or through third-party partners.

Before beginning any new development phase, the Group must provide the EPA-France and several other French public authorities with a proposal of the projects for approval. On the basis of this proposal, the Group and the authorities involved work on detailed development programs. See section A.3.1. "Development of the Resort and its Surrounding Areas" for more details on the different development phases.

The Group's principal real estate development revenues are derived from the sale or lease of the land purchased pursuant to the Main Agreement and related infrastructure, ground lease income from third-party developers and conceptual design services related to third-party development projects on the Resort.

Residential Development

The Group participates to residential projects implementation in the areas surrounding the Resort.

The residential development is usually financed by the third parties. The Group's role has historically been limited to overseeing the master planning and architectural design of each development and to selling the purchased land and certain infrastructure necessary. The Group does not anticipate significant changes in its role in future residential development projects.

Pursuant to the Main Agreement, the Group agreed to contribute fees to the construction of new public infrastructure for residential housing development projects based on a fixed amount per housing unit sold.

Retail Development

The Group also participates in the development of the Val d'Europe town center, which, in addition to residential developments, includes retail and commercial developments.

The retail development is usually financed by the third parties. The Group's role has historically been limited to overseeing the master planning and architectural design of each development, defining and/or validating the concept, and renting or selling the purchased land and certain infrastructure necessary. The Group does not anticipate significant changes in its role for future retail development projects.

Hotel Capacity Development

Certain projects are under consideration for the creation of additional hotels. These projects would be designed to create additional hotel room capacity in the Resort, as needed.

Office and Other Activities Development

The Group participates in the development of an international business park strategically positioned near the A4 motorway, which upon completion, is expected to comprise an area of 117 hectares, of which 40 hectares are related to the second phase of development (see section A.3.1. "Development of the Resort and its Surrounding Areas"). The office development is financed by third parties. As of September 30, 2016, 46 hectares have been developed. The Group also participates in office developments located in the Val d'Europe town center.

Les Villages Nature de Val d'Europe S.A.S. *Project*

The Group, in partnership with Pierre & Vacances-Center Parcs Group, is developing Les Villages Nature de Val d'Europe S.A.S. ("Villages Nature"), an innovative eco-tourism destination based on the concept of harmony between man and nature.

Villages Nature will constitute, in its design as well as in its operations, a unique model of sustainable development for tourism. This project could span up to 500 hectares and be developed in several phases over a 20-year timeframe.

In May 2014, Villages Nature finalized the financing of its first phase of development. This initial stage will involve the construction of 916 cottages and apartments classified as tourist residences as well as recreational facilities.

For this initial stage of construction, the investments related to Villages Nature's recreational facilities were provided by a group of institutional investors. The accommodation units were mainly sold in bulk to a real estate company to be subsequently sold to individual investors. These properties will then be leased to a subsidiary of Les Villages Nature de Val d'Europe S.A.S. responsible for their operation and management.

In October 2016, the Group and Pierre & Vacances-Center Parcs Group reached agreement for Pierre & Vacances-Center Parcs Group to manage the operations of Villages Nature. The governance of the partnership remains unchanged.

Villages Nature is expected to open to the public in 2017. For additional information, see the Villages Nature website (http://www.villagesnature.com).

A.1.2. Geographical Situation of the Resort

Disneyland® Paris is located approximately 32 kilometers (20 miles) east of Paris, France and benefits from access to a highly developed transportation network, including:

- two suburban rail stations on the line A of the RER: the Marne-la-Vallée/Chessy station, located at the entrance of the Theme Parks, and the Val d'Europe station, which permits direct access to the residential and commercial areas of Val d'Europe;
- an exceptional highway network that links the Resort in less than one hour to both Paris and the two international airports serving the Paris area; and

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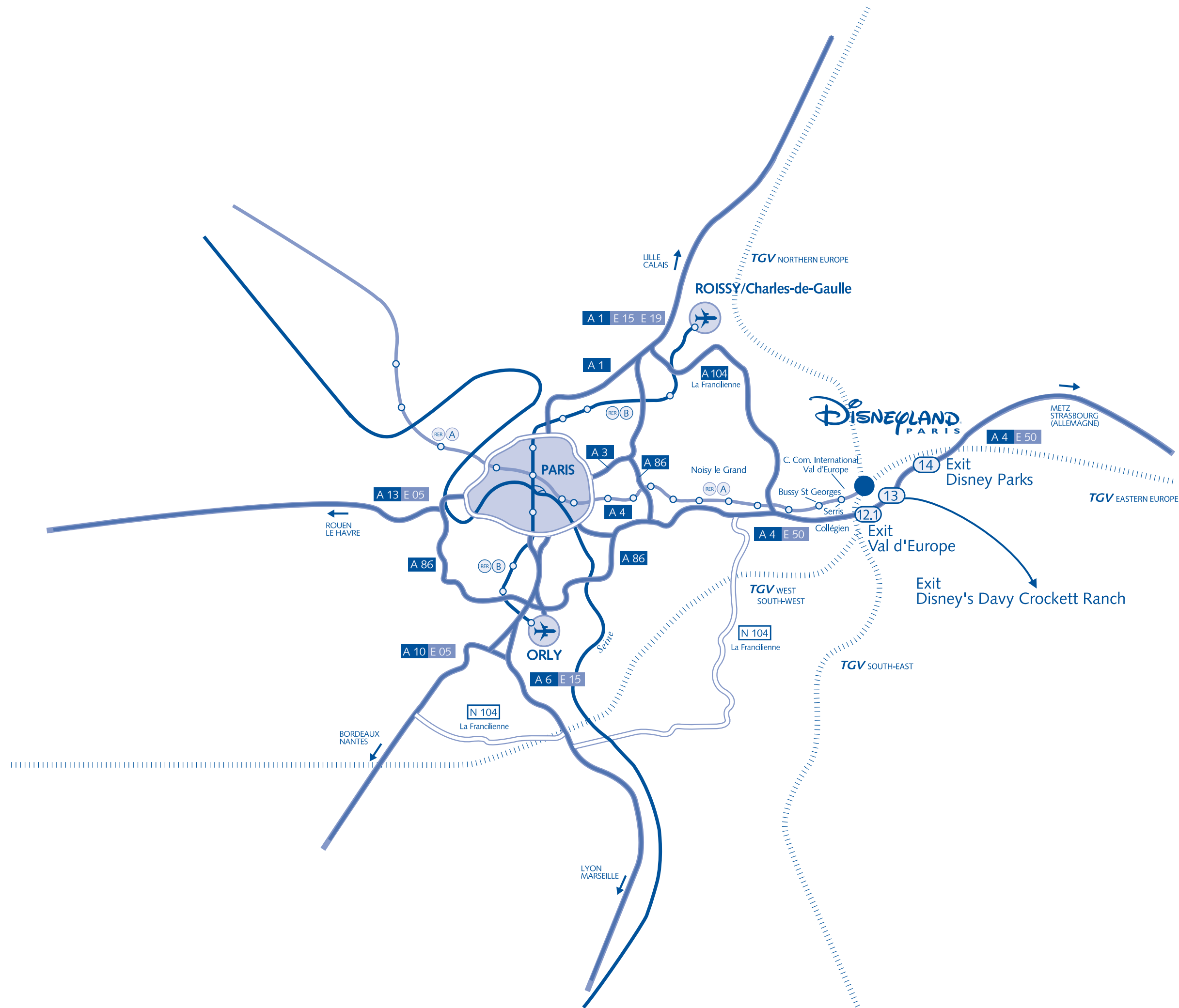
- the Marne-la-Vallée/Chessy high-speed train station located on the Resort, which is one of the most active in France and the largest high-speed rail interchanges in the country. This station provides service to most of the large French regional centers, as well as the United Kingdom, Belgium, Germany and Switzerland and is served by Eurostar and TGV.



The strategic geographical location allows access to a market of more than 300 million potential guests within two hours travel from the Resort.

According to internal research conducted in 2016, approximately 54% of the guests traveled to Disneyland® Paris by car, 32% by plane or train and 14% by other transportation (mainly RER and coaches).

A.1.3. Strategy of the Group

Strategic Overview

Disneyland Paris is the leading European vacation destination with attendance of 13.4 million in Fiscal Year 2016 and more than 300 million visitors since the Opening Day in 1992.

The Group's long term strategy aims at improving revenues and profitability through a balanced increase in both volumes in the Parks and the Hotels and average spending per guest and per room. To meet this objective, the Group focuses on investing in the quality of the experience it offers to its guests and strengthening the Group's fundamentals.

The relationship the Group builds with its guests is essential for the long-term development of Disneyland® Paris and remains the Group's priority. This relationship needs to be based on trust and the promise of memorable experiences. Guests who have favorable experiences at the Resort are more likely to return and recommend it to others.

The challenging economic environment in the past years, combined with the more recent unfavorable weather and geopolitical conditions as well as an increase in public security concerns in Europe, have had a negative impact on the tourism and leisure industry and on the Group's operating performance. At the same time, the Group incurred significant investment costs necessary to maintain its ongoing activities and to prepare the 25th Anniversary celebration of Disneyland Paris in 2017. It also incurred the cost of a high level of indebtedness. In this context, the Group has recorded a significant net loss for Fiscal Year 2016. During this time, the Group has continued to invest in the guest experience in preparation for a more stable economic and geopolitical environment and in an effort to achieve its long-term goals.

In recent years, the Group has carried out significant investments to improve its existing assets, develop new immersive experiences and attractive content and drive its employees' engagement in order to further enhance the quality of the Resort experience and guest satisfaction. The recapitalization and debt reduction plan implemented in Fiscal Year 2015 (the "Recapitalization Plan") enabled the Group to launch a program to refurbish some of its major attractions and improve the guest experience in preparation of the upcoming celebration of Disneyland Paris's 25th Anniversary in 2017.

The principal elements of the Group's strategy are as follows:

- ***Remain the European leader in themed resort experiences***
  The Group enhances the experience in its Theme Parks by improving its product quality and regularly adding new entertainment and attractions. These new offerings are designed to drive guest satisfaction through further enhancing the core guest experience and increasing the capacity of Disneyland Paris. The Group also continues to drive guest satisfaction through increased attraction availability, reduced waiting times, improved food and beverage offerings, innovative merchandise selection and operational excellence prioritizing safety in every action. During Fiscal Year 2015, the Group launched a refurbishment program in preparation of the celebration of Disneyland Paris's 25th Anniversary in 2017. Under this program, the Group has notably completed refurbishments of "*it's a small world*" and *Peter Pan's Flight* attractions during Fiscal Year 2016.

- ***Further enhance the Disney Hotels experience***
  The Disney Hotels are a key component of the Resort experience and a key driver of guest satisfaction. The Group has developed unique services for its "onsite" guests. Entertainment is also an integral part of the Hotel services. In Fiscal Year 2011, the Group began a multi-year program to refurbish each of its 5,800 hotel rooms in order to drive guest satisfaction as well as spending per room. In Fiscal Year 2016, the Group completed the refurbishment of Disney's Newport Bay Club® and increased its standard to a 4-star hotel under this program.

- ***Attract new and repeat guests through relevant marketing & sales strategies and offers***
  The Group has implemented separate marketing and sales efforts designed to encourage attendance by further penetrating the Group's seven major markets, which are detailed hereafter. The Group strives to offer the most adapted and personalized package to each guest (length of stay, park content, meal content, transportation) to increase conversion and repeat visitation from major markets. The Group's pricing strategies are regularly adapted for changes to the economic environment. Marketing and sales strategy also aims at creating emotional urgency to visit, with the right balance of emotional and rational triggers, while lifting barriers to visit.

- ***Further enhance effectiveness of the Group's marketing and sales investments***
  The Group is continuously adapting its marketing and sales approach to the changing travel distribution landscape in Europe. In each key market, the Group carefully chooses the channels and partners that would best serve guests and aligns its reward and support structures to these choices. Over the last few years, the Group continued to increase direct sales to consumers, via higher investment in consumer direct operations, notably with the online booking platform, and through the Group's in-house tour operator. The Group continues to invest in systems and processes designed to guide the consumer decision-making process, to maximize media campaign returns and to drive conversion and value per transaction in each distribution channel.

- ***Drive opportunities from proximity and new geographical markets***
  In line with its efforts to increase the return on investment from its marketing and sales activities, the Group remains committed to increase business from proximity and new geographical markets. Proximity markets are the own home market (one-day guests, primarily from the region around the Resort), the Paris tourist market (guests who come to the region primarily to visit Paris and choose to visit the Resort for a day) and the Disney destination market (guests who come primarily to visit the Resort but choose to stay at offsite non-Disney hotels). New geographical markets are mainly related to countries in Eastern Europe, the Middle East and Russia. Specific marketing and sales approaches are developed to target each market to increase attendance and average guest spending.

- ***Further enhance staff excellence, development and well-being***
  The Group strives to make Disneyland® Paris the most desired employer in the region by committing to create the conditions needed for the development, engagement and enhancement of its human capital. The Group promotes corporate responsibility and social dialogue. It provides employees with the training necessary to deliver excellent guest service and the opportunity to develop themselves professionally and personally, as well as a variety of social support programs. The Group also works with its trade unions to allow for greater flexibility to match staffing to guest needs and to best manage costs against the inherent seasonality of demand and the economic environment. The Group also remains committed to constantly improve its employees' health and safety conditions and professional well-being (see section B.7. "Social, Environment and Societal Information" for more details).

- ***Development and management of the 2,230-hectare site***
  The Group's real estate development operating segment comprises the development of the 2,230-hectare site, within the terms set out in the Main Agreement (see section A.3. "History and Development of the Group" for more details). The Group's strategy is to increase the value of this land and the overall site as well as to protect the tourist destination environment through the integrated development of the Resort, retail, office and residential real estate projects.

  With its public and private partners, the Group leads the development of the Val d'Europe community in order to build a hub of infrastructure and economic activities. The urban site currently hosts 30,000 inhabitants and 28,000 jobs and, as per the Main Agreement, could ultimately host up to 60,000 inhabitants and 60,000 jobs.

  The Main Agreement also allows the Group to develop, in partnership with Pierre & Vacances-Center Parcs Group, the Villages Nature project, which is expected to be developed in phases over the duration of the Main Agreement (see section A.1.1. "Operational Organization of the Group", sub-section "Real Estate Development Operating Segment" for more details).

Marketing and Sales Overview

Target Markets

The Group has seven major markets composed of France, the United Kingdom, Spain, Belgium, the Netherlands, Italy and Germany. The Group's remaining markets are aggregated together as the "Rest of the World". Within these markets, the primary segment is composed of families with children from 3 to 15 years old. Secondary segments mainly include adult couples without kids.

Based on internal surveys of the Group's guests, during the past three Fiscal Years the geographical breakdown of Theme Parks attendance is as follows:

	2016	2015	2014
France	49%	48%	49%
United Kingdom	17%	16%	15%
Spain	9%	9%	8%
Belgium	6%	6%	6%
Netherlands	5%	6%	6%
Germany	3%	3%	3%
Italy	2%	3%	3%
Rest of the World	9%	9%	10%
Total	**100%**	100%	100%

Distribution Channels

The Group's products are distributed either individually or packaged together. Packages may include some or all of a guest's lodging, Theme Parks access, dining, transportation and other services.

Theme Parks tickets are sold at the entrance to the Theme Parks and through the Group's call centers, the Group's Internet website and third-party distribution channels.

Packages can be booked by individual guests, either via third party distributors or tour operators or through Euro Disney Vacances S.A.S. ("EDV") direct sales. EDV is a French simplified corporation and the Group's in-house tour operator. The Group benefits from a commercial presence in Paris, London, Madrid, Brussels, Amsterdam, Milan and Munich, as well as Lisbon, Dublin, Moscow and Warsaw.

The Group has entered into several agreements with Disney Destinations LLC ("DD LLC"), an indirect, wholly owned subsidiary of TWDC to develop sales and distribution synergies covering all of the Walt Disney Parks and Resorts destinations in the world and for the provision of certain call center services (see section A.4.1. "Significant Undertakings Related to the Resort's Development", sub-section "Undertakings for Other Services").

During Fiscal Year 2015, the Group launched an updated website with a new platform and a redesigned booking experience that is also optimized and accessible for mobile devices. The Group's website is available in nine languages and receives an average of approximately 167,000 visits per day. The website allows guests to learn about the Resort, order a brochure, make lodging reservations, directly purchase Theme Parks tickets, save travel wishes and view booked itineraries.

Travel Alliances

The Group has several travel alliance partners. These partners include AIR FRANCE-KLM, easyJet, SNCF and Eurostar and help ensure long-term accessibility to the Resort. Agreements with these partners allow joint communications and promotional actions, and provide carriers with the right to use the Disneyland® Paris name and logo in their advertising campaigns. In addition, the Group has the right to provide airline or train tickets in its packages to its guests.

Competition

The Group's Theme Parks activity competes with other theme parks, particularly in Europe. The ten largest European theme parks attracted approximately 47 million guests in calendar year 2015, as follows:

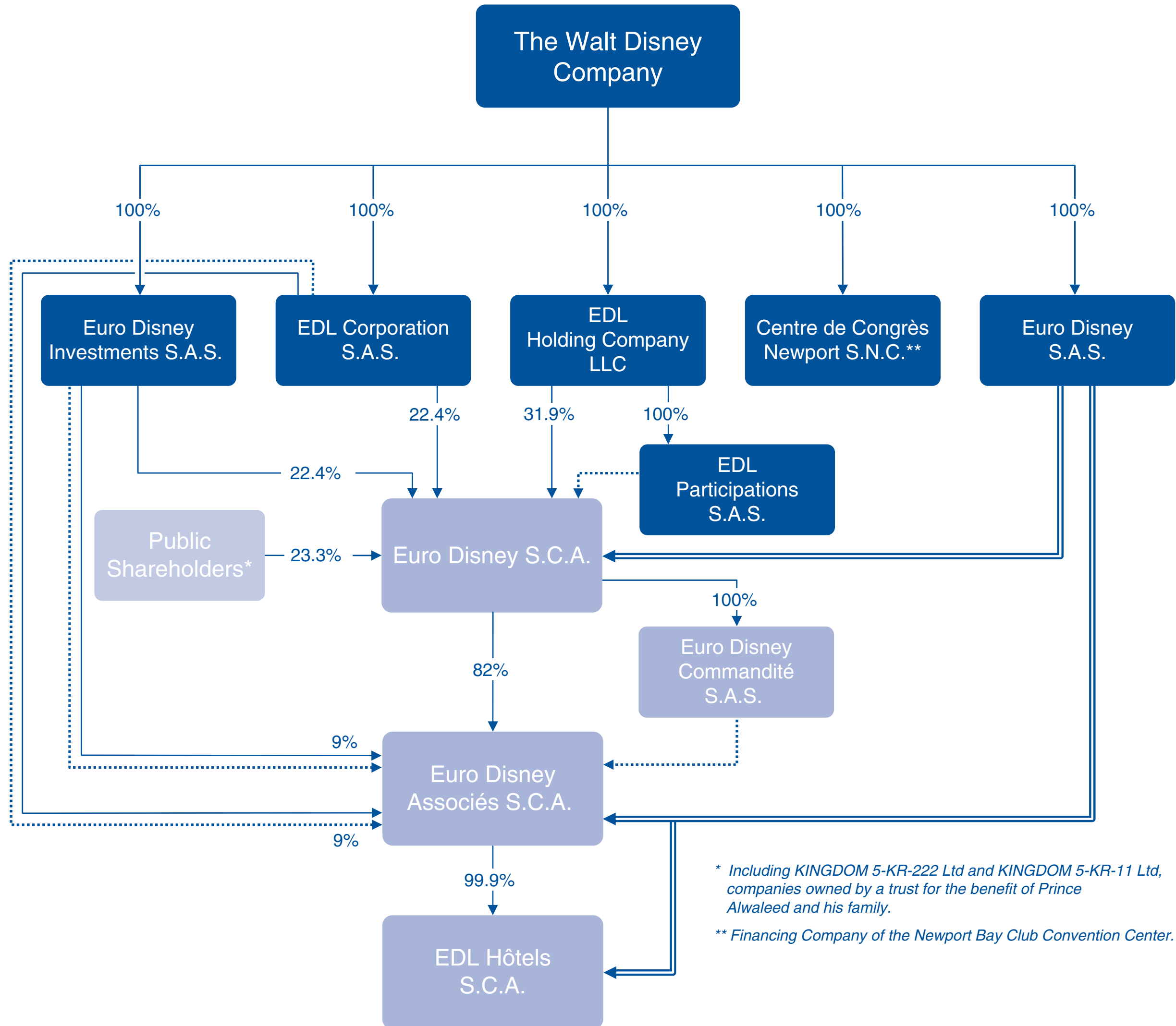
Theme parks in Europe	Location	Attendance *(in millions of guests)* 2015	2014
Disneyland® Paris (Fiscal Year ended September 30)[1]	France	14.8	14.2
Europa Park	Germany	5.5	5.0
Tivoli Gardens	Denmark	4.7	4.5
De Efteling[1]	Netherlands	4.7	4.4
Port Aventura	Spain	4.0	3.9
Liseberg	Sweden	3.5	3.5
Gardaland	Italy	3.1	3.0
Legoland Windsor	United Kingdom	2.3	2.2
Legoland Billund	Denmark	2.1	1.9
Puy du Fou	France	2.0	1.9
Total		46.7	44.5

(1) *In the table above, only Disneyland Paris and De Efteling are open on a year-round basis.*
Source: Individual company press releases (excluding non-gated amusement parks), national statistics or estimates based on press articles.

In addition, the Group also competes for guests throughout the year with other kinds of entertainment alternatives. These include trips to other European and international holiday destinations (including ski and seaside resorts), other leisure and entertainment activities or purchases. The Group's Hotels activity competes with other hotels and convention centers in the surrounding area and all over Europe.

A.2. Corporate Organization of the Group

As of September 30, 2016, the simplified ownership structure of the Group and other entities composing its legal structure is presented below.



During Fiscal Year 2015, the ownership structure of the Group was modified as a result of the Recapitalization Plan. For more details on the Recapitalization Plan, please refer to the Group's 2015 Reference Document[1].

Related-party transactions between TWDC (and its affiliates) and the Group's legal entities are detailed in Exhibit 3 of section B.2. "Group and Parent Company Management Report" and in note 18. "Related-Party Transactions" of section B.3. "Consolidated Financial Statements". The risks related to potential conflicts of interests are detailed in section B.2. "Group and Parent Company Management Report", sub-section "Insurance and Risk Factors".

[1] The Group's 2015 Reference Document was registered with the *Autorité des Marchés Financiers* ("AMF") on January 21, 2016, under the number D. 16-0038 (the "2015 Reference Document") and is available on the Company's website (http://corporate.disneylandparis.com) and the AMF website (www.amf-france.org).

Euro Disney S.C.A. – Holding Company

The Company, a publicly held French limited partnership with shares traded on Euronext Paris, is managed by Euro Disney S.A.S. (the "*Gérant*"), a French simplified corporation and an indirect wholly-owned subsidiary of TWDC. The General Partner is EDL Participations S.A.S., also an indirect wholly-owned subsidiary of TWDC. The Company is the holding company of the Legally Controlled Group and owns 82% of Euro Disney Associés S.C.A. ("EDA"), which is the primary operating company of the Resort.

For more details on the Company's financial position, see section B.5. "Company Financial Statements Prepared Under French Accounting Principles".

Euro Disney Associés S.C.A. and EDL Hôtels S.C.A. – Operating Companies

Euro Disney Associés S.C.A.

EDA is a French limited partnership and a direct subsidiary of the Company. EDA owns and operates the Disneyland® Park and the Walt Disney Studios® Park, the Disneyland® Hotel, Disney's Davy Crockett Ranch and the Golf Courses. In addition, EDA manages the real estate development operating segment of the Group.

EDA is the legal entity that services nearly all the Group's indebtedness.

EDL Hôtels S.C.A.

EDL Hôtels S.C.A. ("EDLH") is a French limited partnership and a wholly-owned subsidiary of EDA. EDLH owns and operates Disney's Hotel New York®, including its convention center, Disney's Newport Bay Club®, Disney's Sequoia Lodge®, Disney's Hotel Cheyenne®, Disney's Hotel Santa Fe® as well as the Disney Village®. In addition, EDLH operates the Newport Bay Club Convention Center.

Centre de Congrès Newport S.N.C. – Financing Company

Centre de Congrès Newport S.N.C. is a French partnership and an indirect wholly-owned subsidiary of TWDC. Centre de Congrès Newport S.N.C. entered into a ground lease with EDLH upon which it financed the construction of the Newport Bay Club Convention Center. Subsequently, Centre de Congrès Newport S.N.C. leased the Newport Bay Club Convention Center assets and the underlying land to EDLH. This lease will terminate in September 2017. EDLH will have the option to acquire the Newport Bay Club Convention Center for a nominal amount over a six-month period before the end of the lease.

Centre de Congrès Newport S.N.C. is not owned by the Group. However, under International Financial Reporting Standards ("IFRS[1]"), it is included in the consolidated statements of financial position as of September 30, 2016. For more information, see section B.3. "Consolidated Financial Statements", note 2.2.1. "Consolidation Principles".

[1] IFRS refers collectively to International Accounting Standards ("IAS"), International Financial Reporting Standards ("IFRS") and interpretations issued by Standing Interpretations Committee ("SIC") and International Financial Reporting Interpretations Committee ("IFRIC").

A.3. History and Development of the Group

On March 24, 1987, TWDC entered into the Main Agreement with the French Republic, the Region of Ile-de-France, the department of Seine-et-Marne (the "Department"), the EPA-France and RATP (the "Public Parties") for the development of 2,000 hectares of land.

The Main Agreement, as amended on September 14, 2010, allows the Group:

- to continue to pursue the development of the tourist destination for hotel and theme park activity, including notably the right to build a third park in the long-term thereby continuing to enhance the attractiveness of Disneyland® Paris and reflecting its support of France as a leader in tourism;
- to continue to pursue the urban development of Val d'Europe with Public Parties to facilitate a rebalancing of economic growth and jobs creation in the eastern part of the Ile-de-France region;
- to develop Villages Nature, a new tourism project based on sustainable development, with Pierre & Vacances-Center Parcs Group (see section A.1.1. "Operational Organization of the Group", sub-section "Real Estate Development Operating Segment");
- to benefit from updated land entitlements that will allow for a more relevant urban development of Val d'Europe.

To facilitate the future growth, the area for development under the Main Agreement was modified from 1,943 to 2,230 hectares. Similarly, the parties agreed to extend the term of the Main Agreement from 2017 to 2030.

The Main Agreement establishes certain key principles for a balanced and sustainable development and commits the Public Parties to certain improvements and additional infrastructure in terms of road access and public transportation both within the land covered by the Main Agreement and elsewhere in Seine-et-Marne.

The Main Agreement determines the general outline of each phase of development entered into by the Group.

A.3.1. Development of the Resort and its Surrounding Areas

The Main Agreement sets out a master plan for the development of the land and a general program defining the type and size of facilities that the Group has the right to develop in the Resort, subject to certain conditions, over a period ending no earlier than 2030 (see section A.1.1. "Operational Organization of the Group", sub-sections "Real Estate Development Operating Segment" and "Land Rights" for more details).

The Group partners with private and public entities to ensure adherence to the Main Agreement development program. As per the Main Agreement, the above mentioned French public authorities have a continuing obligation to oversee the construction of the primary infrastructure. The Group reimburses the French public authorities for certain infrastructure costs that are required to be constructed in order to make certain parcels of land viable for use (see section A.1.1. "Operational Organization of the Group", sub-section "Real Estate Development Operating Segment" and "Land Rights" for more details).

Development of the Resort

The first phase of the Resort development, mainly dedicated to the Resort creation, excluding the Walt Disney Studios® Park, was developed over time in three distinct sub-phases.

Phase IA, spanning from 1989 to 1992, corresponds to the development of the Disneyland® Park, the Disneyland® Hotel, Disney's Davy Crocket Ranch, the Golf Courses and the related infrastructure and support facilities, defined as the "Phase IA Facilities".

Phase IB, spanning from 1989 to 1992, corresponds to the development of five themed hotels, the Disney's Hotel New York® convention center and the Disney Village®, defined as the "Phase IB Facilities".

Phase IC, which was developed between 1992 and 1997, mainly added to the Disneyland® Park product offerings, with the construction and opening of various attractions. In 1996, a number of agreements were signed by the Group with Centre de Congrès Newport S.A.S.[1], an indirect wholly-owned subsidiary of TWDC, for the development and financing of a second convention center located adjacent to Disney's Newport Bay Club® Hotel, the "Newport Bay Club Convention Center".

Development of the Walt Disney Studios® Park and of the Resort's Surrounding Areas

In Fiscal Year 1999, the Group obtained the approval of banks, financial institutions and creditors (the "Lenders") to finance the construction of the Walt Disney Studios® Park (the second phase of the Resort development), which opened on March 16, 2002 adjacent to the Disneyland Park.

While developing the Walt Disney Studios Park, the Group participated in the development of an urban center in Val d'Europe, located adjacent to the Resort. This development included an international shopping mall comprised of 125,000 m^2 of retail space. The Group also participates in the development of the Val d'Europe town center, which currently includes residential, retail, resort and commercial developments.

As part of the second phase of development, other developments were also pursued and resulted in (i) new infrastructure such as a second RER train station and a new interchange on the A4 motorway and (ii) the first phase of an international business park strategically positioned near the A4 motorway, which upon completion is expected to comprise an area of 40 hectares.

A third phase of development was signed with the French public authorities in 2003 and includes the following under various stages of development:

- the expansion of the Disney Village®, the development of convention/exhibition business and additional hotel capacity, when needed;
- the continuation of the Val d'Europe community expansion (residential and office development);
- the development of new public services such as the development of a high school in Serris with international sections, the development of a university center in Val d'Europe, as well as a new building for the TGV station (contingent on the development of a new convention/exhibition center);
- the continuation of the international business park development; and
- other residential developments in the area surrounding the Golf Courses.

In addition, a fourth phase of development was signed in 2014. This new phase allows the Group to start new developments such as:

- the development of new public facilities such as additional schools, a further extension of the university and new cultural and sports facilities;
- the development of the Val d'Europe and Resort access infrastructure through the bus station and RER access;
- new residential developments in the towns of Chessy, Serris and Coupvray;
- a further extension of the shopping mall;
- new offices and other activities in the town center and the business park;
- Theme Parks and related Hotels extensions.

[1] On October 1, 2011, Centre de Congrès Newport S.A.S. modified its corporate form from a French simplified corporation to a French partnership. Its corporate name is now Centre de Congrès Newport S.N.C. For further details, please refer to note 1.3. "Structure of the Group" of the 2012 consolidated financial statements.

For more information on the financing of real estate development activities, see section A.1. “Description of the Group’s Activities and Strategy”, sub-section “Real Estate Development Activities”.

Development of the Les Villages Nature de Val d’Europe *project*

The Group and Pierre & Vacances-Center Parcs Group are developing Villages Nature, an eco-tourism project based on the concept of harmony between man and nature. See section A.1.1. “Operational Organization of the Group”, sub-section “Real Estate Development Operating Segment” and “Les Villages Nature de Val d’Europe *Project*” for more details.

A.3.2. Financing of the Resort’s Development

The Main Agreement specifies the terms and conditions of the Group’s funding for any required infrastructure.

The Phase IA Financing Company[1] was established in November 1989 in order to finance the Phase IA Facilities[2], except the Disneyland® Hotel, Disney’s Davy Crockett Ranch and the Golf Courses. Prior to the refinancing of the Group’s financial debt in 2012 (the “2012 Refinancing”), the Phase IA Financing Company owned a portion of the Phase IA Facilities and leased the related assets to EDA, under a financial lease. Pursuant to the lease, a supplementary rent based upon the number of paying guests visiting the Disneyland® Park was payable by EDA to the Phase IA Financing Company. On September 27, 2012, EDA exercised its option to acquire the Disneyland Park for an amount corresponding to the balance of the Phase IA Financing Company’s then outstanding debt and taking into account a tax and interest indemnity to the partners of the Phase IA Financing Company. In addition, EDA paid applicable transfer taxes and notary fees.

In 1991, various agreements were signed for the development and financing of the Phase IB Facilities[3]. Prior to the 2012 Refinancing, EDLH leased the Phase IB Facilities from the Phase IB Financing Companies[4], which were established for their financing. On September 27, 2012, EDLH exercised its options to acquire the leased assets for an amount corresponding to the balance of the Phase IB Financing Companies’ then outstanding debt and taking into account a tax and interest indemnity to the partners of the Phase IB Financing Companies. In addition, EDLH paid applicable transfer taxes and notary fees.

In 1996, various agreements were signed for the development and financing of the Newport Bay Club Convention Center. EDLH leases the Newport Bay Club Convention Center from Centre de Congrès Newport S.N.C., a special-purpose company that was established for its financing and also an indirect wholly-owned affiliate of TWDC. The leases will expire in September 2017, at which point EDLH will have the option to acquire the Newport Bay Club Convention Center for a nominal amount over a six-month period before the end of the lease.

1994 Financial Restructuring

During the period from the Opening Day through September 30, 1994, the Group experienced significant losses. Net operating losses before the cumulative effect of an accounting change totaled approximately €625 million for the two-and-a-half-year period ending September 30, 1994. In addition, the Group began to experience significant cash flow difficulties during Fiscal Year 1993. In March 1994, the Group entered into a memorandum of agreement with major stakeholders, including TWDC, outlining the terms of a restructuring (the “1994 Financial Restructuring”) of the Group’s obligations as well as those of the Phase IA Financing Company and of the Phase IB Financing Companies (together the “Phase I Financing Companies”).

1 The Phase IA Financing Company was Euro Disneyland S.N.C., a French partnership. As a consequence of the Group’s 2012 Refinancing, this company was dissolved and liquidated in December 2012. For more information, refer to the Group’s 2012 Reference Document.
2 The Phase IA Facilities correspond to the Disneyland® Park’s infrastructures, the Disneyland® Hotel, Disney’s Davy Crockett Ranch and the Golf Courses related facilities and the underlying lands.
3 The Phase IB Facilities correspond to five themed hotels and the Disney Village® entertainment center.
4 The Phase IB Financing Companies were six special-purpose companies structured as French partnerships. As a consequence of the Group’s 2012 Refinancing, these companies were dissolved and liquidated in December 2012. For more information, refer to the Group’s 2012 Reference Document.

The 1994 Financial Restructuring essentially provided for concessions and contributions to be made by each of the Lenders and by TWDC. In addition, it provided for the prepayment of certain outstanding loan indebtedness of the Group and Phase I Financing Companies using the proceeds raised from a €907 million Company share capital increase.

See section B.3. "Consolidated Financial Statements", note 21.2.1. "Group's Contingent Obligations Excluding Villages Nature" for more details.

1999 Financing of the Walt Disney Studios® Park

The construction of the Walt Disney Studios® Park was financed using the proceeds raised from a €220 million Company share capital increase in Fiscal Year 2000 and new subordinated long-term borrowing from the *Caisse des dépôts et consignations* ("CDC") of €381 million (the "Walt Disney Studios Park Loans").

The Walt Disney Studios Park Loans were originally comprised of a series of four loans, two of €76 million each maturing in Fiscal Years 2015 and 2021, respectively, and two of €114 million each maturing in Fiscal Years 2025 and 2028, respectively. These loans bore interest at a nominal rate of 5.15% per annum. As part of the 2012 Refinancing, the Walt Disney Studios Park Loans were settled in September 2012.

2005 Restructuring

In Fiscal Year 2003, the Group experienced reduced revenues, particularly as a result of a prolonged downturn in European travel and tourism combined with challenging general economic and geopolitical conditions in the Group's key markets. This reduction occurred despite the opening of the Walt Disney Studios Park, where the number of guests and revenues generated were below expectations. The Group recorded increased losses as a result of these reduced revenues, as well as higher operating costs and higher marketing and sales expenses related to the opening of the Walt Disney Studios Park.

In September 2004, the Company and certain other companies of the Group signed a memorandum of agreement with the Lenders and TWDC on a comprehensive restructuring of the Group's financial obligations (the "2005 Restructuring"). The final conditions necessary to implement the 2005 Restructuring were completed in February 2005. The 2005 Restructuring provided new cash resources, reduced or deferred certain cash payment obligations and provided more flexibility to invest in new attractions and in the development of the Resort and its surrounding areas.

The 2005 Restructuring transformed the Company into a holding company. Substantially all of the Company's assets and liabilities were transferred to EDA, which became the primary operating company for the Group.

The principal features of the 2005 Restructuring were: (i) a €253 million share capital increase, (ii) a new standby revolving credit facility made available by TWDC for an amount of €150 million until September 30, 2009 and for an amount of €100 million from October 1, 2009 to September 30, 2014, (iii) the deferral of a portion of the Group's debt service obligations, (iv) the deferrals of a portion of the royalties and management fees payable to TWDC over the following Fiscal Years and (v) a bank authorization to implement a €240 million plan (the "Development Plan") to develop new Theme Parks attractions and to limit spending on maintaining and improving the existing asset base.

Pursuant to the 2005 Restructuring, the CDC agreed to defer and convert to subordinated long-term debt certain interest related to the Walt Disney Studios Park Loans. Terms of the 2005 Restructuring and its impact on the Group are described in the Group's Reference Document registered with the AMF on April 21, 2006, under the number R. 06-0034 and in the Consolidated Financial Statements for Fiscal Year 2005.

Following the 2005 Restructuring, the Group was obliged to respect certain financial covenant requirements and had to meet minimum performance objectives. Following the 2012 Refinancing, these financial covenants and minimum performance objectives were extinguished. For more information concerning the above mentioned financial requirements and performance objectives, see section C.3. "Information Concerning the Group's Financial Covenant Obligations" of the Group's 2011 Reference Document.

2012 Refinancing of the Group

In Fiscal Year 2012, the Group and TWDC agreed on a refinancing of the Group's financial debt. On September 27, 2012, the Group settled its borrowings, excluding previously existing TWDC debt, from proceeds of two new loans and a new standby revolving credit facility from TWDC. The 2012 Refinancing included the following:

- Two indirect wholly-owned subsidiaries of TWDC, Euro Disney Investments S.A.S. and EDL Corporation S.A.S., granted two loans to the Group, each amounting to €616 million. These loans bear interest at a fixed rate of 4%, with interest payments due every semester, and principal repayments originally due annually beginning in Fiscal Year 2014 and ending in Fiscal Year 2028.

- TWDC granted the Group a standby revolving credit facility amounting to €100 million, fully drawn by the Group as part of the 2012 Refinancing. This standby revolving credit facility bore interest at Euribor +2%. At the Group's initiative, interest could be paid either every one, three or six months, and the principal could be repaid at any time until its expiration date of September 30, 2017.

- The Legally Controlled Group simultaneously settled its remaining borrowings, excluding previously existing TWDC debt, and exercised its options to acquire the Phase IA Facilities and the Phase IB Facilities which were leased under financial lease agreements until the 2012 Refinancing.

According to the various financing agreements in effect until September 27, 2012, the Group was bound by certain commitments toward its lenders, mainly related to restrictions on investments and indebtedness, financial reporting and financial covenants (see section C.3. "Information Concerning the Group's Financial Covenant Obligations" of the Group's 2011 Reference Document). Following the 2012 Refinancing, these covenant obligations were extinguished.

The two €616 million loans and the €100 million standby revolving credit facility described above were unsecured. In addition, under these new agreements with TWDC, the Group still has restrictions on incurring additional indebtedness for borrowed money and on new liens against its assets. There are no new restrictions or commitments toward TWDC other than those described in section B.3. "Consolidated Financial Statements", note 11.7. "Debt Covenants".

As a consequence of the 2012 Refinancing, the Phase I Financing Companies from which the Legally Controlled Group leased the related facilities were deconsolidated. See section B.3. "Consolidated Financial Statements" of the Group's 2012 Reference Document for more details.

With the 2012 Refinancing, the Group's average interest rate on its debt decreased meaningfully and the Group benefits from greater operational flexibility by removing the restrictive covenants under previously existing debt agreements, notably those related to restrictions on capital expenditures.

2015 Recapitalization Plan

In Fiscal Year 2015, the Group implemented the Recapitalization Plan, which amounted to approximately €1 billion. The Recapitalization Plan aimed at improving the Group's financial position and enabling it to continue investing in Disneyland® Paris and improve the guest experience.

The main elements of this Recapitalization Plan were as follows:

- cash infusion of €423 million, through capital increases of the Company and EDA;

- conversion of €600 million of debt owed to indirect subsidiaries of TWDC into equity through capital increases of the Company and of EDA (this conversion was performed at the debt's nominal value);

- deferral of all amortization payments of loans granted by indirect subsidiaries of TWDC until a revised maturity date in December 2024 (previously 2028); and

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- repayment of €250 million drawn under the standby revolving credit facilities previously granted by TWDC maturing in 2015, 2017 and 2018, replaced by a single €350 million revolving credit facility maturing in December 2023 (the " Revolving Credit Facility").

The Recapitalization Plan enabled the Group to launch a program to refurbish some of its major attractions and improve the guest experience in preparation of the upcoming celebration of Disneyland® Paris's 25th Anniversary in 2017.

For more details on the different steps of the Recapitalization Plan, please refer to the Group's 2015 Reference Document[1].

[1] The Group's 2015 Reference Document was registered with the *Autorité des Marchés Financiers* ("AMF") on January 21, 2016, under the number D. 16-0038 (the "2015 Reference Document") and is available on the Company's website (http://corporate.disneylandparis.com) and the AMF website (http://www.amf-france.org).

A.4. Significant Agreements of the Group

A.4.1. Significant Undertakings Related to the Resort's Development

Undertakings with TWDC Affiliates

License Agreement

Under a licensing agreement entered into between Disney Enterprises, Inc. ("DEI") and the Company[1] (the "License Agreement") on February 27, 1989, the Company was granted a license to use any present or future intellectual or industrial property rights of TWDC that may be incorporated into attractions and facilities designed from time to time by TWDC and made available to the Company. In addition, the License Agreement authorizes the sale, at the Resort, of merchandise incorporating or based on intellectual property rights owned by, or otherwise available to, TWDC. This license is essential to the pursuit of the Group's business activities.

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 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 EDA and certain affiliates, the liquidation of such companies, the imposition of laws or regulations that prohibit EDA and certain affiliates from performing any of their material obligations under the License Agreement or the imposition of taxes, duties or assessments that would materially impair distributable earnings of these entities.

These intellectual property rights are registered in the name of TWDC, which is responsible for their protection in France. The License Agreement provides TWDC substantial rights and discretion to approve, monitor and enforce the use of TWDC intellectual property rights within the Resort.

Royalties to be paid by the Company for the use of these rights are equal to:

- 10% of gross revenues (net of taxes) from rides, admissions and related fees (such as parking, tour guide and similar service fees) at all Theme Parks and attractions;
- 5% of gross revenues (net of 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), whose overall design concept is based predominantly on a TWDC theme;
- 10% of all fees paid by participants (net of taxes) (see section A.4.2. "Other Significant Operating Agreements" for more details); and
- 5% of gross revenues (net of taxes) from the exploitation of hotel rooms and related revenues at certain Disney-themed accommodations. None of the Group's currently existing Hotels at the Resort are considered Disney-themed as defined in the License Agreement, except the Disneyland Hotel which is specifically excluded.

In November 2016, TWDC[2] agreed to waive payment of two years of royalties, commencing with the €17 million payment for the fourth quarter of Fiscal Year 2016 (see sub-section "Waivers and Deferrals of the Amounts due to affiliates of TWDC under the License and Management Agreements" hereafter for more information).

Management Agreements

In accordance with applicable French laws, the Company's, EDA's and EDLH's *Gérant* is responsible for the management of all aspects of their respective operations in the best interests of these entities. The *Gérant* has the power to act and contract on their behalf in any and all respects within their corporate purpose. For these services, the *Gérant* is entitled to a fixed annual fee of €25,000 and €76,225 due by the Company and EDLH, respectively. The *Gérant*'s compensation due by EDA consists of a base fee, an incentive fee and a hotel sales fee, as described below. The Company's, EDA's and EDLH's *Gérant* is Euro Disney S.A.S., an indirect wholly-owned subsidiary of TWDC.

[1] Pursuant to the 2005 Restructuring, this agreement was transferred to EDA.
[2] The waivers of royalty and management fees were granted by wholly-owned affiliates of TWDC.

Base Management Fee

Following the modification of EDA's bylaws after the 2012 Refinancing, the base management fee is equal to the following percentages of the Group's total revenues for the Fiscal Years presented:

- 1.0% from October 1, 1998 to September 30, 2015;
- 3.0% from October 1, 2015 to September 30, 2018;
- 6.0% from October 1, 2018 and beyond.

In addition, the right of the *Gérant* to receive payment of the portion of the base management fee in excess of 1% of revenues is contingent upon:

- EDA achieving a positive consolidated net income before taxes for the Fiscal Year to which such fee relates, after taking into account the base management fee; and
- EDA's legal ability to distribute dividends for such Fiscal Year.

From October 1, 2018, when applicable, the portion of base management fee in excess of 3% of the Group's total revenues will be accrued but will remain not payable until November 2, 2023. In addition, the base management fee may not exceed 40% of EDA's consolidated after-tax profits for such Fiscal Year (calculated on the basis of a base management fee of 3%).

The Group recorded €13 million[1] of base management fees expense for Fiscal Year 2016 compared with €14 million and €13 million for Fiscal Years 2015 and 2014, respectively.

Management Incentive Fee

The management incentive fee for a given Fiscal Year is fixed at 30% of any portion of pre-tax adjusted cash flow, as defined in EDA's bylaws, in excess of 10% of the total gross fixed assets of EDA, as defined in EDA's bylaws, for that Fiscal Year. No management incentive fees were due in Fiscal Years 2016, 2015 and 2014 under this agreement.

Hotel Sales Fee

Upon the sale of any of the Hotels, a fee equal to 35% of pre-tax net revenue, as defined, received by EDA from any such sale is due to the *Gérant*. In Fiscal Years 2016, 2015 and 2014, no amount was due as no Hotel has been sold.

Waivers and Deferrals of the Amounts due to affiliates of TWDC under the License and Management Agreements

As part of the 1994 Financial Restructuring, the *Gérant* agreed to waive its base management fee for Fiscal Years 1992 through 1998. In addition, TWDC[2] waived royalties for Fiscal Years 1994 through 1998. Starting in Fiscal Year 1999, the base management fee was calculated at lower rates than the rates in the original bylaws. In addition, starting in Fiscal Year 1999 and through Fiscal Year 2003, the royalties payable by the Company were calculated at rates equal to 50% of the initial rates (see above sub-section "License Agreement").

In 2003, in a context of sustained and significant slowdown in European travel and tourism, TWDC[2] agreed to waive royalties and management fees for the last three quarters of Fiscal Year 2003 and to defer the payment of Fiscal Year 2004 royalties and management fees to the first quarter of Fiscal Year 2005.

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[1] This includes €4 million of EDA base management fees for the fourth quarter of Fiscal Year 2016 for which payment was waived by the *Gérant* (see sub-section "Waivers and Deferrals of the Amounts due to Affiliates of TWDC under the License and Management Agreements" hereafter for more information).

[2] The waivers of royalty and management fees have been historically granted by wholly-owned affiliates of TWDC.

Pursuant to the 2005 Restructuring, TWDC[1] agreed to defer payment of royalties and base management fees due by the Group, on an unconditional basis for a total amount of €125 million and on a conditional basis for a total amount up to €200 million. The royalties and management fees deferral mechanism was extinguished as a consequence of the 2012 Refinancing. Beginning in 2012, the Group paid the amounts due each year under the License and Management Agreements.

In November 2016, TWDC[1] agreed to waive two years of royalties and management fees, commencing with the €21 million payment for the fourth quarter of Fiscal Year 2016, to provide the Group liquidity above its remaining undrawn standby revolving credit facility.

The Development Agreement

Pursuant to the development agreement dated February 28, 1989 entered into between the Company and the *Gérant* (the "Development Agreement"), the *Gérant* provides and arranges for other subsidiaries of TWDC to provide a variety of technical services to the Company, some of which are dependent upon TWDC expertise and cannot reasonably be supplied by other parties. Pursuant to the 2005 Restructuring, this agreement was transferred to EDA.

These services are in addition to the management services that Euro Disney S.A.S. is required to provide as EDA's *Gérant* (see the sub-section headed "Management Agreements" for more details). These services include, among other things, the development of conceptual designs for existing Theme Parks and future facilities and attractions, the manufacture and installation of specialized show elements, the implementation of specialized training for operating personnel, the preparation and updating of technical operation and maintenance manuals, and the development of a strategic plan for master land use and real estate development. Euro Disneyland Imagineering S.A.R.L. ("EDLI"), an indirect wholly-owned subsidiary of TWDC, is responsible for the management and administration of the overall design as well as the construction of the Theme Parks and the Development Plan, including the design and procurement of the show and ride equipment. Most of the other facilities of the Resort were designed under the Group's supervision with the technical assistance of affiliates of TWDC which are specialized in the development of hotels, resorts and other retail and commercial real estate projects.

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 the *Gérant* or by the Group under certain conditions, in particular in case of a change of control of EDA, or in case EDA was to be liquidated.

The Group reimburses the *Gérant* for all of its direct and indirect costs incurred in connection with the provision of services under the Development Agreement. These costs include, without limitation: (i) all operating expenses of the *Gérant*, including overhead and implicit funding costs; (ii) all costs related to services under the Development Agreement incurred directly by the *Gérant* or billed to it by third parties; and (iii) certain costs, which may include a 5% to 10% mark-up, billed to the *Gérant* for services performed by TWDC or any of its affiliates related to the Development Agreement. Such costs may vary considerably from one Fiscal Year to another depending upon the projects under development (see section B.3. "Consolidated Financial Statements", note 18. "Related-Party Transactions" for more details).

Undertakings for Other Services

The Group also has agreements with other wholly-owned subsidiaries of TWDC such as:

- an agreement with The Walt Disney Company Ltd to host the Group's Internet sites.
- various agreements with DD LLC for support services, notably for developing sales and distribution opportunities, providing call center services and information technology solutions for its hotels and sales and distribution departments.

[1] The waivers of royalty and management fees have been historically granted by wholly-owned affiliates of TWDC.

Summary of the impacts of the agreements with TWDC over the last three Fiscal Years, excluding debt agreements

(€ in millions)	Fiscal Year 2016	2015	2014
Revenues	**21**	18	15
Royalties	**(62)**	(69)	(62)
Management fees[1]	**(13)**	(14)	(13)
Development agreement (excluding capitalized costs)[2]	**(44)**	(35)	(31)
Other services	**(6)**	(6)	(6)
Costs and expenses	**(125)**	(124)	(112)
% of total costs and expenses	***8.2%***	*8.5%*	*8.3%*
Other income[3]	**-**	24	-
Development agreement (capitalized costs)	**19**	16	20
Other agreements (capitalized costs)	**2**	-	-

(1) *Corresponds to the base management fees earned by the* Gérant *of EDA, as well as the management fees earned by the* Gérant *of the Company and EDLH.*
(2) *Includes direct and indirect costs reimbursed to the* Gérant *under the Development Agreement as well as costs reimbursed to Euro Disneyland Imagineering S.A.R.L. See section B.3. "Consolidated Financial Statements", note 18.2. "Development Agreement and Other Services" for more information.*
(3) *During Fiscal Year 2015, the Group received from The Walt Disney Company (France) S.A.S. a €24 million fee for the early termination of a lease agreement related to office space located in the Walt Disney Studios® Park.*

The Group believes that its dealings with TWDC and its affiliates are commercially beneficial to the Group and that it has reasonable oversight as to the financial and commercial implications of these arrangements. This oversight includes for instance validation of budgets or review of actual expenditure by the Group or by independent third parties. To the extent that they qualify as related-party agreements, all such agreements must be authorized by the Company's or EDA's Supervisory Board and must be subsequently ratified by the companies' shareholders. A special report thereon must also be issued by the Company or by EDA's Supervisory Board and the statutory auditors. Members of the Company's Supervisory Board who are affiliated with TWDC are not entitled to vote on such agreements.

See section B.2. "Group and Parent Company Management Report", Exhibit 3, and section B.3. "Consolidated Financial Statements", note 18. "Related-Party Transactions" for more details on these transactions.

See section B.3. "Consolidated Financial Statements", note 11. "Borrowings" for more details on the Group's financing agreements with TWDC, its unique lender.

See section B.3. "Consolidated Financial Statements", note 21.2. "Commitment and Contingencies" for more details on the Group's commitment and contingencies with TWDC.

A.4.2. Other Significant Operating Agreements

Participant Agreements

The Group has entered into participant agreements with companies that are key players in their fields. As of September 30, 2016, these participants include the following: Coca-Cola, Crédit Mutuel, Fujifilm, H2O+, Hertz, Lactalis, MasterCard, Nestlé Waters, Orange, Osram, Segafredo Zanetti and Unilever.

These participant agreements provide the Resort participants with all or some of the following rights in exchange for an individually negotiated fee: (i) a presence in the Resort through the sponsorship of one or more of the Resort's attractions, restaurants or other facilities, and (ii) promotional and marketing rights with respect to the category of product which is covered by the participant agreement.

Each participant agreement terminates automatically in the event of an early termination of the License Agreement (see the sub-section headed "License Agreement" above).

ANNUAL FINANCIAL REPORT

B.1. Key Consolidated Financial Data

(€ in millions, except per share data)	Fiscal Year		
	2016	**2015**	**2014**
Income Statement Data:			
Revenues	**1,278**	1,373	1,280
EBITDA[(1)]	**(34)**	141	113
Operating margin	**(242)**	(57)	(66)
Net financial charges	**(38)**	(46)	(50)
Net loss	**(858)**	(102)	(114)
Net loss attributable to:			
Owners of the parent	**(705)**	(84)	(94)
Non-controlling interests	**(153)**	(18)	(20)
Loss per share[(2)]	**(0.90)**	(0.17)	(2.41)
Balance Sheet Data:			
Property, plant and equipment, net[(3)]	**1,164**	1,724	1,776
Total assets	**1,618**	2,290	2,160
Equity attributable to the owners of the parent	**(118)**	583	(169)
Non-controlling interests	**(22)**	131	(32)
Current and Non-current borrowings	**1,135**	1,001	1,747
Cash Flow Data:			
Cash (used in) / generated by operating activities	**(68)**	69	78
Cash used in investing activities	**(193)**	(134)	(145)
Free cash flow[(1)]	**(261)**	(65)	(67)
Cash generated by financing activities	**125**	265	38

(1) *EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortization) and Free cash flow (Cash generated by operating activities less cash used in investing activities) are not measures of financial performance defined under IFRS, and should not be viewed as substitutes for operating margin, net profit / (loss) or operating cash flows in evaluating the Group's financial results. However, management believes that EBITDA and Free cash flow are useful tools for evaluating the Group's performance. See section B.2."Group and Parent Company Management Report", sub-section "Fiscal Year 2016 Consolidated Results of the Group" for a reconciliation of EBITDA and Free cash flow with the consolidated financial statements.*

(2) *Loss per share is calculated by dividing the net loss attributable to owners of the parent by the weighted-average number of shares outstanding during the period. See section B.3. "Consolidated Financial Statements", note 2.2.15. "Loss per share" for more details.*

(3) *The Group's tangible fixed assets are described in section B.3. "Consolidated Financial Statements", note 3. "Property, Plant and Equipment, Investment Property and Intangible Assets".*

Following the implementation of Article 28 of the European Regulation n° 809/2004, the Group's consolidated financial statements and the statutory auditors' report on the consolidated financial statements are presented by reference:

- for Fiscal Year 2015 in pages 74 to 121 of the English version of the Reference Document filed with the AMF on January 21, 2016, under number D. 16-0038; and
- for Fiscal Year 2014 in pages 69 to 115 of the English version of the Reference Document filed with the AMF on December 17, 2014, under number D. 14-1132.

These documents are available on both the Euro Disney (http://corporate.disneylandparis.com) and the AMF (www.amf-france.org) websites[1].

[1] The AMF website is available in French only.

The consolidated financial statements for the year ended September 30, 2016 were prepared by the Company. They will be submitted for approval at the shareholders' general meeting of the Company.

There have been no significant changes in the Group's financial or business position since September 30, 2016, except for:

In November 2016, TWDC[1] agreed to waive two years of royalties and management fees, commencing with the €21 million payment for the fourth quarter of Fiscal Year 2016, to provide the Group liquidity above its remaining undrawn standby revolving credit facility.

Between September 30, 2016 and the date of this document, the Group drew an additional €25 million under the Revolving Credit Facility. Therefore, as of the date of this document, the Group had €195 million of undrawn capacity under the Revolving Credit Facility.

[1] The waivers of royalty and management fees were granted by wholly-owned affiliates of TWDC.

B.2. Group and Parent Company Management Report

The Group and parent company management report for Fiscal Year 2016 is made available to shareholders in accordance with the law and presents the evolution of the financial condition of the Group and the Company during Fiscal Year 2016 and the outlook for the Group for the following Fiscal Years.

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SIGNIFICANT EVENTS OF FISCAL YEAR 2016

During the fiscal year 2016 which ended September 30, 2016 ("Fiscal Year[1] 2016"), Euro Disney S.C.A. (the "Company" or parent) and its owned and controlled subsidiaries (collectively, the "Group[2]") continued their resort and real estate development activities.

Increased Public Security Concerns

In Fiscal Year 2016, the Paris tourism market was impacted by acute public security concerns as a result of events in France and Belgium.

Following the events that took place in Paris and its suburbs on November 13, 2015, the Group closed its theme parks from November 14 through November 17, 2015. This period included observance of the three-day national mourning declared by the French government.

This closure and the other consequences of these events had a negative impact on the Group's activities during Fiscal Year 2016.

Impairment of the Group's Long-Lived Assets

As a result of the adverse economic conditions of the tourism industry in Paris, which contributed to the deterioration of the operating results of the Group for Fiscal Year 2016, the Group performed an impairment test of all its long-lived assets and determined its assets were impaired. Accordingly, the Group recorded a charge of €565 million in the year.

Impairment of Investments in Subsidiaries

As required by French GAAP, the Company performed an impairment test of its investment in Euro Disney Associés S.C.A. ("EDA") and determined it was impaired. Accordingly, the Company recorded an impairment charge of €953 million in its statutory financial statements for Fiscal Year 2016.

Due to the impairment of its investment in EDA under French GAAP, the net equity (*capitaux propres*) of the Company has become less than 50% of the share capital. A vote of the shareholders of the Company will therefore be scheduled, in accordance with Article L.225-248 and Article L.226-1 of the French Commercial Code.

In addition, as a result of the impairments of the assets of the two main operating subsidiaries of the Company, EDA and EDL Hôtels S.C.A. ("EDLH"), under French GAAP, the net equity (*capitaux propres*) of these companies has also become less than 50% of the respective share capital. A vote of the shareholders of EDA and of EDLH, respectively, will therefore be scheduled in accordance with Article L.225-248 and Article L.226-1 of the French Commercial Code. The Company's shareholders will vote on authorizing the *Gérant* to vote on the related resolution at the shareholders' meeting of EDA.

The impairment charges mentioned above had no impact on the Group's or concerned entities' cash position or cash flows.

Evolution of TWDC's Ownership in the Company's Share Capital

During Fiscal Year 2015, the Group implemented a recapitalization and debt reduction plan (the "Recapitalization Plan").

Following completion of the final step of the Recapitalization Plan on November 17, 2015, EDL Holding Company, LLC ("EDL Holding"), Euro Disney Investments S.A.S. ("EDI") and EDL Corporation S.A.S. ("EDLC"), three indirect wholly owned subsidiaries of The Walt Disney Company ("TWDC"), together owned 600,922,335 of the Company's shares[3], representing 76.7% of the Company's share capital and voting rights.

[1] The Company's fiscal year begins on October 1 of a given year and ends on September 30 of the following year (the "Fiscal Year"). For the purposes of this management report, the Fiscal Year for any given calendar year is the Fiscal Year that ends in that calendar year (for example, Fiscal Year 2016 is the fiscal year that ends September 30, 2016).

[2] The Group also includes Centre de Congrès Newport S.N.C., a consolidated special purpose financing company. For more information, refer to note 1.3. "Disneyland® Paris Financing" of the Group's 2016 consolidated financial statements.

[3] Including 10 shares owned by EDL Participations S.A.S., a wholly owned subsidiary of EDL Holding Company, LLC.

Appointment of Catherine Powell to the Position of Presidente of Euro Disney S.A.S.

As announced on April 12, 2016, Catherine Powell assumed the responsibilities of *Présidente* of Euro Disney S.A.S., effective July 11, 2016.

Catherine Powell replaces Tom Wolber, who returned to the United States to take on operational responsibilities of Disney Cruise Line to oversee the expansion of that business.

New and Enhanced Attractions and Entertainment Offerings

During 2016, the Group continued its focus on the guest experience with the return of the *Frozen sing-along* show at Disneyland® Park and the launch of a new production, *Mickey and the Magician*, at the Walt Disney Studios® Park.

In addition, during Fiscal Year 2016, the Group completed the renovation of Disney's Newport Bay Club® hotel increasing its standard to a 4-star hotel. The Group also continued its refurbishment program in preparation of the celebration of Disneyland® Paris' 25th Anniversary in 2017. To date, the Group has completed refurbishments of "*it's a small world*" and *Peter Pan's Flight* attractions, which re-opened in December 2015 and July 2016, respectively.

FISCAL YEAR 2016 CONSOLIDATED RESULTS OF THE GROUP

Key Financial Highlights

	Fiscal Year		
(€ in millions)	2016	2015	2014
Revenues	**1,278**	1,373	1,280
Costs and expenses	**(1,520)**	(1,454)	(1,346)
Other income	**-**	24	-
Operating margin	**(242)**	(57)	(66)
Plus: depreciation and amortization	**208**	198	179
EBITDA[(1)]	**(34)**	141	113
EBITDA as a percentage of revenues	**(3)%**	10%	9%
Impairment charge	**(565)**	-	-
Net loss	**(858)**	(102)	(114)
Cash (used in) / generated by operating activities	**(68)**	69	78
Cash used in investing activities	**(193)**	(134)	(145)
Free cash flow[(1)]	**(261)**	(65)	(67)
Cash generated by financing activities	**125**	265	38
Cash and cash equivalents, end of period	**113**	249	49

(1) *EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortization) and Free cash flow (cash (used in) / generated by operating activities less cash used in investing activities) are not measures of financial performance defined under International Financial Reporting Standards ("IFRS"), and should not be viewed as substitutes for operating margin, net profit / (loss) or operating cash flows in evaluating the Group's financial results. However, management believes that EBITDA and Free cash flow are useful tools for evaluating the Group's performance.*

Key Operating Statistics

	Fiscal Year		
	2016	2015	2014
Theme parks attendance *(in millions)*[(2)]	**13.4**	14.8	14.2
Average spending per guest *(in €)*[(3)]	**54**	54	51
Hotel occupancy rate[(4)]	**77%**	79%	75%
Average spending per room *(in €)*[(5)]	**235**	238	231

(2) *Theme parks attendance is recorded on a "first click" basis, meaning that a person visiting both parks in a single day is counted as only one visitor.*
(3) *Average daily admission price and spending on food, beverage, merchandise and other services sold in the theme parks, excluding value added tax.*
(4) *Average daily rooms occupied as a percentage of total room inventory (total room inventory is approximately 5,800 rooms).*
(5) *Average daily room price and spending on food, beverage, merchandise and other services sold in hotels, excluding value added tax.*

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Condensed Consolidated Statements of Income

(€ in millions)	Fiscal Year 2016	Fiscal Year 2015	Variance Amount	Variance %
Revenues	**1,278**	1,373	(95)	(7)%
Costs and expenses	**(1,520)**	(1,454)	(66)	5%
Other income	**-**	24	(24)	n/m
Operating margin	**(242)**	(57)	(185)	325%
Impairment charge	**(565)**	-	(565)	n/m
Net financial charges	**(38)**	(46)	8	(17)%
Share of (loss) / profit of equity investments	**(13)**	1	(14)	n/m
Loss before taxes	**(858)**	(102)	(756)	741%
Income taxes	**-**	-	-	-
Net loss	**(858)**	(102)	(756)	741%
Net loss attributable to:				
Owners of the parent	**(705)**	(84)	(621)	739%
Non-controlling interests	**(153)**	(18)	(135)	750%

n/m: not meaningful

Discussion of Components of Operating Results

Revenues by Operating Segment

(€ in millions)	Fiscal Year 2016	Fiscal Year 2015	Variance Amount	Variance %
Theme parks	**722**	802	(80)	(10)%
Hotels and Disney Village®	**505**	526	(21)	(4)%
Other	**40**	38	2	5%
Resort operating segment	**1,267**	1,366	(99)	(7)%
Real estate development operating segment	**11**	7	4	n/m
Total revenues	**1,278**	1,373	(95)	(7)%

n/m: not meaningful

Resort operating segment revenues decreased 7% to €1,267 million, compared to €1,366 million in the prior year.

Theme parks revenues decreased 10% to €722 million due to a 10% decrease in attendance. The decrease in attendance was due to fewer guests visiting from all the Group's key European markets.

Hotels and Disney Village® revenues decreased 4% to €505 million due to a 2 percentage point decrease in hotel occupancy, a 1% decrease in average spending per room and a 2% decrease in Disney Village revenues. The decrease in hotel occupancy resulted from fewer guests visiting from most key European markets, partially offset by more guests visiting from France and Germany. The decrease in average spending per room was due to lower daily room rates, partly offset by higher spending on food and beverage. The decrease in Disney Village revenues was attributed to lower resort volumes.

Real estate development operating segment revenues increased by €4 million to €11 million due to higher land sale activity. Given the nature of the Group's real estate development activity, the number and size of transactions vary from one year to the next.

Costs and Expenses

(€ in millions)	Fiscal Year 2016	Fiscal Year 2015	Variance Amount	Variance %
Direct operating costs[1]	**1,247**	1,199	48	4%
Marketing and sales expenses	**148**	141	7	5%
General and administrative expenses	**125**	114	11	10%
Costs and expenses	**1,520**	1,454	66	5%

[1] *Direct operating costs primarily include wages and benefits for employees in operational roles, depreciation and amortization related to operations, cost of sales, royalties and management fees. For Fiscal Years 2016 and 2015, royalties and management fees were €75 million and €83 million, respectively.*

Direct operating costs increased 4% compared to the prior year due to continuing enhancements to the guest experience, including new shows, attraction improvements and hotel refurbishments, as well as labor and other operating cost increases. These increases were partly offset by a decrease in certain costs associated with lower resort volumes. In addition, the Group incurred incremental security costs during the year compared to the prior year.

Marketing and sales expenses increased 5% compared to the prior year due to increased media campaigns and technology initiatives.

General and administrative expenses increased 10% compared to the prior year, reflecting higher labor costs and new technology initiatives.

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Impairment Charge

As a result of the adverse economic conditions of the tourism industry in Paris, which contributed to the deterioration of the operating results of the Group for Fiscal Year 2016, the Group performed an impairment test of all its long-lived assets and determined its assets were impaired[1]. Accordingly, the Group recorded a charge of €565 million in the year. The impairment charge had no impact on the Group's cash position or cash flows.

Net Financial Charges

(€ in millions)	Fiscal Year 2016	Fiscal Year 2015	Variance Amount	Variance %
Financial income	**2**	2	-	-
Financial expense	**(40)**	(48)	8	(17)%
Net financial charges	**(38)**	(46)	8	(17)%

Net financial charges decreased 17% compared to the prior year, mainly due to lower interest expense on borrowings as a direct result of the Recapitalization Plan as well as lower costs related to the Recapitalization Plan in the current year.

Net Loss

For Fiscal Year 2016, the net loss of the Group increased to €858 million from €102 million in the prior year. Net loss attributable to owners of the parent and non-controlling interests amounted to €705 million and €153 million, respectively. Excluding the impairment charge of €565 million in the current year and the €24 million gain for the early termination of a lease agreement in the prior year, the net loss increased €167 million.

[1] Non-amortizable assets, such as the assets corresponding to the real estate development activity, are not subject to this impairment.

Capital Investments

Capital Investment for the Last Three Fiscal Years

(€ in millions)	Fiscal Year 2016	2015	2014
Resort segment	192	151	152
Real estate development segment	1	1	3
Total capital investment	**193**	152	155

During Fiscal Years 2016 and 2015, capital investments reflected expenditures related to the development of Disneyland® Paris (the "Resort") and improvement of existing assets, as well as capital expenditures related to the multi-year hotel renovation program.

During Fiscal Year 2015, the Group launched a refurbishment program as part of its long-term strategy of investing in the guest experience in addition to preparation of the upcoming celebration of Disneyland Paris' 25th Anniversary in 2017. This drove an increase in capital investments during Fiscal Year 2016 compared with the average amount of investments recorded in the prior Fiscal Years. This high level of investment is expected to be maintained for the upcoming Fiscal Years.

As of September 30, 2016, the Group has committed to future investments related to the development of the Resort and improvement of existing assets for an amount of €50 million.

Debt

The Group's borrowings as of September 30, 2016, are detailed below:

(€ in millions)	September 30, 2015	Fiscal Year 2016 Increases	Repayments	Transfers	September 30, 2016
Long-term loans	983	-	-	-	983
Standby revolving credit facility of €350 million	-	130	-	-	130
Loan from TWDC to Centre de Congrès Newport S.N.C.	12	-	-	(12)	-
Sub-total TWDC debt	995	130	-	(12)	1,113
Financial leases	4	6	-	(1)	9
Total non-current borrowings	**999**	136	-	(13)	**1,122**
Loan from TWDC to Centre de Congrès Newport S.N.C.	2	-	(2)	12	12
Financial leases	-	1	(1)	1	1
Total current borrowings	**2**	1	(3)	13	**13**
Total borrowings	**1,001**	**137**	**(3)**	**-**	**1,135**

During Fiscal Year 2016, the Group's principal indebtedness increased by €134 million to €1.1 billion as of September 30, 2016 compared to €1.0 billion as of September 30, 2015. This increase was mainly due to an amount of €130 million drawn from the €350 million standby revolving credit facility granted by TWDC (the "Revolving Credit Facility").

This outstanding amount of €130 million from the Revolving Credit Facility can be repaid at any time until the expiration of the Revolving Credit Facility in December 2023.

For a full description of borrowings, see note 11. "Borrowings" of the Group's 2016 consolidated financial statements.

Cash Flows

Cash and cash equivalents as of September 30, 2016, were €113 million, down €136 million compared to September 30, 2015.

	Fiscal Year		
(€ in millions)	**2016**	**2015**	**Variance**
Cash (used in) / generated by operating activities	**(68)**	69	(137)
Cash used in investing activities	**(193)**	(134)	(59)
Cash generated by financing activities	**125**	265	(140)
Change in cash and cash equivalents	**(136)**	200	(336)
Cash and cash equivalents, beginning of period	**249**	49	200
Cash and cash equivalents, end of period	**113**	249	(136)

Cash used in operating activities for Fiscal Year 2016 totaled €68 million compared to cash generated of €69 million in the prior year. This variance resulted from decreased operating performance during the year, partially offset by a change in the timing of payment of royalties and management fees.

Cash used in investing activities for Fiscal Year 2016 totaled €193 million, compared to €134 million in the prior year. The increase was due to continued investments in the guest experience including preparation for the upcoming celebration of Disneyland® Paris' 25th Anniversary as well as cash provided to the Les Villages Nature de Val d'Europe S.A.S. joint venture.

Cash generated by financing activities for Fiscal Year 2016 totaled €125 million, compared to €265 million in the prior year. During Fiscal Year 2016, the Group drew €130 million under the Revolving Credit Facility granted by TWDC. The prior year included the net cash inflow from the Recapitalization Plan.

Liquidity

In November 2016, TWDC[1] agreed to waive two years of royalty and management fees, commencing with the €21 million payment for the fourth quarter of Fiscal Year 2016, to provide the Group liquidity above its remaining undrawn Revolving Credit Facility.

Equity Attributable to Owners of the Parent

Equity attributable to owners of the parent was a €118 million negative as of September 30, 2016 from €583 million as of September 30, 2015, which mainly reflects the impact of the net loss attributable to the owners of the parent for Fiscal Year 2016.

[1] The waivers of royalty and management fees were granted by wholly-owned affiliates of TWDC.

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As of September 30, 2016, 2015 and 2014, to the knowledge of the Company, the shares of the Company, a publicly held French company which is traded on Euronext Paris, were owned by the following shareholders:

	Ownership % as of September 30,		
Shareholders	**2016**	**2015**	**2014**
EDL Holding Company LLC[(1)]	***31.9%***	*31.9%*	*39.8%*
EDL Corporation S.A.S.	***22.4%***	*25.1%*	-
Euro Disney Investments S.A.S.	***22.4%***	*25.1%*	-
Sub-total TWDC	**76.7%**	82.1%	39.8%
HRH Prince Alwaleed[(2)]	**10.0%**	5.0%	10.0%
Invesco Asset Management Ltd	**-**	-	6.0%
Other Public[(3)]	**13.3%**	12.9%	44.2%
Total	**100.0%**	100.0%	100.0%

(1) *Including 10 shares owned by EDL Participations S.A.S., a wholly owned subsidiary of EDL Holding.*
(2) *As of September 30, 2016, HRH Prince Alwaleed's interests in the Company are held through Kingdom 5-KR-222, Ltd, and Kingdom 5-KR-11, Ltd, companies owned by the Kingdom Holding Company group (a trust for benefit of the Prince and his family). As of September 30, 2015 and 2014, HRH Prince Alwaleed's interests in the Company were held through Kingdom 5-KR-134, Ltd, a company owned by the Kingdom Holding Company group.*
(3) *As of September 30, 2016, 2015 and 2014, respectively, these numbers included treasury shares held by the Company, which represented 0.03%, 0.03%, and 0.6% of the Company's share capital and had no significant impact on the percentage of voting rights.*

As of September 30, 2016, TWDC indirectly owned 76.7% of the Company's shares and voting rights through EDL Holding, EDI and EDLC.

Except shareholders mentioned in the table above, no other shareholder has officially notified the *Autorité des marchés financiers* ("AMF") that it holds, directly or indirectly, alone or jointly, or in concert with other entities, more than 5% of the share capital of the Company as of September 30, 2016. The Company does not know the aggregate number of shares held by its employees directly or through special mutual funds. No dividend payment is proposed with respect to Fiscal Year 2016, and no dividends were paid with respect to Fiscal Years 2013 through 2015.

As of September 30, 2016, 2015 and 2014, the Company held 82% of the shares of EDA, the main operating entity of the Resort, and TWDC indirectly held the remaining 18%.

Related-Party Transactions

The Group enters into certain transactions with TWDC and its subsidiaries.

The significant transactions relate to a license for the use of TWDC intellectual property rights, management arrangements, technical and administrative agreements for services provided by TWDC and its subsidiaries. TWDC also provided the Group with borrowings and the Revolving Credit Facility.

For a description of the related-party activity for Fiscal Year 2016, please refer to note 18. "Related-Party Transactions" of the Group's 2016 consolidated financial statements. In addition, for a description of related-party agreements between TWDC and the Company's subsidiaries within the meaning of the provisions of the French *Code de commerce*, see hereunder Exhibit 3 "Related-Party Agreements between TWDC and the Company's Subsidiaries".

Trade Payables Maturity Analysis

Information related to maturity of trade payables is available in note 12.2. "Trade Payables Maturity Analysis" of the Group's 2016 consolidated financial statements.

FISCAL YEAR 2016 FINANCIAL RESULTS OF THE COMPANY

The Company is the holding company of the Group which is consolidated in the financial statements of TWDC, an American corporation headquartered in Burbank, California (USA). The Company's financial statements are prepared in accordance with French accounting principles and regulations in accordance with the *Plan Comptable Général*.

INCOME STATEMENT

The operating margin, net financial loss and net loss of the Company are as follows:

(€ in thousands and in accordance with French accounting principles)	Fiscal Year		Variance	
	2016	2015	Amount	%
Revenues	1,267	1,142	125	11%
Costs and expenses	(3,915)	(4,915)	1,000	(20)%
Operating margin	**(2,648)**	(3,773)	1,125	(30)%
Net financial (loss) / income	**(953,039)**	108	(953,147)	n/m
Net loss	**(955,700)**	(3,715)	(951,985)	n/m

n/m: not meaningful

Revenues consisted primarily of administrative assistance services provided to EDA under an administrative assistance agreement.

Costs and expenses corresponded to service and labor costs. The decrease in costs and expenses compared with the prior year was due to costs related to the Recapitalization Plan.

For Fiscal Year 2016, the Company recorded a net financial loss amounting to €953 million due to an impairment charge recorded for the amount of its investment in EDA. The impairment charge had no impact on the Company's cash position or cash flows. For more information, see note 3. "Investments in Subsidiaries" of the Company's financial statements for Fiscal Year 2016.

SIGNIFICANT SUBSIDIARIES OF THE COMPANY

The Company's primary asset is its investment in EDA, which itself owns 99.9% of EDLH and 100% of Euro Disney Vacances S.A.S., and other less significant subsidiaries. For further information, see note 1.2. "Structure of the Group" of the Group's 2016 consolidated financial statements.

The following table sets forth the key financial highlights and operating activities of the Company's significant direct and indirect subsidiaries:

(€ in millions and in accordance with French accounting principles)	Revenues	Net (loss)/ profit	Shareholders' equity	Activity
EDA	1,285	(1,192)	(121)	Operator of the theme parks, the Disneyland® Hotel, Disney's Davy Crockett Ranch and golf courses, and manager of the Group's real estate development
EDLH	356	(113)	10	Operator of five of the seven hotels of the Group and the Disney Village®
Euro Disney Vacances S.A.S.	693	(2)	8	Tour operator selling mainly Disneyland® Paris holiday packages

The Company will continue as a holding company in Fiscal Year 2017.

Equity of the Company

Equity of the Company decreased to €19 million as of September 30, 2016, from €975 million as of September 30, 2015, due to the net loss of Fiscal Year 2016 which includes a €953 million impairment charge for the Company's investment in EDA.

As of September 30, 2016 and 2015, the Company's fully paid share capital was composed of 783,364,900 shares with a nominal value of €1.00 each.

In accordance with the authorizations granted by the Company's shareholders during the past annual general meetings, the *Gérant* carried out a share buyback program through an independent investment services provider acting under a liquidity contract. For additional information, see the notice on the share buyback program, as well as the press releases on the liquidity contract, that are available on the Company's website (http://corporate.disneylandparis.com). In the context of the Recapitalization Plan, the liquidity contract was suspended from December 8, 2014 to October 14, 2015.

This contract aims at improving the liquidity of transactions of the Company's shares. For Fiscal Year 2016, Oddo Corporate Finance fees related to this contract, including transactions costs, amounted to €40,000.

The following table details the transactions related to the liquidity contract for Fiscal Year 2016:

Treasury shares purchased in Fiscal Year 2016	
Number	1,158,252
Average price *(in €)*	1.21
Treasury shares sold in Fiscal Year 2016	
Number	1,115,360
Average price *(in €)*	1.23
Treasury shares held as of September 30, 2016	
Number	257,892
Value at purchase price *(in €)*	304,818
Nominal value *(in €)*	257,892
Proportion of the share capital	0.03%

As of September 30, 2016, the Company also had €0.3 million in cash allotted to the liquidity account. For additional information on this liquidity contract, see note 9.2. "Liquidity Contract" of the Group's 2016 consolidated financial statements.

Non-Deductible Expenses for Tax Purposes

For Fiscal Year 2016, the Company has not incurred significant expenses that are not deductible for tax purposes with regard to article 223 *quater* of the *Code général des impôts*.

Research and Development Activity

The Company does not undertake significant research and development activities as defined in article 244 *quater B* of the *Code général des impôts*.

UPDATE ON RECENT AND UPCOMING EVENTS

From January to March 2017, Disneyland® Paris will celebrate the *Season of the Force*. As part of this seasonal event, the Walt Disney Studios® Park will present a nighttime spectacular which will transport guests into the heart of the *Star Wars* Saga. This show will combine live entertainment, special effects and an epic sound and light show projected on the park's most iconic building. Guests will also have opportunities to meet the characters from the *Star Wars* universe as part of the celebration.

On March 26, 2017, Disneyland Paris will kick-off its 25th Anniversary celebration, which features a new nighttime spectacular, a new daytime parade, and exclusive shows. Enhanced attractions will also be launched during the celebration, including *Star Wars Hyperspace Mountain* and *Star Tours: The Adventures Continue*.

***

The Group, in partnership with Pierre & Vacances-Center Parcs Group, is developing Villages Nature, an innovative eco-tourism destination based on the concept of harmony between man and nature. On October 14, 2016, the Group and Pierre & Vacances-Center Parcs Group reached agreement for Pierre & Vacances-Center Parcs Group to manage the operations of Villages Nature. The governance of the partnership remains unchanged. For more information, see the press release available on the Group's website (http://corporate.disneylandparis.com).

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In the framework of the Recapitalization Plan, the fund Charity Investments Merger Arbitrage ("CIMA"), which is a Company's shareholder, filed an appeal against the clearance decision of the AMF on the mandatory tender offer, which was rejected by the Court of Appeal of Paris (*Cour d'appel de Paris*) in its decision dated September 8, 2015. CIMA appealed against this decision of the Court of Appeal of Paris before the French Supreme Court (*Cour de cassation*). This appeal had no effect on the mandatory tender offer, which was closed in September 2015.

After the completion of the Company's capital increases in the framework of the Recapitalization Plan, CIMA also lodged, in March 2015, a complaint (*plainte contre X*) before the French financial prosecutor (*parquet national financier*) on the basis of allegations which are similar to those developed by CIMA before the Court of Appeal of Paris and, in October 2015, filed a new complaint with "civil party petition" (*constitution de partie civile*) to re-engage the procedure, based on allegations which are, to a very large extent, similar to these previously developed by CIMA before the Court of Appeal of Paris.

After the closing of Fiscal Year 2015, CIMA also summoned several subsidiaries of TWDC (including those being shareholders of the Company) before the Commercial Court of Meaux (*Tribunal de commerce de Meaux*) on the basis of arguments reiterating part of the allegations developed by CIMA before the Court of Appeal of Paris and within the framework of both criminal complaints. A stay of proceedings has been rendered by the Commercial Court of Meaux in November 2016.

MANAGEMENT OF THE GROUP IN FISCAL YEAR 2016

The *Gerant*

The Company, EDA and EDLH's *Gérant* is Euro Disney S.A.S., an indirect, wholly-owned subsidiary of TWDC. The *Gérant* does not hold any share of the Company.

The sole corporate purpose of the *Gérant* is to be the management company of the Company, EDA and EDLH.

Under the bylaws of EDA, the *Gérant* of EDA is entitled to annual fees consisting of a base management fee and a management incentive fee, and is also entitled to a fee if the Group sells one or more of its hotels. In addition, the bylaws provide that the *Gérant* of EDA is entitled to be reimbursed by EDA for all of its direct and indirect expenses incurred in the execution of its responsibilities.

The Group recorded €13 million[1] of base management fees expense for Fiscal Year 2016. No additional management incentive fee was due in Fiscal Year 2016. For more detail, see section A.4.1. "Significant Undertakings Related to the Resort's Development" in the Group's 2015 Reference Document[2]. Finally, no fee payable on the sale of hotels is due to the *Gérant* of EDA as the Group did not sell any hotels during Fiscal Year 2016.

Under their bylaws, the Company and EDLH are indebted to the *Gérant* for a fixed annual fee of €25,000 and €76,225 respectively.

The *Gérant* is represented by Ms. Catherine Powell, *Présidente* since July 11, 2016. The *Gérant* was represented by Mr. Tom Wolber until July 10, 2016.

Ms. Powell is a member of the Management Committee. Before joining the Group, she was Managing Director of TWDC for Australia and New Zealand. For further information on her prior positions over the last five years, see section "The Management Committee".

To the Company's knowledge, in the previous five Fiscal Years, the *Gérant* and its representative have not been:

- convicted of any fraudulent offences;
- associated with any bankruptcies, receiverships or liquidations;
- involved in any official public incrimination and/or sanction by statutory or regulatory authorities;
- prevented by a court from acting as a member of an administrative, management or supervisory body or participating in the management of a public issuer.

To the Company's knowledge, no potential conflicts of interest exist between any duties of the *Gérant* and/or its representative and their private interests and/or duties.

The business address of the *Gérant* and its representative is the registered office of the Company (1 rue de la Galmy – 77700 Chessy, France).

[1] This includes €4 million of EDA base management fees for the fourth quarter of Fiscal Year 2016 for which payment was waived by the *Gérant* (see sub-section "Liquidity" above for more information).

[2] The Group's 2015 Reference Document was registered with the AMF on January 21, 2016, under the number D.16-0038 (the "2015 Reference Document") and is available on the Company's website (http://corporate.disneylandparis.com) and the AMF website (http://www.amf-france.org).

The Supervisory Board

As of September 30, 2016, the Supervisory Board was comprised of 12 members (including three members from TWDC):

Name	Nationality	Age	Position	Term of office will expire during the annual general shareholders' meeting related to Fiscal Year	Number of shares held[1]
Virginie Calmels[2]	French	45	Chairman	2016	2,500
Valérie Bernis[3]	French	57	Member	2016	2,500
Gérard Bouché	French	66	Member	2018	40,924
Michel Corbière	French	74	Member	2017	2,500
Axel Duroux[2]	French / Swiss	53	Member	2018	2,500
Philippe Geslin	French	76	Member	2018	2,500
Karl L. Holz[4]	American	65	Member	2016	2,500
Philippe Labro	French	80	Member	2016	2,500
Christine McCarthy[4]	American	61	Member	2017	2,500
Catherine Pariset[5]	French	63	Member	2018	2,500
Anthony Martin Robinson	English	54	Member	2016	2,500
Patricia Wilber[5]	American	55	Member	2018	2,500

(1) *In accordance with the Supervisory Board internal regulations, each member is required to hold a minimum of 2,500 shares of the Company for the duration of his/her membership.*
(2) *Effective as of February 8, 2017, Ms. Virginie Calmels resigned from her position as Chairman and member of the Supervisory Board of the Company and Euro Disney Associés S.C.A. She was replaced by Mr. Axel Duroux who was appointed Chairman of the Supervisory Board of the Company and Euro Disney Associés S.C.A. effective on February 9, 2017.*
(3) *Effective as of January 11, 2017, Ms. Valérie Bernis resigned from her position as member of the Supervisory Board of the Company and Euro Disney Associés S.C.A. and from her role as a member of the Audit Committee of the Company.*
(4) *The co-optation of Mr. Karl L. Holz and of Ms. Christine McCarthy in replacement of Mr. Thomas O. Staggs and Mr. James A. Rasulo, respectively, were approved by the shareholders' general meeting in February 2016.*
(5) *Ms. Catherine Pariset and Ms. Patricia Wilber were elected members of the Supervisory Board in February 2016.*

Virginie Calmels
She was elected to the Supervisory Board in March 2011. She was appointed Chairman of the Supervisory Board in January 2013. She is Deputy Mayor of the city of Bordeaux in charge of Economy, Employment and Growth and Regional Councillor of Aquitaine Limousin Poitou-Charentes.

Valérie Bernis
She was elected to the Supervisory Board in February 2008. She was also a member of the Audit Committee from her election. She is currently Vice President of the Engie foundation.

Gérard Bouché
He was elected to the Supervisory Board in February 2007. He is the owner and operator of the E. Leclerc Shopping Center of Coulommiers and the Golf & Restaurant of Meaux-Boutigny (Seine-et-Marne, France). He is also Chairman of Bouché Distribution S.A.S., a French corporation.

Michel Corbière
He was elected to the Supervisory Board in February 2006. He is the founder of the Forest Hill group, which specializes in sports and leisure activities as well as the hotel industry. He is also the founder of the French company Aquaboulevard de Paris.

Axel Duroux
He was elected to the Supervisory Board in February 2013. He has been a member of the Nomination Committee since November 2016. He is currently Executive Vice President Emerging Countries and High-Growth Countries of Publicis Group, Director of AXMA S.A. as well as member of the Supervisory Board of the *Institut National de l'Audiovisuel* (French national audiovisual institute).

Philippe Geslin
He was elected to the Supervisory Board in February 2007. He has also been the Chairman of the Audit Committee since June 2007. He currently holds various corporate positions and board memberships in financial institutions (Crédit Foncier de Monaco and Union Financière de France-Banque).

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Karl L. Holz
He was appointed as a member of the Supervisory Board in May 2015. He was elected as a member of the Supervisory Board in February 2016. He began his career with TWDC's Parks and Resorts business segment in 1996 and has held various leadership positions since then, including serving as President and Chief Executive Officer of Euro Disney S.A.S. from 2005 to 2008. Since 2009, he has been President of New Vacation Operations and Disney Cruise Line for Walt Disney Parks and Resorts Worldwide.

Philippe Labro
He was elected as a member of the Supervisory Board in March 1996 and has been a member of the Nomination Committee from November 2002 to November 2016. He is currently Project Director, Design and Operations of Labrocom S.A.R.L. and Vice President of Matin Plus.

Christine McCarthy
She was appointed as a member of the Supervisory Board in September 2015. She was elected as a member of the Supervisory Board in February 2016. She has been a member of the Nomination Committee since November 2015. Since June 2015, she has been Senior Executive Vice President and Chief Financial Officer of TWDC. She previously served as Executive Vice President Corporate Real Estate, Alliances and Treasurer of TWDC.

Catherine Pariset
She was elected as a member of the Supervisory Board in February 2016. She has also been a member of the Audit Committee since November 2016. She has over 35 years of experience in consulting and auditing. After holding various positions of increasing responsibilities at PricewaterhouseCoopers, she became partner in 1990 up until June 2015. In that role, she was responsible for customer relationship and worldwide auditing of major corporations (Axa, Sanofi, Crédit Agricole, Caisse des dépôts et consignations, Generali France, Compagnie des Alpes).

Anthony Martin Robinson
He was elected as a member of the Supervisory Board in December 2004. He has also been a member of the Audit Committee since April 2005. He is currently Non-Executive Chairman of Casual Dining Group.

Patricia Wilber
She was elected as a member of the Supervisory Board in February 2016. She joined TWDC in 1999 and has held various leadership positions within TWDC including Senior Vice President, Advertising Sales and Promotion for Disney ABC Cable Networks Group and Executive Vice President at Disney Media Advertising Sales and Marketing Group. She is currently Chief Marketing Officer for TWDC EMEA, responsible for the creation, implementation and oversight of Disney's integrated marketing organization and is a member of the EMEA executive management team.

The members of the Supervisory Board are also members of EDA's Supervisory Board.

The business address of the members of the Supervisory Board with regard to their functions within the Group is the registered office of the Company (1 rue de la Galmy – 77700 Chessy, France).

The Supervisory Board members' positions and directorships held in French and foreign companies over the past five Fiscal Years were as follows:

Members of the Supervisory Board	Other Positions and Directorships Held in French and Foreign Companies	
Virginie Calmels *(Chairman)*	*Chief Operating Officer*	– Endemol Monde (until January 2013)
	Deputy Board Member	– Endemol Finland OY (until January 2013)
	Director	– ASSYSTEM – Endemol Denmark A/S (until January 2013) – Endemol Espana, S.L (until January 2013) – Endemol Holding B.V. (until January 2013) – Endemol Italia S.p.A. (until January 2013) – ILIAD (FREE) – MEDEF Paris (until June 2015) – TECHNICOLOR (until May 2016)
	Director and Chairman	– Endemol Nordic AB (until January 2013) – Endemol Norway AS (until January 2013) – Endemol Sweden AB (until January 2013)
	Censor	– TECHNICOLOR
	Elective Mandates	– Bordeaux Metropolitan Councillor – Deputy Mayor of the city of Bordeaux in charge of Economy, Employment and Growth – Regional Councillor for Aquitaine Limousin Poitou-Charentes – Vice-President of Bordeaux Metropolitan
	Member of the Executive Committee	– Formidooble (until January 2013)
	Member of the Supervisory Board	– *Aéroport de Bordeaux-Mérignac* – Nijenhuis & de Levita Holding B.V. (until January 2013)
	President	– Endemol Fiction (until January 2013) – Endemol France (until January 2013) – Endemol Productions (until January 2013) – EPA Bordeaux Euratlantique – Mark Burnett Productions France (until January 2013) – SAEML REGAZ (until October 2016) – SAS SHOWer Company
	President of the Supervisory Board	– Euro Disney Associés S.C.A. (until February 2017)
	Vice President	– *Centre d'Etude et de Prospective Stratégique* (CEPS) (until 2015) – SPECT (*Syndicat des Producteurs et Créateurs d'Emissions de Télévision*) (until February 2013)
Valérie Bernis	*Executive Vice President*	– Engie (until May 2016)
	Independent Non-Executive Director	– *L'Occitane*
	Member of the Audit Committee	– Bull (until July 2013) – Euro Disney S.C.A. (until January 2017)
	Member of the Board of Directors	– AROP – ATOS – Bull (until July 2013) – CEGID (until July 2013) – *Société Monégasque d'Electricité et de Gaz* (SMEG) (until June 2012) – Suez
	Member of the Ethic & Sustainable Development Committee	– Suez
	Member of the Nomination Committee	– *L'Occitane*
	Member of the Supervisory Board	– Euro Disney Associés S.C.A. (until January 2017) – Fondapol
	Vice President of foundation	– Fondation d'Entreprise Engie

Members of the Supervisory Board	Other Positions and Directorships Held in French and Foreign Companies	
Gérard Bouché	*Chairman*	– Bouché Distribution S.A.S.
	Manager	– Bouché Voyages S.A.R.L. – SGB S.A.R.L. (Société du Golf de Boutigny) – TLB S.A.R.L. (until December 2013)
	Member of the Supervisory Board	– Euro Disney Associés S.C.A.
	Member	– ACDLEC (*Association des Centres Distributeurs* E. Leclerc) – GALEC S.C.A. (*Groupement d'Achats* E. Leclerc) – GEC (*Groupement des Entreprises de Coulommiers*)
Michel Corbière	*Chairman*	– Forest Hill Développement S.A.S.
	Chairman & Chief Executive Officer	– Aquaboulevard de Paris S.A. – Groupe Forest Hill S.A.
	Director	– Hôtel Forest Hill Meudon Vélizy S.A.
	Member of the Supervisory Board	– Euro Disney Associés S.C.A. – Groupe PUBLIX SYSTEME HOPSCOTCH
	Permanent Representative of Hotel Forest Hill Meudon Vélizy S.A.	– Board of Directors of Hôtel Paris La Villette S.A.
Axel Duroux	*Director*	– AXMA S.A. – Publicis Net Media Ltd (Israel)
	Executive Vice President Emerging & Fast Growing Markets	– Publicis Groupe
	Member of the Supervisory Board	– Euro Disney Associés S.C.A. (he was appointed chairman of this board on February 9, 2017) – INA (*Institut National de l'Audiovisuel*) – Stereopictures SPK (until March 2016)
	Member of the Nomination Committee	– Euro Disney S.C.A. (since November 2016)
Philippe Geslin	*Chairman of the Audit Committee*	– Crédit Agricole Suisse – Euro Disney S.C.A.
	President of the Audit Committee	– *Union Financière de France-Banque*
	Manager	– *Gestion Financière Conseil*
	Member of the Audit Committee	– Altavia (until June 2015) – Crédit Agricole Corporate & Investment Bank (until August 2012)
	Member of the Board of Directors	– *Crédit Agricole Suisse* – *Crédit Foncier de Monaco* – *Union Financière de France-Banque (administrateur référent)*
	Member of the Compensation Committee	– *Union Financière de France-Banque*
	Member of the Supervisory Board	– Euro Disney Associés S.C.A.
	Permanent Representative of Invelios Capital	– Supervisory Board of Société Vermandoise de Sucreries (until January 2012) – Board of Directors of Société Sucrière de Pithiviers-le-Vieil (until January 2012) – Board of Directors of Société Vermandoise-Industries (until January 2012)
	Supervisory Auditor ("censeur")	– Crédit Agricole Corporate & Investment Bank (until August 2012) – Invelios Capital (until March 2015)
	Vice President of the Board	– *Union Financière de France-Banque*

Members of the Supervisory Board	Other Positions and Directorships Held in French and Foreign Companies	
Karl L. Holz	*President*	– ABD, LLC – Adventures by Disney Travel Services, Inc. – Buena Vista Trading Company – DCL Development Company – DCL Island Development Ltd. – DCL Management Ltd. (until September 2012) – DCL Maritime LLC. – DCL Port Facilities Corporation – DCL Services Ltd. (until September 2012) – DCXLone Development, LLC. – DCXLtwo Development, LLC. – Disney Magic Corporation – Disney Vacation Club Hawaii Management Company, LLC – Disney Vacation Club Management Corp. – Disney Vacation Development, Inc. – Disney Vacation Development Holdings, Inc. – Disney Wonder Corporation (until September 2012) – DVD Financing, Inc. – Walt Disney Parks and Resorts US (a division of Walt Disney Parks and Resorts US, Inc.) – Walt Disney Parks and Resorts Worldwide – New Vacation Operations and Disney Cruise Line – Zone Holdings, Inc.
	Director	– Buena Vista Trading Company – Compass Rose Real Estate Services, Inc. – DCL Development Company – DCL Management Ltd. (until September 2012) – DCL Port Facilities Corporation – DCL Services Ltd. (until September 2012) – Disney Vacation Club Management Corp. – Disney Vacation Development, Inc. – Disney Vacation Development Holdings, Inc. – DVD Financing, Inc. – Magical Cruise Company Limited – Palm Financial Services, Inc. – Zone Holdings, Inc.
	Member of the Board of Directors	– DCL Island Development, Ltd
	Member of the Nomination Committee	– Euro Disney S.C.A. (until November 2015)
	Member of the Supervisory Board	– Euro Disney Associés S.C.A.
Philippe Labro	*Animator*	– “Langue de Bois s’abstenir” – C8 – “Langue de Bois s’abstenir” – Direct 8 (until September 2012)
	Management Advisor	– iTELE
	Columnist	– “La semaine de Philippe Labro” – *Direct Matin* – “L’humeur de Philippe Labro” – iTELE – Le Figaro (until December 2012) – “Le regard de Philippe Labro” – LePoint.fr – “L’œil et la Plume de Philippe Labro” – Paris-Match
	Member of the Board of Directors	– Bolloré Media – French American Foundation
	Member of the Jury	– *Prix Jean Luc Lagardère* (previously *Prix Louis Hachette*)
	Member of the Nomination Committee	– Euro Disney S.C.A. (until November 2016)

Members of the Supervisory Board	Other Positions and Directorships Held in French and Foreign Companies	
Philippe Labro *(continued)*	*Member of the Strategic Board*	– French China Foundation
	Member of the Supervisory Board	– Ediradio (RTL) (until May 2012) – Euro Disney Associés S.C.A.
	Occasional Guest	– "La Bande Originale" program hosted by Naguy – France Inter (until June 2015)
	President	– *Prix RTL Lire*
	Project Director, Design & Operations	– Labrocom S.A.R.L.
	Vice President	– *Association pour la promotion du cinéma (Césars)* – Direct 8 (until September 2012) – *Matin Plus*
Christine McCarthy	*Senior Executive Vice President and Chief Financial Officer*	– The Walt Disney Company
	Executive Vice President	– ABC, Inc. – Disney Enterprises, Inc. (until June 2016) – EDL Holding Company, LLC – The Walt Disney Company (until June 2015) – 36/38/40 West 66 Realty Company, Inc. (until July 2014)
	Member of the Investment and Administrative Committee	– The Walt Disney Company (until March 2016)
	Director	– Alameda Insurance Company – Broadway Development Corp. – Buena Vista Insurance Company – BVIC Holding Company – Columbus West Development Corp. – Disney Enterprises Inc. – Times Square Studios Ltd – 66th Street Development Corp. – 67th Street Development Corp.
	Member of the Nomination Committee	– Euro Disney S.C.A.
	Member of the Supervisory Board	– Euro Disney Associés S.C.A.
	President	– Disney Enterprises Inc. – Enterprise Hold Co., Inc. – Golden Oak Ranch Properties – Times Square Studios Ltd – Walt Disney International Financing LLC – 36/38/40 West 66 Realty Company, Inc.
	Representative of the Walt Disney Company as Board Member	– FM Global
	Senior Vice President	– WD Holdings (Shanghai), LLC – 3217931 Nova Scotia Company – 3217932 Nova Scotia Company
	Trustee-Treasurer	– The Walt Disney Company Foundation – Westridge School
	Vice President	– ABC, Inc.(until October 2014) – ABC Family Worldwide, Inc. (until October 2013) – Disney Worldwide Services, Inc. – Infoseek Corporation
Catherine Pariset	*Partner responsible for customer relationship and worldwide auditing of major corporations*	– PricewaterhouseCoopers Audit (until June 2015)
	Independent Administrator	– Natixis (since December 2016).
	Member of the Audit Committee	– Euro Disney S.C.A. (since November 2016) – Natixis (since December 2016)
	Member of the Risks Committee	– Natixis (since December 2016).
	Member of the Supervisory Board	– Euro Disney Associés S.C.A.

Members of the Supervisory Board	Other Positions and Directorships Held in French and Foreign Companies	
Anthony Martin Robinson	*Chairman*	– Center Parcs (UK) Group Ltd (until May 2015) – Inspiring Learning (Bidco) Ltd
	Executive Chairman	– Inspiring Learning (Bidco) Ltd – Mabel TopCo Ltd (Wagamama) (until January 2012)
	Chairman of the Audit & Risk Committee	– Majid Al Futtaim Ventures
	Director	– Center Parcs Limited (until May 2015) – Center Parcs (Block 1) Limited (until May 2015) – Center Parcs (Block 2) Limited (until May 2015) – Center Parcs (Holdings 1) Limited (until June 2015) – Center Parcs (Holdings 2) Limited (until May 2015) – Center Parcs (Holdings 3) Limited (until May 2015) – Center Parcs (Jersey) 1 Limited (until May 2015) – Center Parcs (Operating Company) Limited (until May 2015) – Center Parcs Spa Division Holdings Limited (until May 2015) – Center Parcs (UK) Group Limited (until May 2015) – CP Mgmt Limited (until August 2015) – CP Nomco 1 Limited (until May 2015) – CP Nomco 2 Limited (until May 2015) – CP Woburn (Operating Company) Limited (until May 2015) – Figaro Partners LLP – Forest Bidco Limited (until May 2015) – Forest Holdco Limited (until May 2015) – Forest Midco Limited (until May 2015) – Forest Refico Limited (until May 2015) – SPV1 Limited (until May 2015) – SPV2 Limited (until May 2015) – Sun CP Newmidco Limited (until May 2015) – Sun CP Newtopco Limited (until May 2015)
	Member of the Audit Committee	– Euro Disney S.C.A.
	Member of the Supervisory Board	– Euro Disney Associés S.C.A.
	Non-Executive Chairman	– Casual Dining Group (CDG)
	Non-Executive Director	– Majid Al Futtaim Ventures – QCNS, Monaco (until February 2012)
	Operating Partner	– Duke Street (until February 2015)
Patricia Wilber	*Chief Marketing Officer*	– The Walt Disney Company EMEA
	Board Director	– Magical Cruise Company Ltd (MCCL)
	General Manager	– Disneymedia+ for The Walt Disney Company EMEA
	Member of the Executive Management team	– The Walt Disney Company EMEA
	Member of the Supervisory Board	– Euro Disney Associés S.C.A.

As Ms. McCarthy, Ms. Wilber and Mr. Holz are senior executive officers of TWDC, they are not considered as independent members.

Except as aforementioned, to the Group's knowledge, no potential conflicts of interest between any duties of the members of the Supervisory Board, and their private interests and/or duties exist. No member of the Supervisory Board was party to an agreement as defined under article L. 226-10 of the French *Code de commerce*, which governs related-party agreements between members of the Supervisory Board and the Company or any of its subsidiaries.

To the Company's knowledge, in the previous five Fiscal Years, members of the Supervisory Board have not been:

- convicted of any fraudulent offences;
- associated with any bankruptcies, receiverships or liquidations;
- involved in any official public incrimination and/or sanction by statutory or regulatory authorities;
- involved in a family relationship conflicting with their responsibility as members of the Supervisory Board;
- prevented by a court from acting as a member of an administrative, management or supervisory body or participating in the management of a public issuer.

With the exception of the members who represent TWDC, compensation is allocated to each member of the Supervisory Board in proportion to his/her attendance at the Supervisory Board meetings and within a limit of four meetings per Fiscal Year ("*jetons de présence*"). Those members who represent TWDC do not receive compensation for their attendance. A double *jetons de présence* is allocated to the Chairman of the Board. Members of the Company's Supervisory Board do not benefit from other compensation, indemnity or benefit at the start or the end of their membership. No stock options of the Company have been granted to the members of the Supervisory Board.

The Company's Supervisory Board includes an audit committee and a nomination committee. A part of the annual collective amounts of *jetons de présence* granted to the Supervisory Board members at the annual shareholders' general meeting is allocated to each member of the audit committee in proportion to his/her attendance and within a limit of three meetings per Fiscal Year and in addition to the compensation for attending Supervisory Board meetings. A higher fee is allocated to the Chairman of the audit committee. The members of the nomination committee do not receive any compensation for serving on this committee.

The Supervisory Board members do not receive any compensation for serving on the Supervisory Board of EDA.

The following table details the Supervisory Board's compensation paid for Fiscal Year 2016 meetings of the Company's Supervisory Board:

Name	*Jetons de présence* paid for Fiscal Year meetings of the Supervisory Board *(in euros)*[3]		*Jetons de présence* paid for Fiscal Year meetings of the Audit Committee *(in euros)*		Total compensation paid for Fiscal Year meetings *(in euros)*	
	2016	2015	2016	2015	2016	2015
Virginie Calmels	60,980	60,980	-	-	60,980	60,980
Valérie Bernis	22,867	30,490	7,500	7,500	30,367	37,990
Gérard Bouché	30,490	30,490	-	-	30,490	30,490
Michel Corbière	30,490	30,490	-	-	30,490	30,490
Axel Duroux[1]	22,867	30,490	-	-	22,867	30,490
Philippe Geslin	30,490	30,490	12,000	12,000	42,490	42,490
Karl L. Holz	-	-	-	-	-	-
Philippe Labro	30,490	22,867	-	-	30,490	22,867
Christine McCarthy[2]	-	-	-	-	-	-
Catherine Pariset	22,867	-	-	-	22,867	-
Anthony Martin Robinson[1]	22,867	30,490	5,000	7,500	27,867	37,990
Patricia Wilber	-	-	-	-	-	-
Total	**274,408**	266,787	**24,500**	27,000	**298,908**	293,787

(1) *Mr. Duroux's* jetons de présence *are subject to withholding taxes, which amounted to €7,622 for Fiscal Year 2016 and €10,163 for Fiscal Year 2015. Mr. Robinson's* jetons de présence *are subject to withholding taxes, which amounted to €9,288 for Fiscal Year 2016 and €12,662 for Fiscal Year 2015.*
(2) *Ms. McCarthy is Senior Executive Vice President and Chief Financial Officer of TWDC and receives compensation from TWDC which is comprised of an annual fixed salary, a bonus, restricted stock units and stock options. This information is disclosed in the Form 8-K published by TWDC on June 30, 2015 and available on the Securities Exchange Commission ("SEC") website (www.sec.gov); compensation paid by TWDC to Ms. McCarthy for Fiscal Year 2016 will be published on the websites of TWDC (www.thewaltdisneycompany.com) and the SEC (www.sec.gov).*
(3) *The Company's Board attendance rate during the Fiscal Year 2016 reached 91.2%.*

The Company's Supervisory Board met four times during Fiscal Year 2016 compared to seven times during the prior Fiscal Year.

The Management Committee

As of September 30, 2016, the Management Committee was comprised of the *Présidente* of Euro Disney S.A.S. and her direct reports.

Three specialized committees are also in place:

- the steering committee, which focuses on the management of the overall income statement and decision-making on strategic issues;
- the operations committee, which focuses on operational problem solving and quality, safety and cost management;
- the revenue committee, which focuses on marketing, sales and revenue management, across the core business.

The members of the Management Committee participate in one or several of the aforementioned specialized committees.

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The Management Committee members for Fiscal Year 2016 were the following:

Catherine Powell, *Présidente* (from July 2016)
Catherine was appointed to *Présidente* of Euro Disney S.A.S. effective in July 2016. Before joining the Group, she served as Managing Director of TWDC for Australia and New Zealand with more than 12 years of experience in global roles throughout Europe, the Middle East and Asia. She previously led the Media Distribution division of TWDC in Europe, Middle East and Africa. Previously, she served as Disney Media Distribution's Senior Vice President Sales in UK, Ireland, Nordic, Benelux and Israel; and prior to that, as Executive Director Sales in UK and Ireland. Before joining TWDC, she worked for BBC Worldwide for seven years, where she held various senior TV sales roles across territories including Central and Eastern Europe, the Middle East, Germany, Spain and Portugal.

Tom Wolber, *Président* (until July 2016)
Tom was appointed to *Président* of Euro Disney S.A.S. in September 2014. Prior to joining the Group, he held leadership positions at Disney Cruise Line, Disney Vacation Club, Walt Disney World® Resort and Disneyland® Paris. In August 2016, Tom returned to the United States of America to take on operational responsibilities of Disney Cruise Line.

Daniel Delcourt, Senior Vice President and Chief Operating Officer
Daniel joined the Group in 1996. Daniel's experience in the hospitality industry spans nearly 30 years. With 18 years of experience with Disney, Daniel held various positions of increasing responsibilities before being promoted to Vice President, Hotels and Convention Centers in January 2007, responsible for enhancing productivity and creating strategies for the Disneyland Paris hotel complex. In April 2012, Daniel joined Disneyland Resort in California as Vice President Resort Hotels & Downtown Disney before being named Senior Vice President – Chief Operating Officer at Disneyland Paris in July 2014.

Darlene Papalini, Senior Vice President, Sales and Marketing Europe
Darlene joined the Group in August 2015. Darlene has been a member of the Disney team for more than 20 years. She began her career at Disney Cruise Line with the inauguration team of Disney Magic in 1998 and of Disney Wonder in 1999. Darlene was also Vice President, Global Synergy, Broadcast Marketing & Talent Relations for Disney Destinations Worldwide and was later named Vice President Global Content Development and Yellow Shoes Operations for Disney Destinations. Prior to her nomination at Disneyland Paris, she was Vice President, Marketing Strategy at Walt Disney World® Resort. Her mission was to develop strategic marketing campaigns at the local, regional and national levels.

Mark Stead, Senior Vice President and Chief Financial Officer
Mark joined the Group in 2006. Prior to joining the Group, Mark spent several years with the Special Projects and Internal Audit department of Vivendi in Paris and, prior to that, with Ernst & Young in both Paris and Cape Town, South Africa. In 2006, he joined the Group as Director of Corporate Controllership before being promoted to Vice President and Chief Accounting Officer in 2009. In November 2011, Mark was promoted to Chief Financial Officer.

François Banon, Vice President, Public Affairs Communication Europe
François joined the Group in 2004 as Vice President, Advertising, responsible for Advertising, Media Planning, Press Relations Product, Internet and Direct Marketing, for all the European markets. In June 2013, he was promoted to Vice President, Public Affairs Communication Europe. Prior to joining the Group, François began his career within the Lowe-Lintas Group where he held various positions of increasing responsibility. After being Board Account Director of the London office in 1995, then General Director of the Madrid office between 1996 and 2000, he took the position of General Director of the Paris Office in 2000.

Francis Borezée, Vice President, Resort and Real Estate Development
Francis joined the Group in 1991 as Director Land Development. Prior to joining the Group, he spent more than 10 years with the Sari Group, a Paris-la-Défense property developer. He was promoted to Vice President, Real Estate Development in 1998. As of October 2005, he extended his responsibilities to include the Resort and Disney Village® development.

Gilles Dobelle, Managing Vice President and General Counsel
Gilles joined the Group in April 2011. Prior to joining the Group, Gilles occupied various positions at Credit Agricole Corporate & Investment Bank starting in 1990, before joining the Deutsche Bank in 1996 where he was promoted to General Counsel, France. In 2003, he became General Counsel, Europe for General Electric Corporate Finance Bank, and then extended his responsibilities to become Chief Compliance Officer in 2005.

Daniel Dreux, Vice President, Human Resources
Daniel joined the Group in 1992. Prior to joining the Group, he spent ten years in the Burger King group, where he held a number of positions of increasing responsibility. In 1992, he joined the Group as Manager, Labor Relations and held a variety of leadership positions in Human Resources, Purchasing, General Services, and Security. In 2003, he was named Vice President, Labor Relations and subsequently Vice President, Human Resources in 2007.

Julien Kauffmann, Vice President, Revenue Management & Analytics (until September 2016) / Vice President, Transformation (from October 2016)
Following a career as a Consultant and Partner for Oliver Wyman's global Consumer goods, Retail and Communication practices, Julien joined the Group in 2003 as Director, Revenue Development. Since then he held various positions of increasing responsibilities before being promoted to Vice President, Strategic Market Planning & Pricing, Vice President, Business Optimisation and then, in January 2010, Vice President, Revenue Management & Analytics. On October 1, 2016, Julien was appointed Vice President Transformation, whose mission is to understand the new challenges and to propose innovative solutions for Disneyland® Paris.

Christian Bouzaid, Vice President, Revenue Management & Analytics (from October 2016)
Christian started his career at Air France, where he served in multiple pricing & revenue management roles until being promoted to head the e-marketing business of Air France-KLM. He joined Corsair International in 2010 as Director, Network and Revenue Management. Christian joined the Group in January 2015 as Director Revenue Management, Forecast and Planning. Since October 1, 2016, Christian has been serving as Vice President, Revenue Management & Analytics. In his current position, he is responsible for the strategic oversight of the optimization and improvement of Disneyland Paris revenues.

The Management Committee members are not required by law to hold a minimum number of shares of the Company. The Company, however, requires each member to hold a minimum of 2,500 shares for the duration of their membership.

The following table presents the compensation paid by the Group to the Management Committee members during Fiscal Years 2016 and 2015:

(in €)	Fiscal Year	
	2016	2015
Compensation paid in Fiscal Year[(1)]	3,372,948	2,730,206

(1) Corresponds to fixed compensation, variable compensation and fringe benefits (with the meaning of the French labor regulations) paid in the period.

The Group bears the cost of compensation shown in the table above. No specific extra pension scheme is in place for the Management Committee members.

In addition, the following table details the value of TWDC stock options and restricted stock units attributed to the Management Committee members during Fiscal Years 2016 and 2015:

(in €)	Fiscal Year	
	2016	2015
Value of TWDC stock options granted during Fiscal Year	597,113	618,087
Value of TWDC restricted stock units granted during Fiscal Year	1,859,767	2,165,364
Total	**2,456,880**	2,783,451

The Management Committee members do not benefit from any complementary defined benefit retirement program.

To management's knowledge and in the previous five Fiscal Years, members of the Management Committee have not been:

- convicted of any fraudulent offences;
- associated with any bankruptcies, receiverships or liquidations;
- involved in any official public incrimination and/or sanction by statutory or regulatory authorities;

- involved in a family relationship conflicting with their responsibility as members of the Management Committee;
- prevented by a court from acting as a member of an administrative, management or supervisory body or participating in the management of a public issuer.

No member of the Management Committee was party to an agreement as defined under article L. 226-10 of the French *Code de commerce*. To the Group's knowledge, no potential conflicts of interest between any duties of the members of the Management Committee and their private interests and/or duties exist.

INSURANCE AND RISK FACTORS

Insurance

The Group has taken out several insurance policies with major insurance companies covering its main risks. The main coverages related to those risks are:

- property damage and the related business interruption (including terrorism) with a coverage up to €2 billion for assets the Group owns or operates. The deductibles are between €0.1 million and €0.3 million per occurrence for property damage and €2 million per occurrence for business interruption; and
- general liability coverage for the Company or its agents (for any damage caused to a third party).

Total insurance premium expense was €5 million for Fiscal Year 2016 compared to €4 million for Fiscal Years 2015 and 2014.

The Group believes that its insurance coverage is adequate to protect itself in the event of incidents of the kind described above.

Risk Factors

The information, assumptions and estimates that the Group uses to determine its strategy are subject to change or modification due to a certain number of risk factors that may affect the attendance and the Group's economic performance, such as the financial, legal, tax and competitive environment and context, seasonality, economic, geopolitical, climatic and travel conditions.

Risks Related to the Group's Borrowings

The Group's high level of borrowings requires the Group to devote a significant portion of its operating cash flow to service debt.

As of September 30, 2016, the Group had consolidated borrowings of €1.1 billion and a negative equity of €140 million. This high level of indebtedness limits the Group's ability to borrow additional amounts for capital expenditures, debt service requirements or other purposes as well as the Group's ability to withstand business and economic downturns, because of its operating cash flow being partly dedicated to servicing its debt.

While the Group's unfavorable performance for Fiscal Year 2016 had an impact on its liquidity position, the Group still had €220 million undrawn on the Revolving Credit Facility as of September 30, 2016.

In November 2016, TWDC[1] agreed to waive two years of royalty and management fees, commencing with the payment for the fourth quarter of Fiscal Year 2016, to provide the Group liquidity above its remaining undrawn Revolving Credit Facility.

If the Group cannot pay its debt service or meet its other liquidity needs from operating cash flow, the Group would consider it appropriate to reduce costs and delay planned investments, except if it obtains a new specific financial support.

As of September 30, 2016, management believes the Group has adequate liquidity for Fiscal Year 2017 based on its cash position and remaining undrawn Revolving Credit Facility.

For more details regarding the Group's liquidity risk, refer to note 2.3.2.3. "Liquidity risk" of the Group's 2016 consolidated financial statements.

[1] The waivers of royalty and management fees were granted by wholly-owned affiliates of TWDC.

The Group has regularly incurred losses and is not certain to generate profits in the near future.

The Group's net loss for Fiscal Year 2016 amounted to €858 million, compared to a net loss of €102 million and €114 million in Fiscal Years 2015 and 2014, respectively. In the past, the Group has regularly incurred losses in challenging economic contexts, combined with its high level of indebtedness and the costs of the significant investments required by its activities. While the Group's current strategy is designed to generate profits in the future, there can be no assurance, based on past performance, that the Group will achieve this objective. Accordingly, the value of the Company's shares could be adversely affected.

Risks Related to Potential Conflicts of Interest

As of September 30, 2016, TWDC indirectly owned 76.7% of the Company's shares and voting rights through EDL Holding, EDI and EDLC. In addition, TWDC owns 18% of EDA through EDI and EDLC.

Under French law, the Company's business (and that of EDA) is managed by a management company, the *Gérant,* which is an indirect wholly-owned subsidiary of TWDC. The *Gérant* of the Company is appointed by its general partner, which is an indirect wholly-owned subsidiary of TWDC. The *Gérant* of EDA is appointed by its general partners (two indirect wholly-owned subsidiaries of TWDC and a wholly-owned subsidiary of the Company). The management company receives management fees from the Group.

In addition, the *Gérant* provides and arranges for a variety of technical and administrative management services, for which it is reimbursed by the Group for its direct and indirect costs.

A license agreement also grants the Group the right to use any present or future intellectual property of TWDC for use in attractions, entertainment and for merchandise. Under this agreement, the Group pays royalties to an affiliate of TWDC. Furthermore, the Group has several commercial agreements with TWDC that are important to the Group's operations and for which it pays fees to TWDC.

These various relationships and agreements of the Group with TWDC and its affiliates create potential conflicts of interest. The Group believes that its dealings with TWDC and its affiliates are commercially beneficial to the Group and that it has reasonable oversight as to the financial and commercial implications of these arrangements. This oversight includes, for instance, validation of budgets or review of actual expenditure by the Group or by independent third parties.

Given the specific nature of various services provided by TWDC, the Group does not always systematically request bids or independent evaluations of the terms for all its agreements with TWDC.

To the extent that they qualify as related-party agreements, all such agreements must be authorized by the Company's or EDA's Supervisory Board and must be subsequently ratified by the companies' shareholders.

A special report thereon must also be issued by the Company or by EDA's Supervisory Board and their statutory auditors. Members of the Supervisory Board who are affiliated with TWDC are not entitled to vote on such agreements.

For more details on the main transactions with TWDC, see Exhibit 3 of this report.

Risks of Investing in the Theme Park Resorts Business

Resort activities can be impacted by several factors such as seasonality or economic, climatic and geopolitical conditions.

The Group's activity is dependent on the economic environment, in particular of its seven major markets comprising France, the United Kingdom, Belgium, the Netherlands, Spain, Italy and Germany. Consistent with the broader tourism industry in Europe, the Group has recently been impacted by the challenging economic and geopolitical environment and its subsequent impact on consumer behavior and spending. The Group notably faced difficult external factors impacting Paris tourism, including strikes, exceptionally poor weather and floods, as well as acute public security concerns. Corporate spending on discretionary budgets has also been negatively affected. These changes have impacted and could continue to impact the Group's guest mix and convention business in the future.

Fiscal Years 2016 and 2015 were notably marked by terrorist events in France and Belgium and by acute security public concerns in European countries and elsewhere, which are expected to be sustained. Such events are unforeseen and sudden. Their effects have adversely impacted and could further impact consumer behavior in the future and therefore the overall Group's resort activities, including attendance and guest spending, and the conditions under which it exercises its activities.

In June 2016, a non-binding referendum on the membership of the United Kingdom ("UK") in the European Union ("EU") approved the UK withdrawal from the EU ("Brexit"). The Brexit would occur after a process of negotiation regarding the future terms of the UK relationship with the EU, which could result in the UK losing access to certain aspects of the single EU market and the global trade deals negotiated by the EU on behalf of its members. The Brexit vote and the perceptions as to the impact of the Brexit may adversely affect business activity, political stability and economic conditions in the UK, the Eurozone, the EU and elsewhere. The uncertainty concerning the timing and terms of the Brexit could also cause greater volatility in the exchange rate of the euro against the British pound. These potential negative effects of the Brexit could adversely impact the overall Group's resort activities.

The Resort is subject to significant seasonal and daily fluctuations in attendance and spending per guest as well as to the effects of general economic, climatic and geopolitical conditions. While the Group has implemented and continues to implement measures designed to mitigate these risks by reducing fluctuations in attendance and spending per guest, the Group cannot be certain that such measures will be sufficient and will prevent significant declines in profitability. In addition, the effectiveness and timing of marketing campaigns can have a significant impact on attendance and spending per guest levels. Given the discretionary nature of vacation travel and the fact that travel and lodging expenses often represent a significant expenditure for consumers, such expenditures may be reduced, deferred or cancelled by consumers during times of economic downturn or uncertainty.

In recent years, the global economic environment, including Europe, has also been significantly impacted by a number of major events, including recent recessions in the Group's key markets. Such events may result in significant disruptions in financial markets that could impact commodity prices, interest rates and foreign exchange rates, and that could adversely affect market liquidity and increase the cost of credit. Future events of this type could negatively impact the Group's activities.

Although the Group's management closely monitors its operating trends, such steps, depending on the duration and intensity of the downturn, may be insufficient to prevent the Group's financial performance and condition from being adversely affected.

The tourism and leisure business is competitive, which could limit the Group's ability to increase prices or to attract guests.

The Group competes for guests throughout the year with other European and international holiday destinations, theme parks and also with other leisure and entertainment activities. The Group also relies on convention business, which is highly competitive, for a portion of its revenues and to maintain occupancy in its hotels during off-peak periods.

The Group's hotels are subject to competition from the third-party hotels located near the Resort, in the Paris area. The Group believes that its hotels are priced at a premium compared to the hotels located near the Resort, reflecting their greater proximity to the Disneyland® Park and the Walt Disney Studios® Park, their unique themes associated with the Resort and the exclusive services that they offer. The Group is aware, however, that a number of less costly alternatives exist nearby.

Competition limits the Group's ability to raise prices, and may require the Group to make significant new investments in order to avoid losing guests to competitors.

The increase in competition, notably the development of new entertainment offerings in other theme parks or the launch of new European theme parks in the future, might also have a negative impact on the Group's Resort activities.

The Group makes significant capital expenditures which may not drive incremental attendance.

During Fiscal Year 2016 and the recent Fiscal Years, the Group introduced new entertainment experiences and attractions. These offerings are designed to add to the appeal and capacity of the Resort, further enhancing the guest experience to ultimately drive revenue growth. In addition, the Group continued the implementation of its long-term strategy of investing in the guest experience in addition to preparation of the upcoming celebration of Disneyland® Paris's 25th Anniversary in 2017. There can be no assurance, however, that these investments will in fact increase attendance to levels anticipated by the Group in the future or that, if attendance increases, the additional revenues will be sufficient to provide a return on such investments or repayment of the Group's other financial obligations.

The Group benefits from important media exposure, which may affect its public or corporate image.

As the leading European tourist destination, the largest private employer in the Department of Seine-et-Marne and operator of world famous Disney-licensed theme parks, the Group benefits from extended media exposure. While the Group takes advantage of this exposure for its commercial activity, any incident notably related to safety or social conflict at the Resort may adversely affect the Group's public or corporate image. Although the Group takes all necessary security and safety measures, there can be no guarantee that they will be effective in the event of a future incident at the Resort.

Risks Related to Real Estate Development

Adverse market conditions may affect the Group's real estate development segment.

Under the main agreement[1] of March 24, 1987 (the "Main Agreement"), as amended, the Group's operating activities include the development of the 2,230-hectare site, approximately 50% of which is yet to be developed, subject to land acquisition rights. The Group records revenues in the real estate development segment primarily from the sale to real estate developers of land purchased under these rights. The performance of the Group's real estate development could be adversely affected by any deterioration in real estate market conditions in France including the Paris area, as well as an unfavorable evolution of tax regulation related to real estate transactions.

Risks Related to Financial Market Exposure

Risks Related to Foreign currency

A portion of the Group's revenues is earned and collected in British pounds. An appreciation of the euro against the British pound raises the price of a visit to the Resort for guests visiting from the UK and negatively affects their rates of attendance, per-guest spending and hotel occupancy. A weakening of the U.S. dollar may also make tourist destinations in the United States relatively more attractive, increasing competitive pressures on the Group and potentially adversely affecting attendance at the Resort.

There can be no assurance that foreign currency exchange rates will remain stable in the future and thus the Group's operations may be adversely affected.

In addition, a portion of the Group's current assets and liabilities are denominated in foreign currencies. The settlement of these assets and liabilities generally occur a few months after they are recorded in the Group's consolidated statements of income. Foreign exchange rate volatility to the euro may result in any final cash settlements being different from the originally recorded asset or liability, which could impact the Group's consolidated statements of income. The Group attempts to hedge this risk by purchasing derivative instruments. However, there can be no assurance that the Group's hedging techniques will be fully effective in the future to insulate the Group from this risk.

Interest rate risk

As of September 30, 2016, approximately 12% of the Group's borrowings were tied to floating interest rates, resulting in a weighted annual average interest rate of 3.9% on total borrowings of €1.1 billion. As of September 30, 2016, the Group had no hedges in place to reduce its net exposure to interest rate fluctuations.

[1] For more information on the Main Agreement, see section A.3. "History and Development of the Group" of the 2015 Reference Document.

There can be no assurance that future Euribor rates will remain stable, despite the flat medium-term yield curve, and thus the Group's results and cash flows could be affected in the future.

Risks Related to the Group's Interests in Joint Ventures

The Group has interests in joint ventures, notably in relation with the development and future operations of the eco-tourism project Villages Nature developed in partnership with the Pierre & Vacances Center-Parcs Group ("Villages Nature").

A certain level of risk is inherent in these interests in joint ventures, particularly the risk of lack of performance on initial objectives, underestimated costs or disagreement with partners. The lack of performance on initial objectives or the failure of the Group's partners to perform their contractual obligations could lead to additional obligations being imposed to the Group, or additional costs being incurred by the Group.

Even if the Group monitors the financial impacts of its joint ventures, there can be no assurance that the expected results from these joint ventures will be realized and thus the Group's results and financial position could be adversely affected in the future.

Legal Risks

The Group is party to various legal proceedings in the normal course of business. Management believes that the Group has recorded adequate reserves for these legal exposures and that the outcome of such proceedings should not have a material adverse impact on the financial position, business or results of the Group.

The Group presents its provisions for the various legal proceedings and claims against the Group in note 21. "Provisions, Commitments and Contingencies" of the Group's 2016 consolidated financial statements. For the past 12-month period, the Group is not aware of any other administrative, legal or arbitration litigations which have recently had or could have a material impact on its financial position or its profitability. According to the information available to the Group to date, there are no other pending or threatening administrative, legal or arbitration litigations that would be expected to have a negative material impact on its financial position or its profitability.

However, it is possible that future proceedings, whether or not related to current proceedings, could be launched against the Group, and which, if they have an unfavorable outcome for the Group, could have an adverse impact on the business, financial situation or results of the Group.

Environmental, Industrial, Public Security and Global Health Risks that could cause Business Disruption

A significant and unexpected event concerning public security, public infrastructure, operations, weather or global health, or a major public transport disruption may lead to a reduction in attendance and adversely affect the Group's revenue, financial position or results of operations.

There are activities and facilities at the Resort that may be hazardous to the environment. These include the Resort central power plant and gas station, which may suffer damages, which could disrupt the Group's operations.

In Fiscal Year 2009, the Group performed an extensive business impact analysis and reviewed its crisis management system which includes an emergency plan, a Business Continuity Plan ("BCP") and a recovery plan for the most critical processes.

An emergency plan is a set of actions to rescue, protect or preserve in the event of a crisis. A BCP is a set of policies and procedures that the Group could implement to address environmental, industrial, public security and global health risks, in order to maintain its operations in case of a significant disruption. A recovery plan is a set of actions to restore the Group's assets, activities or image after a crisis.

Since 2009, the crisis management system was extended to other critical processes.

During Fiscal Year 2016, in a context of increased public security concerns, the Group reviewed its crisis management system, adapted its procedures and trained some of its employees to specific emergency action plans.

Although the Group has extensively tested its crisis management system and has concluded that it is effective, there can be no guarantee that it will be effective in the event of a future significant business disruption.

To insure that safety and environment policies, obligations or performance trend are managed properly, the Group has enhanced his organization by implementing an executive safety committee and a dedicated environment steering committee. See "Social, Environmental and Societal Information" below for more details on the Group's environmental management and health and safety policies.

Despite the existence of these committees, there is no guarantee that Group's performance in these fields will improve.

Chessy, February 9, 2017

the *Gérant*, Euro Disney S.A.S.
represented by: Catherine Powell, *Présidente*

FINANCIAL RESULTS OF THE COMPANY FOR THE PAST FIVE FISCAL YEARS

	Fiscal Year				
	2016	2015	2014	2013	2012
Capital at the end of the period					
Share capital *(in €)*	**783,364,900**	783,364,900	38,976,490	38,976,490	38,976,490
Number of ordinary shares	**783,364,900**	783,364,900	38,976,490	38,976,490	38,976,490
Maximum amount of shares which can be created by way of exercise of employee stock options	**-**	-	33,128	36,133	263,041
Result of the period *(in €)*					
Sales (net of VAT)	**1,230,000**	1,050,000	800,000	900,000	900,000
Loss before income taxes, depreciation and provisions	**(2,631,130)**	(3,736,154)	(1,646,799)	(1,647,190)	(1,352,717)
Income taxes	**-**	-	-	-	-
Net loss	**(955,700,054)**	(3,715,144)	(472,218,430)	(1,597,142)	(1,382,097)
Dividends distributed	**-**	-	-	-	-
Earnings per share *(in €)*					
Loss per share before depreciation and provisions but after income taxes	**(0.00)**	(0.00)	(0.04)	(0.04)	(0.03)
Loss per share after income taxes and depreciation and provisions	**(1.22)**	(0.00)	(12.12)	(0.04)	(0.04)
Net dividend per share	**-**	-	-	-	-
Employees					
Average number of employees	**14**	12	11	12	12
Total payroll costs *(in €)*	**1,349,302**	1,158,574	883,235	971,615	1,049,926
Total employee benefit costs *(in €)*	**536,206**	529,270	371,750	419,604	474,781

LIST OF THE DELEGATIONS OF AUTHORITY IN CURRENT VALIDITY GRANTED BY THE GENERAL MEETING OF SHAREHOLDERS TO THE *GERANT* AS REGARDS TO INCREASES OF CAPITAL

As of September 30, 2016, there is no delegation of authority granted by the general meeting of shareholders to the *Gérant* as regards to increase of capital.

RELATED-PARTY AGREEMENTS BETWEEN TWDC AND THE COMPANY'S SUBSIDIARIES

Related-Party Agreements Related to Operating and Investing Activities

Title	Name of the related-parties	Description of the contract	Impact on the Statement of Income of EDA and EDLH (if applicable) for Fiscal Year 2016
License agreement	EDA and Disney Enterprises Inc.	This license agreement grants the Group the right to use any present or future intellectual or industrial property rights of TWDC for use in attractions or other facilities and for the purpose of selling merchandise. In November 2016, Disney Enterprises Inc. agreed to waive two years of royalty, commencing with the payment for the fourth quarter of Fiscal Year 2016, to provide the Group liquidity above its remaining undrawn standby Revolving Credit Facility.	€62 million of costs and expenses
EDA and EDLH management fees	EDA, EDLH and the *Gérant*	Under the bylaws of EDA and EDLH, the *Gérant* is entitled to annual management fees. In November 2016, the *Gérant* agreed to waive two years of EDA management fees, commencing with the payment for the fourth quarter of Fiscal Year 2016, to provide the Group liquidity above its remaining undrawn standby Revolving Credit Facility.	€13 million of costs and expenses for EDA and €0.1 million of costs and expenses for EDLH
Development services agreement	EDA and the *Gérant*	The *Gérant* provides and arranges for other subsidiaries of TWDC to provide EDA with a variety of technical and administrative services, some of which are dependent upon Disney expertise or cannot reasonably be supplied by other parties.	€56 million of costs, of which €14 million of capitalized costs
Agreement for the design, planning and monitoring of improvements and additions to the Resort	EDA and Euro Disneyland Imagineering S.A.R.L.	Management and administration of the overall design as well as the construction of attractions and development investments in the Resort.	€6 million of costs, of which €5 million of capitalized costs
Call center service agreement	EDA and Disney Destinations LLC ("DD LLC")	Call center services provided by DD LLC.	€2 million of costs and expenses
Information technology agreement for partnerships	EDA and DD LLC	This agreement grants the Group the right to use TWDC information technology solutions in order to develop interfaced IT systems for transactions with the Group's business partners.	€2 million of capitalized costs
Information technology agreement for sales and distribution department	EDA and DD LLC	This agreement grants the Group the right to use TWDC information technology solutions in order to optimize its IT systems related to sales and distribution.	€1 million of costs and expenses
Information technology agreement for the hotels	EDA and DD LLC	This agreement grants the Group the right to use TWDC information technology solutions in order to develop its IT systems related to the forecast accuracy and optimization of hotels' occupancy rate and related revenues.	€0.5 million of costs and expenses
Agreement for IT hosting and related services	EDA and The Walt Disney Company Ltd	Agreement to host the Group's websites, including the e-payment services for on line sales, i.e. enhancement of fraud prevention and deployment of new means of payment.	€0.2 million of costs and expenses
Services agreement	EDA and ED Corporation	Services agreement through which EDA provides technical or operational competencies and know-how developed at Disneyland® Paris to TWDC entities.	€1 million of income
Agreement to develop sales and distribution opportunities with other Disney destinations	EDA, DD LLC and Magical Cruise Company Ltd	Development of sales and distribution opportunities with other Disney destinations in the world.	€0.5 million of income Costs and expenses not meaningful

RELATED-PARTY AGREEMENTS RELATED TO OPERATING AND INVESTING ACTIVITIES (CONTINUED)

Title	Name of the related-parties	Description of the contract	Impact on the Statement of Income of EDA and EDLH (if applicable) for Fiscal Year 2016
Agreement for market risk hedging services	EDA and TWDC	This agreement grants the Group the right to benefit from TWDC risk hedging services related to the fluctuation of foreign currencies, fuel and raw materials prices.	Nil
Information technology for workforce planning	EDA and Walt Disney Attractions Technology LLC	Agreement on an information technology solution to calculate estimations and optimize workload planning of operational teams.	Nil

RELATED-PARTY AGREEMENTS RELATED TO FINANCING ACTIVITIES

Title	Name of the related-parties	Description of the contract	Impact on the Statement of Income of EDA for the Fiscal Year 2016
Long term loan – EDI	EDA and EDI	In 2012, EDI granted to EDA a loan amounting to €616 million which bears interest at a fixed rate of 4%. The Group repaid €5 million of this loan during Fiscal Year 2014. As part of the Recapitalization Plan, an amount of €119 million of this loan was converted into the Company's and EDA's shares as part of the reserved capital increases and the repayment date for the remaining amount of €492 million was amended to December 15, 2024.	€20 million of financial charges
Long term loan – EDLC	EDA and EDLC	In 2012, EDLC granted to EDA a loan amounting to €616 million which bears interest at a fixed rate of 4%. The Group repaid €5 million of this loan during Fiscal Year 2014. As part of the Recapitalization Plan, an amount of €119 million of this loan was converted into the Company's and EDA's shares as part of the reserved capital increases and the repayment date for the remaining amount of €492 million was amended to December 15, 2024.	€20 million of financial charges
Standby revolving credit facility	EDA and TWDC	As part of the Recapitalization Plan, TWDC has granted the Group a standby revolving credit facility amounting to €350 million until its expiration date of December 15, 2023. This standby revolving credit facility bears interest at Euribor +2% per year and supersedes the previous credit facilities. During Fiscal Year 2016, the Group drew an amount of €130 million from the Revolving Credit Facility.	€0.5 million of financial charges

SUMMARY OF THE TRANSACTIONS ON FINANCIAL INSTRUMENTS OF THE COMPANY PERFORMED BY THE PERSONS CONCERNED BY ARTICLE L.621-18-2 OF THE FRENCH FINANCIAL MONETARY CODE

Pursuant to the provisions of Article 223-26 of the *Règlement Général* of the *Autorité des marchés financiers* ("AMF"), the Group is required to present the declarations related to the transactions on the financial instruments of the Company performed during Fiscal Year 2016 by the persons concerned by Article L.621-18-2 of the French financial monetary code (*Code monétaire et financier*). During Fiscal Year 2016, there were no transactions to report under this disclosure requirement.

B.3. CONSOLIDATED FINANCIAL STATEMENTS

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CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(€ in millions)	Note	September 30, 2016	2015	2014
Non-current assets				
Property, plant and equipment, net	3.	**1,164**	1,724	1,776
Investment property	3.	**17**	17	17
Intangible assets	3.	**22**	43	42
Restricted cash	4.	**-**	15	15
Other	7.	**96**	63	59
		1,299	1,862	1,909
Current assets				
Inventories	5.	**44**	41	41
Restricted cash	4.	**15**	-	-
Trade and other receivables	6.	**111**	119	137
Other	7.	**36**	19	24
Cash and cash equivalents	8.	**113**	249	49
		319	428	251
Total assets		**1,618**	2,290	2,160
Equity attributable to owners of the parent				
Share capital		**783**	783	39
Share premium		**1,718**	1,718	1,627
Accumulated deficit		**(2,605)**	(1,900)	(1,816)
Other		**(14)**	(18)	(19)
Total equity attributable to owners of the parent	9.	**(118)**	583	(169)
Non-controlling interests	10.	**(22)**	131	(32)
Total equity		**(140)**	714	(201)
Non-current liabilities				
Borrowings	11.	**1,122**	999	1,716
Deferred income	13.	**19**	20	21
Provisions	21.	**25**	17	19
Other	12.	**83**	65	58
		1,249	1,101	1,814
Current liabilities				
Trade and other payables	12.	**364**	340	390
Borrowings	11.	**13**	2	31
Deferred income	13.	**131**	129	118
Other		**1**	4	8
		509	475	547
Total liabilities		**1,758**	1,576	2,361
Total equity and liabilities		**1,618**	2,290	2,160

The accompanying notes are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENTS OF INCOME

(€ in millions except per share data)	Note	Fiscal Year 2016	2015	2014
Revenues		**1,278**	1,373	1,280
Costs and expenses				
Direct operating costs		**(1,247)**	(1,199)	(1,109)
Marketing and sales expenses		**(148)**	(141)	(135)
General and administrative expenses		**(125)**	(114)	(102)
Total costs and expenses	15.	**(1,520)**	(1,454)	(1,346)
Other income	18.3.	**-**	24	-
Operating margin		**(242)**	(57)	(66)
Impairment charge	3.3.	**(565)**	-	-
Net financial charges	16.	**(38)**	(46)	(50)
Share of (loss) / profit of equity investments	18.5.	**(13)**	1	2
Loss before taxes		**(858)**	(102)	(114)
Income taxes	17.	**-**	-	-
Net loss		**(858)**	(102)	(114)
Net loss attributable to:				
Owners of the parent		**(705)**	(84)	(94)
Non-controlling interests	10.	**(153)**	(18)	(20)
Average number of outstanding shares *(in thousands)*		**783,151**	493,552	38,805
Basic and diluted loss per share attributable to owners of the parent *(in euros)*		**(0.90)**	(0.17)	(2.41)

CONSOLIDATED STATEMENTS OF OTHER COMPREHENSIVE INCOME

(€ in millions)	Note	Fiscal Year 2016	2015	2014
Net loss		**(858)**	(102)	(114)
Items that will not be reclassified to profit or loss				
Pensions – actuarial gains / (losses)	12.1.	**(15)**	(3)	(2)
Income taxes		**-**	-	-
		(15)	(3)	(2)
Items that may be subsequently reclassified to profit or loss				
Forward currency contracts	20.2.	**19**	4	(3)
Income taxes		**-**	-	-
		19	4	(3)
Other comprehensive income / (loss)		**4**	1	(5)
Total comprehensive loss		**(854)**	(101)	(119)
Total comprehensive loss attributable to:				
Owners of the parent		**(701)**	(84)	(98)
Non-controlling interests		**(153)**	(17)	(21)

The accompanying notes are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

(€ in millions)	Note	Attributable to owners of the parent					Non-controlling interests	Total equity
		Share capital	Share premium	Accumulated deficit	Other[1]	Total		
As of September 30, 2013		**39**	**1,627**	**(1,723)**	**(14)**	**(71)**	**(11)**	**(82)**
Total comprehensive loss		-	-	(94)	(4)	(98)	(21)	(119)
Other		-	-	1	(1)	-	-	-
As of September 30, 2014		**39**	**1,627**	**(1,816)**	**(19)**	**(169)**	**(32)**	**(201)**
Proceeds from the Recapitalization Plan[2]	9.1. and 10.1.	744	91	-	-	835	180	1,015
Total comprehensive loss		-	-	(84)	-	(84)	(17)	(101)
Other		-	-	-	1	1	-	1
As of September 30, 2015		**783**	**1,718**	**(1,900)**	**(18)**	**583**	**131**	**714**
Total comprehensive loss		-	-	(705)	4	(701)	(153)	(854)
Other		-	-	-	-	-	-	-
As of September 30, 2016		**783**	**1,718**	**(2,605)**	**(14)**	**(118)**	**(22)**	**(140)**

(1) *The changes in other elements of equity attributable to owners of the parent are detailed in note 9.3. "Other Elements in Equity Attributable to Owners of the Parent".*

(2) *For the definition of the "Recapitalization Plan" please refer to note 2. "Recapitalization Plan" of the Group's 2015 consolidated financial statements.*

The accompanying notes are an integral part of these consolidated financial statements.

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CONSOLIDATED STATEMENTS OF CASH FLOWS

(€ in millions)	Note	Fiscal Year 2016	2015	2014
Net loss		**(858)**	(102)	(114)
Adjustments to reconcile net loss to net cash flows:				
– Impairment charge		**565**	-	-
– Depreciation and amortization		**208**	198	179
– Share of loss / (profit) of equity investments		**13**	(1)	(2)
– Other		**2**	5	9
Changes in working capital account balances	19.1.	**2**	(31)	6
Cash (used in) / generated by operating activities	19.	**(68)**	69	78
Capital expenditures		**(178)**	(147)	(140)
Cash flows (to) / from equity investments		**(15)**	13	(5)
Cash used in investing activities	19.	**(193)**	(134)	(145)
Cash proceeds from standby revolving credit facility[1]		**130**	100	100
Gross cash proceeds from the Recapitalization Plan		**-**	423	-
Repayment of borrowings		**(3)**	(251)	(62)
Recapitalization Plan costs		**(2)**	(8)	-
Net sales of treasury shares		**-**	1	-
Cash generated by financing activities	19.	**125**	265	38
Change in cash and cash equivalents		**(136)**	200	(29)
Cash and cash equivalents, beginning of period		**249**	49	78
Cash and cash equivalents, end of period	8.	**113**	249	49

[1] *Amounts for Fiscal Year 2015 were drawn during the first quarter before the repayment under the Recapitalization Plan.*

SUPPLEMENTAL CASH FLOW INFORMATION

(€ in millions)	Fiscal Year 2016	2015	2014
Supplemental cash flow information:			
Interest paid[1]	**40**	44	53

[1] *For cash flow purposes, interests paid on the Group's borrowings are presented in* Cash flow (used in)/generated by operating activities.

The accompanying notes are an integral part of these consolidated financial statements.

ACCOMPANYING NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. DESCRIPTION OF THE GROUP

1.1. Overview of the Group

Euro Disney S.C.A. (the "Company" or "parent") and its owned and controlled subsidiaries (collectively, the "Group")[1] commenced operations with the official opening of the Disneyland® Park on April 12, 1992. The Group also operates the Walt Disney Studios® Park, which opened to the public on March 16, 2002 (together with the Disneyland Park the "Theme Parks"), a large hotel complex comprising seven hotels (the "Hotels") with approximately 5,800 rooms, two convention centers, the Disney Village® entertainment center and Golf Disneyland® (the "Golf Courses"), collectively the "Resort". In addition, the Group manages the real estate development and expansion of the property and related infrastructure near the Resort.

The Company, a publicly held French company with shares traded on Euronext Paris, is managed by Euro Disney S.A.S. (the "*Gérant*"), an indirect wholly-owned subsidiary of The Walt Disney Company ("TWDC"). The General Partner is EDL Participations S.A.S., also an indirect wholly-owned subsidiary of TWDC. The Company owns 82% of Euro Disney Associés S.C.A. ("EDA"), which is the primary operating company of the Resort. Two other indirect wholly-owned subsidiaries of TWDC, Euro Disney Investments S.A.S. ("EDI") and EDL Corporation S.A.S. ("EDLC"), equally own the remaining 18% of EDA.

The Company's fiscal year begins on October 1 of a given year and ends on September 30 of the following year (the "Fiscal Year"). For purposes of these consolidated financial statements, the Fiscal Year for any given calendar year is the Fiscal Year that ends in that calendar year (for example, Fiscal Year 2016 is the fiscal year that ends September 30, 2016).

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[1] The Group also includes Centre de Congrès Newport S.N.C., a consolidated special purpose financing company (the "Financing Company"). Hereafter, references to the "Legally Controlled Group" correspond to the Group, excluding the Financing Company. For more information, refer hereafter to note 1.3. "Disneyland® Paris Financing".

1.2. Structure of the Group

Entities included in the consolidated financial statements and their primary operating activities as of September 30, 2016, are listed below:

Company	% Ownership	% Voting rights	Consolidation Method[2]	Primary Activity
Euro Disney S.C.A.	**Parent Company**	**100**	**FC**	**Holding Company** Headquartered in Chessy, Marne-la-Vallée, France
Euro Disney Commandité S.A.S.	**100**	**100**	**FC**	**General Partner of EDA**
Euro Disney Associés S.C.A.	**82**	**82**	**FC**	**Operator of the Theme Parks, Disneyland® Hotel, Disney's Davy Crockett Ranch, the Golf Courses, and manager of the Group's real estate development**
EDL Hôtels S.C.A.	82	100	FC	Operator of five hotels of the Group's hotel complex plus the Disney Village®
Centre de Congrès Newport S.N.C.[1]	-	-	FC	Financing company for Newport Bay Club Convention Center assets
EDL Hôtels Participations S.A.S.	82	100	FC	General Partner of EDL Hôtels S.C.A.
EDL Services S.A.S.	82	100	FC	Design, construction, leasing, acquisition and sale of real estate project
Euro Disney Vacances S.A.S.	82	100	FC	Tour operator selling mainly Disneyland® Paris holiday packages
ED Spectacles S.A.R.L.	82	100	FC	Operator of Buffalo Bill's Wild West Show
S.E.T.E.M.O. Imagineering S.A.R.L.	82	100	FC	Provides studies and management of construction projects
Val d'Europe Promotion S.A.S.	82	100	FC	Real estate developer
Les Villages Nature de Val d'Europe S.A.S.	41	50	EM	Joint venture with Pierre & Vacances-Center Parcs Group to develop and manage the innovative eco-tourism project Villages Nature ("Villages Nature")
Villages Nature Tourisme S.A.S.	41	50	EM	Operator of Villages Nature
SNC Nature Hébergements 1	10.25	12.5	EM	Special purpose entity jointly controlled by the Group, in charge of the acquisition and the sale of certain apartments and cottages of the first phase related to Villages Nature
SNC Villages Nature Equipements I	41	50	EM	Joint venture with Pierre & Vacances-Center Parcs Group to build and sell the facilities of the first phase of Villages Nature
SNC Villages Nature Hébergements I	41	50	EM	Joint venture with Pierre & Vacances-Center Parcs Group to build and sell the apartments and cottages of the first phase of Villages Nature
SNC Villages Nature Equipements II	41	50	EM	Joint venture with Pierre & Vacances-Center Parcs Group to build and sell the facilities of the second phase of Villages Nature
SNC Villages Nature Hébergements II	41	50	EM	Joint venture with Pierre & Vacances-Center Parcs Group to build and sell the apartments and cottages of the second phase of Villages Nature
Villages Nature Management S.A.R.L.	41	50	EM	Joint venture with Pierre & Vacances-Center Parcs Group to manage Les Villages Nature de Val d'Europe S.A.S., Villages Nature Tourisme S.A.S., SNC Villages Nature Equipements I, SNC Villages Nature Hébergements I, SNC Villages Nature Equipements II and SNC Villages Nature Hébergements II
Convergence Achats S.A.R.L.	41	50	EM	Joint venture with Groupe Flo to negotiate food purchasing contracts

[1] *Euro Disney S.C.A. has no ownership interest in this entity. However this entity is consolidated in accordance with IFRS 10 "Consolidated Financial Statements" (see note 2.2.1. "Consolidation Principles").*
[2] *FC: Full consolidation method; EM: Equity method*

1.3. Disneyland® Paris Financing

The Legally Controlled Group owns the Theme Parks, the Hotels including a convention center located in Disney's Hotel New York®, the Golf Courses, the Disney Village® entertainment center and the underlying land thereof.

In addition, various agreements were signed in 1996 for the development and financing of a second convention center located adjacent to Disney's Newport Bay Club® hotel (the "Newport Bay Club Convention Center"). EDL Hôtels S.C.A. ("EDLH") leases the Newport Bay Club Convention Center from Centre de Congrès Newport S.N.C., a special purpose company that was established for the financing of the Newport Bay Club Convention Center, and also an indirect, wholly-owned subsidiary of TWDC. The Legally Controlled Group has no ownership interest in Centre de Congrès Newport S.N.C., however it is fully consolidated in accordance with International Financial Reporting Standards 10 "Consolidated Financial Statements" ("IFRS[1]10"). This lease will terminate in September 2017. EDLH will have the option to acquire the Newport Bay Club Convention Center for a nominal amount up to six-month prior to the end of the lease.

Hereafter, references to the "Financing Company" correspond to Centre de Congrès Newport S.N.C.

2. SIGNIFICANT POLICIES APPLIED BY THE GROUP

2.1. Basis of Preparation

The consolidated financial statements of the Group have been prepared in accordance with IFRS as adopted by the European Union ("EU") under regulation 1606/2002 of July 19, 2002. The principles underlying IFRS are based on an entity's ability to continue as a going concern for the twelve months following its fiscal period.

The Group's unfavorable performance for Fiscal Year 2016, driven by adverse external factors, had an impact on the Group's liquidity position. As of September 30, 2016, management believes the Group has adequate liquidity for Fiscal Year 2017 based on its cash position and remaining undrawn standby revolving credit facility granted by TWDC (the "Revolving Credit Facility").

In addition, in November 2016, TWDC[2] agreed to waive two years of royalty and management fees to provide the Group additional liquidity. For more information on the Revolving Credit Facility and the waiver of royalty and management fees, see notes 11.2."Revolving Credit Facility of €350 million" and 24."Subsequent Events", respectively.

The consolidated financial statements for Fiscal Year 2016 were prepared by the Company and reviewed ("*arrêtés*") by the *Gérant* on November 9, 2016. They will be submitted for approval of the shareholders at the Company's next annual general shareholders meeting.

[1] IFRS refers collectively to International Accounting Standards ("IAS"), International Financial Reporting Standards ("IFRS") and interpretations issued by Standing Interpretations Committee ("SIC") and International Financial Reporting Interpretations Committee ("IFRIC").
[2] The waivers of royalty and management fees have been granted by wholly-owned affiliates of TWDC.

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2.1.1. New Standards, Amendments and Interpretations

2.1.1.1. New Amendments and Improvements Adopted by the EU and Applied by the Group

During Fiscal Year 2016, the following amendments and improvements were adopted by the EU. The adoption of these amendments and improvements did not have a material impact on the Group's financial statements:

- Amendments to IAS 1 "Disclosure Initiative"
- Amendments to IAS 16 and IAS 38 "Clarification of Acceptable Methods of Depreciation and Amortization"
- Amendments to IAS 16 and IAS 41 "Agriculture – Bearer Plants"
- Amendments to IAS 27 "Equity Method in Separate Financial Statements"
- Amendments to IFRS 11 "Accounting for Acquisitions of Interests in Joint Operations"
- Improvements to IFRS (2012-2014 Cycle)
- Amendments to IFRS 10, IFRS 12 and IAS 28 "Investment Entities: Applying the Consolidation Exception"

2.1.1.2. New Standards and Amendments Issued by the IASB and not yet Applied by the Group

The following standard and amendments have not yet been adopted by the EU as of September 30, 2016, and therefore not yet applicable to the Group. The adoption of this standard and amendments is not expected to have a material impact on the Group's financial statements:

- IFRS 14 "Regulatory Deferral Accounts"
- Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets between an Investor and its Associate or Joint Venture"
- Amendments to IAS 12 "Recognition of Deferred Tax Assets for Unrealized Losses"
- Amendments to IAS 7 "Disclosure initiative"
- Amendments to IFRS 2 "Classification and Measurement of Share-based Payment Transactions"
- Amendments to IFRS 4 "Applying IFRS 9 'Financial Instruments' with IFRS 4 'Insurance Contracts'"

In addition, the IASB issued the following standards and amendments which have not yet been adopted by the EU as of September 30, 2016. The impact of adoption of these standards and amendments on the Group's financial statements is being assessed:

- IFRS 9 "Financial Instruments" ("IFRS 9"), IFRS 9 "Hedge Accounting" and amendments to IFRS 9, IFRS 7 and IAS 39, issued during Fiscal Year 2014. These standards and amendments were issued as part of a multi-phase project to replace IAS 39 "Financial Instruments". IFRS 9 is applicable for annual periods beginning on or after January 1, 2018 (i.e. Fiscal Year 2019 for the Group), subject to adoption by the EU.
- IFRS 15 "Revenue from Contracts with Customers" ("IFRS 15"), issued during Fiscal Year 2014, and amendments to IFRS 15 "Clarifications to IFRS 15", issued during Fiscal Year 2016. These standards and amendments define principles of revenue recognition. IFRS 15 is applicable for annual periods beginning on or after January 1, 2018, (i.e. Fiscal Year 2019 for the Group), subject to adoption by the EU.
- IFRS 16 "Leases" ("IFRS 16"), issued during Fiscal Year 2016, defines principles of lease accounting. IFRS 16 is applicable for annual periods beginning on or after January 1, 2019, (i.e. Fiscal Year 2020 for the Group), subject to adoption by the EU.

2.2. Significant Accounting Policies

2.2.1. Consolidation Principles

The consolidated financial statements include the activity of the Company and its subsidiaries, which are directly or indirectly controlled by the Company.

The Company controls an entity, directly or indirectly, when the Company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity, even though the Company may have no ownership interests in it. Accordingly, although the Company has no ownership interest in the Financing Company, its activity has been included in the Group's consolidated accounts.

Entities which are directly or indirectly controlled by the Company are consolidated using the full consolidation method from the date control is obtained by the Company and would be deconsolidated from the date the related entities are no longer controlled by the Company.

The Group applies IFRS 11 "Joint Arrangements" to all joint arrangements. Under IFRS 11, investments in joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations of each investor. The Group has assessed the nature of its joint arrangements and determined them to be joint ventures. Joint ventures are accounted for using the equity method. Under the equity method, interests in the Group's joint ventures are initially recognized at cost and adjusted thereafter to recognize the Group's share of profit or loss and movements in *other comprehensive income*.

2.2.2. Use of Estimates

The preparation of financial statements requires management to make estimates and judgments related to the reported assets and liabilities, revenues and expenses, and notes hereto. Significant items related to such estimates and judgments include provisions for risks, collectability of trade receivables, inventory obsolescence, retirement obligations and impairment of long-lived assets. Actual results could vary from these estimates.

2.2.3. Consolidated Statements of Financial Position Presentation

The *Consolidated Statements of Financial Position* present the Group's assets and liabilities classified as either current or non-current. An asset that will be recovered or a liability that will be paid during the 12 months following the end of the reporting period is classified as current.

2.2.4. Reclassification

Certain amounts in prior period financial statements may have been reclassified for comparability with the most recent period presented.

2.2.5. Property, Plant and Equipment and Intangible Assets

Property, plant and equipment and *intangible assets* are initially measured and recognized at acquisition cost, including any directly attributable cost of preparing the asset for its intended use or any financial cost related to its financing.

Property, plant and equipment and *intangible assets* are amortized on a straight-line basis over their estimated useful lives as follows:

	Estimated useful lives
Infrastructure	20 to 40 years
Buildings and attractions	10 to 40 years
Leasehold improvements, furniture, fixtures and equipment	2 to 25 years
Intangible assets	2 to 25 years

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2.2.5.1. Asset by Component Approach

Fixed assets are recorded using a component approach, which consists of identifying assets separately in the accounting records in sufficient detail to allow assets that are components of larger assets to be depreciated separately over their respective useful lives.

Subsequent expenditures to replace a defined fixed asset component are capitalized and the replaced component is written-off. Expenditures for renovations to property, plant and equipment are expensed as incurred.

New components of larger assets may be identified subsequent to initial measurement. In such cases, the newly identified components are recorded separately and amortized over their estimated remaining useful lives.

2.2.5.2. Investment Grants

Investment grants received by the Group and related to assets under construction are recorded as *Deferred income* for the duration of the construction phase. Once the construction of the assets is completed, the amounts recorded in *Deferred income* are recognized as a reduction of the cost of the completed assets to which they relate.

2.2.5.3. Leasing Contracts

Assets leased under contracts qualifying as finance leases under IAS 17 “Leases” are capitalized and depreciated over their estimated useful lives and the related lease obligations are recorded as borrowings after the imputation of an appropriate effective interest rate.

Operating lease payments (resulting from leases that do not qualify as finance leases) are recognized as expense on a straight-line basis over the lease term unless another systematic basis is more representative of the usage pattern of the asset.

2.2.5.4. Intangible Assets

Intangible assets primarily include capitalized costs related to software, show production and film production for Theme Parks attractions.

2.2.5.5. Impairment of Long-Lived Assets

The Group performs an impairment test of its long-lived assets whenever indicators of impairment exist. In such cases, the Group compares the carrying value of its long-lived assets to the recoverable value, defined as the higher of the fair value or the value in use.

The fair value is the price that would be received from the sale of the long-lived assets, less estimated costs of the sale in a transaction between knowledgeable, independent, and willing parties.

The value in use is generally determined by calculating the net present value of future cash flows expected to be generated from the use of the long-lived assets based on the Group’s assumptions. The present value analysis is sensitive to the Group’s estimates of discount rate, revenue growth rates and capital expenditures of the business.

If the recoverable value of the long-lived assets is less than the carrying value, an impairment charge is recorded for the difference.

For purposes of such tests, assets are grouped at a level where cash flows from the assets are independent of cash flows from other assets; called cash-generating units (“CGU”). The Group has one significant CGU which relates to all of the cash flows from the operation and development of the Resort.

2.2.6. Financial Assets and Liabilities

2.2.6.1. Financial Assets and Liabilities Recorded at Fair Value

Financial assets and liabilities recorded at fair value relate to derivative instruments. The fair value is the amount for which they could be exchanged or settled between knowledgeable, willing parties in an arm's length transaction. For more information on derivative instruments and their accounting, see note 2.2.6.4. "Derivative Instruments".

2.2.6.2. Financial Assets and Liabilities Recorded at Cost

Financial assets recorded at cost are mainly composed of receivables. Financial liabilities recorded at cost are mainly composed of borrowings and payables.

2.2.6.3. Cash and Cash Equivalents

Cash and cash equivalents consist of the Group's marketable securities with a maturity less than three months and cash available.

2.2.6.4. Derivative Instruments

As part of managing its exposure to foreign currency fluctuations, the Group may enter into hedging transactions involving derivative instruments. Derivative instruments used in connection with the Group's hedging policies primarily consist of forward contracts. The Group only enters into these derivative instruments in order to hedge certain forecasted cash flows.

The Group formally documents all relationships between hedging instruments and hedged items, as well as its risk management objectives and strategies for undertaking hedge transactions and the method used to assess hedge effectiveness. Hedging transactions are expected to be highly effective in achieving offsetting changes in cash flows.

When derivative instruments qualify as hedges for accounting purposes, as defined in IAS 39 "Financial instruments: recognition and measurement" ("IAS 39"), the effective portion of the gain or loss is recognized in the *Consolidated Statements of Other Comprehensive Income*, while any ineffective portion is recognized immediately in the *Consolidated Statements of Income* as *Financial expense*.

Amounts recognized in the *Consolidated Statements of Other Comprehensive Income* are reclassified to the *Consolidated Statements of Income* when the hedged transaction affects the *Consolidated Statements of Income*.

If a forecasted transaction or firm commitment is no longer expected to occur, amounts previously recognized in the *Consolidated Statements of Other Comprehensive Income* are reclassified to the *Consolidated Statements of Income* as *Financial income* or *Financial expense*.

When derivative instruments do not qualify as hedges for accounting purposes, as defined in IAS 39, they are recorded at their fair value and resulting gains or losses are recognized directly in the *Consolidated Statements of Income* as *Financial expense* or *Financial income*.

2.2.7. Foreign Currency Transaction

The Group's functional currency is the euro. Foreign currency transactions are translated into the Group's functional currency using the exchange rates prevailing at the date of the transaction. Foreign exchange gains and losses resulting from the settlement of such transactions and from the remeasurement of monetary assets and liabilities denominated in foreign currencies are recognized in *Revenues* and *Costs and expenses*.

The Group hedges certain of its foreign currency transactions (see note 2.2.6.4. "Derivative Instruments"). Foreign currency gains or losses on hedges and on the underlying hedged transactions affect the *Consolidated Statements of Income* simultaneously. This results in the hedged transactions effectively being recognized in the Group's functional currency using the exchange rates of the hedge.

The Group's bank accounts denominated in foreign currencies are remeasured in euros using the exchange rates prevailing at the end of the reporting period. The gains or losses resulting from this remeasurement is recognized in the *Consolidated Statements of Income* on the *Revenues* or *Costs and expenses* depending on whether the bank account is used to receive customer payments or to pay expenses.

2.2.8. Treasury Shares

Treasury share transactions are recorded at cost, as a component of *Equity attributable to owners of the parent*. Gains or losses on the purchase or sale of treasury shares are recognized in the *Consolidated Statements of Other Comprehensive Income*.

2.2.9. Inventories

Inventories are stated at the lower of acquisition cost or net realizable value. The net realizable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

Cost is determined on a weighted-average cost basis and includes the acquisition costs, custom duties and other costs directly attributable to the acquisition.

Inventories may not be fully recoverable if they are damaged, become obsolete or if selling prices have declined. In such cases, inventories are written down to net realizable value.

2.2.10. Provisions and Contingent Liabilities

2.2.10.1. Provisions

The Group records a provision when the following conditions are met:

- It has a present obligation (legal or implicit) as a result of a past event;
- It is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- A reliable estimate can be made of the amount of the obligation.

Provisions represent the current amount that the Group expects it would pay to settle the obligations. They are evaluated on the basis of actual events, circumstances and management's best estimate of the related risks and uncertainties.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligations using a discount rate that reflects current market assessments of the time value of money and the risks specific to the Company.

2.2.10.2. Contingent Liabilities

Contingent liabilities are either potential obligations or those that do not meet the above provisions recognition criteria.

Contingent liabilities are not recognized as liabilities on the Group's *Consolidated Statements of Financial Position* but are disclosed in the notes to consolidated financial statements, if significant.

2.2.11. Employee Benefit Obligations

The Group provides for postretirement benefits through the use of defined contribution plans and defined benefit plans.

All Group employees participate in state funded pension plans in accordance with French laws and regulations and in a supplemental defined contribution plan. Salaried employees also participate in a funded retirement plan. Contributions to these plans are paid by the Group and the employees. The employer's part of the contribution is expensed as incurred. The Group has no future commitment with respect to these benefits.

In addition to the above plans, the Group provides for defined benefit plans through the Group's collective bargaining agreements. The Group's defined benefit plans provide retirement benefits ranging from one-half month to three months of gross wages to be provided to employees who retire from the Group at the age of 60 or older after completing at least one year of service. The actuarially-calculated present value of the obligation related to these benefits is recorded in *Other non-current liabilities*.

Actuarial gains and losses arising from changes in actuarial assumptions and experience adjustments are recognized immediately in the *Consolidated Statements of Other Comprehensive Income*, in accordance with revised IAS 19 "Employee Benefits". These calculations are performed on a yearly basis by an actuary using the projected unit credit method, which includes actuarially-based assumptions related to employee turnover, labor inflation and mortality. The service cost is recorded under *Costs and expenses*, whereas the interest cost related to the present value computation is recognized as *Financial expense*.

2.2.12. Revenue Recognition

The Group's revenue recognition policies for its operating segments require revenue to be recognized when all the following criteria are satisfied:

- the risks and rewards of ownership have been transferred to the customer;
- the Group retains no effective control over the goods sold;
- the amount of revenue and costs associated with the sale can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Group.

Discounts and rebates granted to customers, which can be estimated with reasonable accuracy, are recorded as a reduction of the sales revenue at the time of recognizing the revenue.

The Group records revenues for the Resort operating segment as the related good or service is provided to the guest. The Resort operating segment also includes revenues associated with long-term sponsorship contracts, which are generally recognized pro rata over each contract's term.

In the Real Estate Development operating segment, revenue is recognized on land sales when substantially all of the risks and rewards are transferred, which is usually upon signature of the deed of sale. Revenues related to service contracts and ground leases are recognized over the contract or lease term, respectively.

2.2.13. Advertising Costs

Advertising costs are expensed as incurred, except for broadcasting costs related to media campaigns which are expensed over the corresponding media campaign.

2.2.14. Income Taxes

Income taxes are comprised of current taxes and deferred taxes.

Income taxes due are calculated using the applicable tax rates at the end of the Fiscal Year.

Deferred taxes are calculated using a statement of financial position approach for all asset and liability temporary differences between accounting and tax values. This approach compares the accounting value of an asset or a liability to its corresponding value for tax purposes. If this difference affects accounting profit or taxable profit in different time periods, a deferred tax liability or asset would be recognized with the corresponding deferred tax expense or income recognized in the *Consolidated Statements of Income*.

A deferred tax asset is recognized for prior tax losses only when it is more likely than not that the Group will generate future taxable income for which it could utilize the past losses. Therefore, recognition of a deferred tax asset for carried forward tax losses, net of any deferred tax liability, will only be recorded after the Group has reported several consecutive years of taxable income. Any deferred tax asset, net of any deferred tax liabilities, would be calculated using the prevailing tax rates applicable to the Group at that time.

2.2.15. Loss per Share

Loss per share is calculated by dividing the *Net loss attributable to owners of the parent* by the weighted average number of shares outstanding during the period, excluding treasury shares.

In accordance with IAS 33 "Earnings per Share" ("IAS 33"), the weighted average number of shares outstanding during the period and for all periods presented is adjusted for events that have changed the number of shares outstanding without a corresponding change in resources, such as a reverse stock split. The number of shares outstanding before the event is adjusted for the proportionate change in the number of shares outstanding as if the event had occurred at the beginning of the earliest period presented.

Diluted loss per share is calculated by dividing the *Net loss attributable to owners of the parent* by the weighted average number of shares outstanding during the period. There are no potential dilutive ordinary shares or any other potential dilutive awards. As a result, basic and diluted loss per share calculations are the same.

2.3. Financial Instruments and Risk Management

2.3.1. Financial Instruments

Financial instruments are recorded at their fair value unless otherwise indicated (see note 20.1. "Fair Value of Financial Instruments").

2.3.2. Risk Management

The Group is exposed to certain risks relating to its financial assets and liabilities. These risks and the Group's risk management policies to reduce its exposure are listed below:

2.3.2.1. Financial market risks

The Group is exposed to foreign currency risk. Foreign currency risk corresponds to the risk of variation in exchange rates between the euro and other currencies affecting the Group's results or the value of the financial instruments it holds.

In the normal course of business, the Group uses derivative instruments to manage its exposure to financial market risks. The Group does not enter into foreign currency transactions for speculative purposes.

Following the implementation of the Recapitalization Plan, the loan from TWDC to Centre de Congrès Newport S.N.C. and the Revolving Credit Facility are the Group's only variable rate debt. The loan from TWDC to Centre de Congrès Newport S.N.C. and the Revolving Credit Facility bear interest at a variable rate linked to Euribor rates.

For information on foreign currency risk management see note 20.2. "Currency Risk Management".

2.3.2.2. Credit risk

Credit risk is the risk of financial loss for the Group in the event that a customer or counterparty to a financial instrument fails to meet its contractual obligations. This risk mainly arises from trade receivables. For information on the Group's credit risk, see note 6.1. "Trade Receivables".

In accordance with IFRS 13 "Fair Value Measurement", the Group is required to consider credit risk in the valuation of its derivative instruments that are not collateralized. The estimated impact of credit risk was assessed based on default probabilities for the Group and its bank counterparts applying a standard rate of recovery.

For information on the Group's credit risk on derivative instruments, see note 20.2.1. "Currency Risk Exposure and Foreign Currency Hedges".

2.3.2.3. Liquidity risk

Liquidity risk is the risk that the Group will experience difficulties honoring its debts and other obligations when they are due.

For information on the Group's liquidity risk, see notes 8. "Cash and Cash Equivalents", 11.2. "Revolving Credit Facility of €350 million", 11.5. "Debt Maturity Schedule" and 24. "Subsequent events".

3. PROPERTY, PLANT AND EQUIPMENT, INVESTMENT PROPERTY AND INTANGIBLE ASSETS

3.1. Property, Plant and Equipment and Intangible Assets

Changes in Property, plant and equipment and intangible assets for Fiscal Years 2015 and 2016 are presented below:

(€ in millions)	September 30, 2014	Fiscal Year 2015			September 30, 2015	Fiscal Year 2016			September 30, 2016
		Additions	Deductions	Transfers		Additions	Deductions	Transfers	
Gross book values									
Lands and infrastructure	646	-	(1)	5	650	-	(3)	3	650
Buildings and attractions	3,479	3	(27)	63	3,518	3	(35)	98	3,584
Furniture, fixtures and equipment	808	1	(15)	39	833	2	(16)	36	855
Construction in progress	65	148	(2)	(117)	94	188	(1)	(142)	139
Property, plant and equipment	4,998	152	(45)	(10)	5,095	193	(55)	(5)	5,228
Intangible assets	186	-	(1)	10	195	-	-	5	200
	5,184	152	(46)	-	5,290	193	(55)	-	5,428
Accumulated depreciation									
Infrastructure	(362)	(16)	1	-	(377)	(16)	3	-	(390)
Buildings and attractions	(2,186)	(140)	26	-	(2,300)	(144)	35	-	(2,409)
Furniture, fixtures and equipment	(674)	(34)	14	-	(694)	(39)	16	-	(717)
Property, plant and equipment	(3,222)	(190)	41	-	(3,371)	(199)	54	-	(3,516)
Intangible assets	(144)	(8)	-	-	(152)	(9)	-	-	(161)
	(3,366)	(198)	41	-	(3,523)	(208)	54	-	(3,677)
Impairment									
Infrastructure					-	(74)	-	-	(74)
Buildings and attractions					-	(429)	-	-	(429)
Furniture, fixtures and equipment					-	(45)	-	-	(45)
Property, plant and equipment					-	(548)	-	-	(548)
Intangible assets					-	(17)	-	-	(17)
					-	(565)	-	-	(565)
Total net book values									
Property, plant and equipment	1,776	(38)	(4)	(10)	1,724	(554)	(1)	(5)	1,164
Intangible assets	42	(8)	(1)	10	43	(26)	-	5	22

For information on the impairment of long-lived assets, see note 3.3. "Impairment Charge".

Construction in progress increased to €139 million as of September 30, 2016, compared to €94 million as of September 30, 2015. This increase was driven by the ongoing Theme Parks and Hotels refurbishment program.

Construction in progress includes tangible and intangible assets. The intangible portion is allocated to *Intangible assets* when the related project is complete. This allocation totaled €5 million for Fiscal Year 2016 compared to €10 million for Fiscal Year 2015. As of September 30, 2016, 2015 and 2014, *Construction in progress* included €14 million, €13 million and €15 million, respectively, related to unallocated fees paid to EPA-France required to maintain the Group's land acquisition rights for the remaining undeveloped land around the Resort. These fees are allocated to the cost of land when it is purchased by the Group.

Interest expense capitalized as part of the construction cost of long-lived assets totaled €3 million, €1 million and €3 million in Fiscal Years 2016, 2015 and 2014, respectively.

As of September 30, 2016, 2015 and 2014, property, plant and equipment with a net book value of €9 million, €10 million and €11 million, respectively, were either mortgaged or pledged as security under loan agreements.

3.2. Investment Property

As of September 30, 2016, 2015 and 2014, investment properties totaled €17 million and include land and long-lived assets held to earn lease revenues. These properties are carried at cost less any accumulated depreciation. In Fiscal Years 2016 and 2015, lease revenues (including variable rents) totaled €9 million compared to €8 million in Fiscal Year 2014.

3.3. Impairment Charge

Due to the adverse economic conditions of the tourism industry in Paris that negatively impacted the Group's operating performance, the Group performed an impairment test of its long-lived assets for Fiscal Year 2016. For purposes of this test, the Group compared the carrying value of its CGU to the recoverable value. The Group concluded that the recoverable value was equal to the value in use.

The value in use was calculated using the net present value of the expected future cash flows to be derived from the CGU based on the Group's assumptions. The calculation is sensitive to key assumptions which include the discount rate, revenue and cost growth assumptions during the cash flow projection period, perpetual growth rate, and capital expenditures. The discount rate was determined to be 8.2% and is based on the Group's weighted-average cost of capital ("WACC"). The revenue growth assumption used over the next two years is higher than the historical average as the calculation assumes the Group will benefit from its 25th Anniversary celebration, the economic recovery of the tourism industry in Paris, and its long-term strategy of investing in the guest experience. Over this same period, the calculation assumes a relatively more modest growth in costs. The perpetual growth rate used to value the business beyond the cash flow projection period ("Perpetual Growth Rate") was 2%. The calculation also assumes a higher level of capital expenditures over the next several years compared to the recent annual average of the Group. This higher level is needed to support the long-term growth. Further, the Group uses a longer cash flow projection period than general market practice given the significant capital nature of its business and long-term investment outlook.

Based on the impairment test described above, the recoverable value of the Group's CGU was lower than its carrying value. Therefore, as of September 30, 2016, the Group recorded an impairment charge of €565 million related to its *Property, plant and equipment* and *Intangible assets*. The impairment charge had no impact on the Group's cash position or cash flows.

A sensitivity test was performed on the impact of a change in assumptions used for calculating the impairment. A 0.5 percentage point increase in the WACC would result in additional impairment of approximately €155 million. A 0.5 percentage point decrease in Perpetual Growth Rate would result in additional impairment of approximately €80 million.

4. RESTRICTED CASH

Restricted cash corresponds to cash and cash equivalents of the Financing Company, which is not available to the Legally Controlled Group for use. *Restricted cash* totaled €15 million as of September 30, 2016, 2015 and 2014.

5. INVENTORIES

Inventories consist of merchandise items, spare parts used in the maintenance of long-lived assets, and food and beverage items. These amounts are stated net of a provision for obsolete and slow moving items. This allowance totaled €4 million, €3 million and €4 million as of September 30, 2016, 2015 and, 2014, respectively.

6. TRADE AND OTHER RECEIVABLES

Trade and other receivables as of September 30, 2016, 2015 and 2014 are presented below:

		September 30,		
(€ in millions)	Note	2016	2015	2014
Trade receivables	6.1.	53	70	75
Value Added Tax ("VAT")	6.2.	43	37	41
Other	6.3.	15	12	21
Trade and other receivables		**111**	119	137

6.1. Trade Receivables

Trade receivables are primarily from tour operators, travel agents or individual customers arising from the sale of tickets to the Theme Parks and from sales of hotel and meeting rooms and other amenities.

The Group requires most of its trade receivables to be settled less than 30 days after an invoice is issued, except for real estate related transactions for which payment terms are negotiated on a case by case basis.

The reserve for potentially uncollectible trade receivables was €1 million as of September 30, 2016, 2015 and 2014.

The Group has implemented various procedures to limit its exposure to credit risk. As of September 30, 2016, the amount of trade receivables overdue for more than 30 days was not significant. In addition, trade receivables do not present a significant concentration of credit risk due to the Group's variety customer base and markets.

6.2. Value Added Tax ("VAT")

VAT is a consumption tax which is levied at each stage of production based on the value added to the goods and services produced at that stage.

VAT receivables correspond to value added tax receivables from the French tax administration related to purchases of goods and services. As of September 30, 2016, VAT receivables totaled €43 million, compared to €37 million and €41 million as of September 30, 2015 and 2014, respectively.

VAT receivables are usually settled within 30 days.

6.3. Other Receivables

Other receivables mainly include rebates and other miscellaneous non-trade receivables. All amounts are due within one year.

7. OTHER ASSETS

Other assets as of September 30, 2016, 2015 and 2014 are presented below:

		September 30,		
(€ in millions)	**Note**	**2016**	**2015**	**2014**
CICE tax credit	7.1.	**64**	44	26
Receivables from equity investments	7.2.	**15**	1	14
Equity investments	7.3.	**4**	8	6
Loan to SNC Nature Hébergements 1	7.4.	**6**	5	5
Other		**7**	5	8
Other non-current assets		**96**	63	59
Prepaid expenses	7.5.	**14**	12	16
Other	7.6.	**22**	7	8
Other current assets		**36**	19	24
Total other assets		**132**	82	83

7.1. CICE Tax Credit

The *Crédit d'Impôt pour la Compétitivité et l'Emploi* ("CICE") is an income tax credit granted by the French tax administration since January 1, 2013. The CICE tax credit is calculated as a percentage of gross wages lower than a defined threshold. It is recorded as a reduction of labor costs in the *Consolidated Statements of Income.*

As the Group has not paid any income tax, the CICE tax credit for a given fiscal year will either be deducted from the upcoming income tax payments for the next three Fiscal Years, or paid to the Group by the French tax administration.

7.2. Receivables From Equity Investments

Receivables from equity investments correspond to cash advances made by the Group to the Les Villages Nature de Val d' Europe S.A.S joint venture. These cash advances bear interest at 3-month Euribor plus 1.0%.

7.3. Equity investments

Changes in equity investments for Fiscal Years 2015 and 2016 are presented below:

(€ in millions)	Note	September 30, 2014	Share of (loss) / profit of equity investments	September 30, 2015	Share of (loss) / profit of equity investments	September 30, 2016
Convergence Achats S.A.R.L.		1	n/m	1	n/m	1
Les Villages Nature de Val d'Europe S.A.S.[1]		1	n/m	1	(2)	(1)
Resort operating segment		2	n/m	2	(2)	n/m
Villages Nature Management S.A.R.L.		n/m	n/m	n/m	n/m	n/m
SNC Villages Nature Hébergements I	7.3.1.	1	1	2	(3)	(1)
SNC Villages Nature Equipements I	7.3.1.	n/m	n/m	n/m	(8)	(8)
SNC Nature Hébergements 1	7.3.2.	3	n/m	3	n/m	3
Real estate development operating segment		4	1	5	(11)	(6)
Total equity investments		6	1	7	(13)	(6)
Of which						
Other assets		6		8		4
Provisions		–		(1)		(10)

n/m: not meaningful.

[1] *Including Villages Nature Tourisme S.A.S., its fully owned subsidiary*

The Group's interests in joint ventures are detailed in note 1.2."Structure of the Group". These entities are accounted for using the equity method. In addition to equity investments detailed above, SNC Villages Nature Hébergements II and SNC Villages Nature Equipements II had no activity during Fiscal Years 2016, 2015 and 2014.

7.3.1. SNC Villages Nature Hébergements I and SNC Villages Nature Equipements I

SNC Villages Nature Hébergements I and SNC Villages Nature Equipements I manage the construction activities for the first phase of the lodging units and facilities of Villages Nature. During Fiscal Year 2016, these entities recorded net losses related to additional costs expected for the completion of construction of the lodging units and facilities.

7.3.2. SNC Nature Hébergements 1

In May 2014, the Group acquired 12.5% of SNC Nature Hébergements 1 through Val d'Europe Promotion S.A.S. for an amount of €3 million. The Group provided collateral on this investment for a bank borrowing granted to this entity.

7.4. Loan to SNC Nature Hebergements 1

The Group granted SNC Nature Hébergements 1 a loan of €5 million bearing interest at 5% with a repayment scheduled for December 31, 2019. As of September 30, 2016, cumulated capitalized interests on this loan totaled €1 million. The Group provided collateral on this loan and capitalized interest for a bank borrowing granted to this entity.

7.5. Prepaid expenses

Prepaid expenses mainly correspond to purchases of goods and services that will be received or realized in the future.

7.6. Other Current Assets

Other current assets mainly correspond to the fair value of foreign currency hedge contracts.

8. CASH AND CASH EQUIVALENTS

Cash and cash equivalents as of September 30, 2016, 2015 and 2014 are presented below:

	September 30,		
(€ in millions)	**2016**	**2015**	**2014**
Cash	**26**	176	37
Cash equivalents	**87**	73	12
Cash and cash equivalents	**113**	249	49

9. EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT

Equity attributable to owners of the parent was a €118 million negative as of September 30, 2016 compared to €583 million as of September 30, 2015, reflecting the net loss for Fiscal Year 2016. *Equity attributable to owners of the parent* was a €169 million negative as of September 30, 2014.

9.1. Share Capital

As of September 30, 2016 and 2015 the Company's issued and fully paid share capital was composed of 783,364,900 shares with a nominal value of €1.00 each compared to 38,976,490 shares with a nominal value of €1.00 each as of September 30, 2014.

As part of the Recapitalization Plan implemented in Fiscal Year 2015, the final completion of the Company's capital increases resulted in the issuance of 744,388,410 new ordinary shares. For more information on the Recapitalization Plan please refer to the note 2. "Recapitalization Plan" of the Group's 2015 consolidated financial statements.

The Company does not know the aggregate number of shares held by its employees directly or through mutual funds.

9.2. Liquidity Contract

In accordance with the authorizations granted to the *Gérant* by the shareholders of the Company during the annual general meetings, the *Gérant* carried out a share buyback program through Oddo Corporate Finance, an independent investment services provider acting under a liquidity contract. The current share buyback program term has been extended from July 13, 2016 to August 17, 2017. For additional information, see the notice on the share buyback program, as well as the press releases on the liquidity contract, that are available on the Company's website (http://corporate.disneylandparis.com).

In the context of the Recapitalization Plan, the liquidity contract was suspended from December 8, 2014 to October 14, 2015.

As of September 30, 2016, the Company owns 257,892 treasury shares acquired through its liquidity contract. The acquisition cost of these treasury shares totaled €0.3 million and was recorded in *Equity attributable to owners of the parent* as a reduction of *Other* equity. The Company also has €0.3 million in cash allotted to the liquidity account as of September 30, 2016, 2015 and 2014. These amounts were recorded in *Cash and cash equivalents*.

Gains or losses on the sale of treasury shares are recognized in the *Consolidated Statements of Other Comprehensive Income* and changes to the quantity of treasury shares held are recorded at historical cost in *Equity attributable to owners of the parent*. For Fiscal Years 2016, 2015 and 2014, gains or losses on the sale of treasury shares and changes to the quantity of treasury shares were not material. For more information, please refer to note 9.3. "Other elements in equity attributable to owners of the Parent".

9.3. Other Elements in Equity Attributable to Owners of the Parent

Certain elements directly impact the *Consolidated Statements of Changes in Equity*, as detailed in the *Consolidated Statements of Other Comprehensive Income*. These elements relate to actuarial gains or losses related to the employee benefits calculation, hedging transactions and treasury share transactions under the liquidity contract.

Other elements in equity as of September 30, 2014, 2015 and 2016 are presented in the table below:

			Fiscal Year 2015			Fiscal Year 2016	
(€ in millions)	Note	September 30, 2014	Other Comprehensive Income	Other	September 30, 2015	Other Comprehensive Income	September 30, 2016
Retirement obligation adjustments	12.1.	**(15)**	(3)	-	**(18)**	(12)	**(30)**
Hedging Transactions	20.	**(3)**	3	-	**-**	16	**16**
Treasury Shares Transactions	9.2.	**(1)**	-	1	**-**	-	**-**
Other elements in equity attributable to owners of the parent		**(19)**	-	1	**(18)**	4	**(14)**

10. NON-CONTROLLING INTERESTS

Non-controlling interests as of September 30, 2014, 2015 and 2016 are presented below:

(€ in millions)	Note	September 30, 2014	EDA's capital increase	Comprehensive Loss for Fiscal Year 2015	September 30, 2015	Comprehensive Loss for Fiscal Year 2016	September 30, 2016
Share capital, premium and accumulated loss		**(38)**	180	(18)	**124**	(153)	**(29)**
Retirement obligation adjustments	12.1.	**(3)**	-	-	**(3)**	(3)	**(6)**
Hedging transactions	20.	**(1)**	-	1	**-**	3	**3**
EDA	10.1.	**(42)**	180	**(17)**	**121**	(153)	**(32)**
Centre de Congrès Newport S.N.C.	10.2.	**10**	-	-	**10**	-	**10**
Non-controlling interests		**(32)**	180	**(17)**	**131**	(153)	**(22)**

10.1. EDA

As part of the Recapitalization Plan implemented in Fiscal Year 2015, EDA implemented a capital increase of €1 billion whereby the existing shareholders of EDA (i.e., the Company, EDI and EDLC) subscribed, pro-rata to the respective shareholding in EDA. EDI and EDLC subscribed for a total amount of €180 million.

For more information, please refer to notes 1. "Description of the Group" and 12.1. "EDA" of the Group's 2015 consolidated financial statements.

10.2. Centre de Congrès Newport S.N.C.

Non-controlling interests represent the share capital of the Financing Company for which the Legally Controlled Group has no ownership. For a description of this special purpose financing entity, see note 1.3. "Disneyland® Paris Financing".

11. BORROWINGS

Borrowings as of September 30, 2016, 2015 and 2014 are presented below:

(€ in millions)	Note	Interest rate [(1)]	September 30, 2016	2015	2014
Long-term loans	11.1.	4.00%	**983**	983	1,191
Revolving Credit Facility of €350 million	11.2.	Euribor + 2%	**130**	-	-
Loan from TWDC to Centre de Congrès Newport S.N.C.	11.3.	Euribor + 0.2%	**-**	12	13
Consolidated promissory note – Disney Enterprises Inc.[(2)]		Euribor	**-**	-	269
Consolidated promissory note – Euro Disney S.A.S.[(2)]		Euribor	**-**	-	93
Standby revolving credit facility of €100 million[(3)]		Euribor + 2%	**-**	-	100
Standby revolving credit facility of €250 million[(3)]		Euribor	**-**	-	50
Sub-total TWDC debt			**1,113**	995	1,716
Financial leases	11.4.	6.16%	**9**	4	-
Non-current borrowings			**1,122**	999	1,716
Long-term loans	11.1.	4.00%	**-**	-	30
Loan from TWDC to Centre de Congrès Newport S.N.C.	11.3.	Euribor + 0.2%	**12**	2	1
Sub-total TWDC debt			**12**	2	31
Financial leases	11.4.	6.16%	**1**	-	-
Current borrowings			**13**	2	31
Total borrowings			**1,135**	1,001	1,747

(1) *For borrowings bearing interest at Euribor, applicable interest rate ranges from one, three, six or twelve months corresponding to the interest payments.*
(2) *During Fiscal Year 2015, as part of the Recapitalization Plan, this promissory note was converted into equity. For more information please refer to note 2. "Recapitalization Plan" of the Group's 2015 consolidated financial statements.*
(3) *During Fiscal Year 2015, as part of the Recapitalization Plan, this standby revolving credit facility was repaid by the Group and replaced by the Revolving Credit Facility of €350 million.*

11.1. Long-Term Loans

On September 26, 2012, EDI and EDLC granted the Group two loans. These loan agreements were amended as part of the Recapitalization Plan to change the principal repayment due date to December 2024.

These loans bear interest at a fixed rate of 4%. Interest payments are due every semester on March 31 and September 30. As of September 30, 2016, 2015 and 2014, there was no accrued interest related to these loans.

For further information, please refer to notes 2. "Recapitalization Plan" and 13.1 "Long-Term Loans" of the Group's 2015 consolidated financial statements.

The permitted additional indebtedness for borrowed money and liens related to these loans are presented in note 11.7. "Debt Covenants."

11.2. Revolving Credit Facility of €350 million

During Fiscal Year 2015, the standby revolving credit facilities granted previously by TWDC were repaid by the Group as part of the Recapitalization Plan. These standby revolving credit facilities have been replaced by the Revolving Credit Facility for an amount of €350 million, maturing on December 15, 2023 and bearing interest at Euribor +2%. Interest can be paid every one, three or six months at the Group's initiative. The principal can be repaid at any time until its expiration date of December 15, 2023.

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As of September 30, 2016, an amount of €130 million was drawn by the Group from the Revolving Credit Facility and accrued interest on the Revolving Credit Facility amounted to €0.3 million.

11.3. Loan from TWDC to Centre de Congres Newport S.N.C.

As a result of consolidating this Financing Company, the Group's debt includes a loan made available by TWDC to Centre de Congrès Newport S.N.C. to finance the construction of the Newport Bay Club Convention Center, which opened in Fiscal Year 1998. As of September 30, 2016, the outstanding balance under this loan was €12 million and bears interest at 6-month Euribor plus 0.20%. As of September 30, 2016, 2015 and 2014 accrued interest related to this loan was immaterial.

As of September 30, 2016, the Group has €15 million of restricted cash, notably for satisfaction of this loan. For more information see note 4. "Restricted Cash."

11.4. Financial Leases

During Fiscal Years 2016 and 2015, the Group entered into financial leases. As of September 30, 2016, the net value of these financial leases totaled €10 million compared to €4 million as of September 30, 2015. Assets under financial leases mainly comprise general equipment, fixtures and leasehold improvements.

11.5. Debt Maturity Schedule

As of September 30, 2016, the Group's borrowings have the following scheduled maturities:

(€ in millions)	Nominal value as of September 30, 2016	Principal payments due during Fiscal Year 2017	2018	2019	2020	2021	Thereafter
TWDC loans	**995**	12	-	-	-	-	983
Financial leases	**15**[(1)]	2	2	2	1	1	7

(1) *Financial leases are recorded in the Group's borrowings at their net present value for a total amount of €10 million.*

In addition to the amounts presented in the table above, the Revolving Credit Facility can be repaid at any time until its expiration date.

The table below presents the schedule of future interest payments on these borrowings for the five next Fiscal Years and thereafter. For the borrowings bearing interest at variable rate, the rate used for the calculation of future interest payments is based on estimated futures Euribor rates curve available from Reuters.

(€ in millions)	Interest payments during Fiscal Year 2017	2018	2019	2020	2021	Thereafter
Total future interest payments	39	39	39	39	39	126

In addition to the amounts presented in the table above, the Group will be required to pay interests depending on the amounts drawn under the Revolving Credit Facility.

11.6. Fair Value of borrowings

For more information on the fair value of the Group's borrowings, see note 20.1. "Fair Value of Financial Instruments".

11.7. Debt Covenants

According to its agreements with TWDC, unless the Group has obtained prior consent from TWDC, the Group is not permitted to enter into any new or additional indebtedness for borrowed money, other than:

- the permitted indebtedness with regards to the Villages Nature project, provided that the Pierre & Vacances-Center Parcs Group shall provide matching indebtedness thereof;
- financial leases, guarantees and account overdrafts up to €50 million of outstanding amount at any time in respect of activities in the Group's ordinary course of business.

In addition, unless the Group obtains prior consent from TWDC, the Group is not permitted to incur or assume any new or additional liens or encumbrances on any of its property or assets now owned or acquired by it.

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12. OTHER NON-CURRENT LIABILITIES, TRADE AND OTHER PAYABLES

Other non-current liabilities, *Trade and other payables* as of September 30, 2016, 2015 and 2014 are presented below:

		September 30,		
(€ in millions)	Note	2016	2015	2014
Retirement obligation	12.1.	76	59	52
Other non-current liabilities	12.5.	7	6	6
Total other non-current liabilities		**83**	65	58
Suppliers	12.2.	166	144	151
Payroll and employee benefits		121	122	108
Payables to related companies	12.3.	40	42	93
Value Added Tax	12.4.	13	12	16
Other current liabilities	12.5.	24	20	22
Trade and other payables		**364**	340	390

12.1. Retirement Obligation

The amount of the retirement obligation has been assessed by an independent actuary.

The following table presents the detailed changes in the retirement obligation for Fiscal Years 2016, 2015 and 2014:

(€ in millions)	Note	Amount
As of September 30, 2013		**47**
Current service cost		2
Interest cost		2
Impact on the Consolidated statements of income		4
Paid indemnities		(1)
Actuarial losses	12.1.1.	2
As of September 30, 2014		**52**
Current service cost		3
Interest cost		1
Impact on the Consolidated statements of income		4
Paid indemnities		-
Actuarial losses	12.1.1.	3
As of September 30, 2015		**59**
Current service cost		2
Interest cost		1
Impact on the Consolidated statements of income		3
Paid indemnities		(1)
Actuarial losses	12.1.1.	15
As of September 30, 2016		**76**

12.1.1. Actuarial Losses / (Gains)

Actuarial gains and losses arising from changes in actuarial assumptions and experience adjustments are immediately recognized in the *Consolidated Statements of Other Comprehensive Income*. Actuarial calculations are based on long-term parameters provided by the Group each year. These parameters include the age and salary of employees, as well as the estimated employee turnover and salary inflation rates.

The following table presents the assumptions used for the calculations of the retirement obligation as of September 30, 2016, 2015 and 2014:

	Actuarial Assumptions		
	2016	**2015**	**2014**
Retirement age	**63-65**	63-65	60-65
Rate of increase on salary	**2.5%**	2.5%	2.5%
Discount rate	**0.90%**	2.00%	2.25%
Payroll tax rate	**48.0% - 51.0%**	47.5% - 50.0%	47.5% - 50.0%

The discount rate used for these retirement obligations is based on the yields of AA-rated Euro zone corporate bonds with a 10-year maturity. As of September 30, 2016, 2015 and 2014, the assumptions related to the discount rate and the rate of increase in salary take into account an estimated inflation rate of 2.00%.

The following table presents the impact of changes in these assumptions and experience adjustments for Fiscal Years 2016, 2015 and 2014:

	Actuarial (losses) / gains for Fiscal Year		
(€ in millions)	2016	2015	2014
Impacts of demographic assumptions changes	-	-	-
Impacts of financial assumptions changes	(13)	(2)	(3)
Experience adjustments	(2)	(1)	1
Total actuarial losses	(15)	(3)	(2)

The impacts of demographic assumptions changes are based on the mortality and turnover table whereas the impacts of financial assumptions changes are based on the rate of increase on salary, the discount rate and the payroll tax rate.

As of September 30, 2016, a 0.25 percentage point increase in the discount rate used for the actuarial calculations would decrease the amount of the retirement obligation by €3 million, while a 0.25 percentage point decrease in the discount rate used would increase the retirement obligation by €3 million.

12.1.2. Estimated Future Payments of Retirement Indemnities

The following schedule presents the future payments of retirement indemnities for the next ten Fiscal Years estimated as of September 30, 2016:

	Estimated to be paid during Fiscal Year					
(€ in millions)	2017	2018	2019	2020	2021	2022 to 2026
Retirement indemnity payments	3	1	1	2	1	12

12.2. Trade Payables Maturity Analysis

As of September 30, 2016, 2015 and 2014, trade payables totaled €166 million, €144 million and €151 million, respectively.

As of September 30, 2016, trade payables comprised €50 million of billed payables and €116 million of accrued payables. As of September 30, 2016, 87% of the billed trade payables were due within 30 days and 13% were due in more than 30 days.

12.3. Payables to Related Companies

Payables to related companies principally include payables to wholly-owned subsidiaries of TWDC for royalties and management fees and other costs associated with the operation and development of the Resort. All amounts are due within one year, except royalty and management fees that were waived as indicated in note 24. “Subsequent events”.

In Fiscal Year 2015, the timing of payment of royalties and management fees was changed to quarterly payments, as per the original agreements, compared to annual payments as in prior year periods. As of September 30, 2015, this change in the timing of payment of royalties and management fees resulted in a decrease in payables to related companies compared with September 30, 2014.

For more information on related-party transactions, see note 18. “Related-Party Transactions”.

12.4. Value Added Tax

VAT corresponds to value added tax payables to the French tax administration related to the sale of goods and services. As of September 30, 2016, VAT payables totaled €13 million, compared to €12 million and €16 million as of September 30, 2015 and 2014, respectively.

12.5. Other Liabilities

As of September 30, 2016, 2015 and 2014, *Other current* and *Other non-current liabilities* totaled €31 million, €26 million and €28 million, respectively. These amounts consist of tax payables and credit deposits received.

13. DEFERRED INCOME

Deferred income primarily consists of amounts received from guests in advance of their visits, pre-paid rental income received on long-term ground lease contracts with third-party developers, deposits received from business groups for on-site seminars and conventions and sponsorship revenues that are being recognized as income on a straight-line basis over the term of the related contract.

As of September 30, 2016, the Group's deferred income has the following scheduled revenue recognition:

(€ in millions)	Amount
2017	131
2018	2
2019	n/m
2020	n/m
2021	n/m
Thereafter	17
Total	**150**

n/m: not meaningful

14. SEGMENT INFORMATION

For internal management reporting purposes, the Group has two reportable operating segments as follows:

- **Resort operating segment** includes the operation of the Theme Parks, the Hotels, the Disney Village®, the Golf Courses and the various services that are provided to guests visiting Disneyland® Paris; and
- **Real estate development operating segment** includes the design, planning and monitoring of improvements and additions to the existing Resort, as well as other retail, office and residential real estate projects, whether financed internally or through third-party partners.

These operating segments reflect the Group's organizational structure and internal financial reporting process, which are based on the nature of the products and the services delivered. Each operating segment represents a strategic line of business with different products and serves different markets. There is no other operating segment representing more than 10% of revenues, profits, loss or assets that could be identified separately, and no client represents more than 10% of total revenues.

The Group evaluates the performance of its operating segments based primarily on operating margin. The accounting policies for both of these operating segments are the same.

14.1. Statements of Financial Position Information

The following table presents segment statements of financial position information as of September 30, 2016, 2015 and 2014:

	Resort operating segment			Real estate development operating segment			Total		
	September 30,			September 30,			September 30,		
(€ in millions)	2016	2015	2014	2016	2015	2014	2016	2015	2014
Capital assets[(1)]	**1,173**	1,754	1,803	**30**	30	32	**1,203**	1,784	1,835
Other assets	**386**	490	282	**29**	16	43	**415**	506	325
Total assets	**1,559**	2,244	2,085	**59**	46	75	**1,618**	2,290	2,160
Total liabilities	**1,724**	1,547	2,330	**34**	29	31	**1,758**	1,576	2,361

(1) *Capital assets consist of the sum of* Property, plant and equipment, Investment property *and* Intangible assets, *net of accumulated depreciation.*

14.2. Statement of Income Information

For Fiscal Years 2016, 2015 and 2014, no inter-segment transactions occurred.

	Resort operating segment			Real estate development operating segment			Total		
	Fiscal Year			Fiscal Year			Fiscal Year		
(€ in millions)	2016	2015	2014	2016	2015	2014	2016	2015	2014
Revenues	**1,267**	1,366	1,251	**11**	7	29	**1,278**	1,373	1,280
Costs and expenses									
Direct operating costs	**(1,242)**	(1,195)	(1,094)	**(5)**	(4)	(15)	**(1,247)**	(1,199)	(1,109)
Marketing and sales expenses	**(148)**	(141)	(135)	**-**	-	-	**(148)**	(141)	(135)
General and administrative expenses	**(120)**	(110)	(98)	**(5)**	(4)	(4)	**(125)**	(114)	(102)
Total costs and expenses	**(1,510)**	(1,446)	(1,327)	**(10)**	(8)	(19)	**(1,520)**	(1,454)	(1,346)
Other income	**-**	-	-	**-**	24	-	**-**	24	-
Operating margin	**(243)**	(80)	(76)	**1**	23	10	**(242)**	(57)	(66)
Impairment charge	**(565)**	-	-	**-**	-	-	**(565)**	-	-
Net financial charges	**(38)**	(46)	(50)	**-**	-	-	**(38)**	(46)	(50)
Share of (loss) / profit of equity investments	**(2)**	-	-	**(11)**	1	2	**(13)**	1	2
(Loss) / profit before taxes	**(848)**	(126)	(126)	**(10)**	24	12	**(858)**	(102)	(114)
Income taxes	**-**	-	-	**-**	-	-	**-**	-	-
Net (loss) / profit	**(848)**	(126)	(126)	**(10)**	24	12	**(858)**	(102)	(114)

15. COSTS AND EXPENSES

15.1. Direct Operating Costs

Direct operating costs for Fiscal Years 2016, 2015 and 2014 are presented below:

		Fiscal Year		
(€ in millions)	Note	2016	2015	2014
Royalties and management fees	15.1.1.	**75**	83	75
Depreciation and amortization		**201**	192	173
Other direct operating costs	15.1.2.	**971**	924	861
Direct operating costs		**1,247**	1,199	1,109

15.1.1. Royalties and Management Fees

Royalties represent amounts payable to a direct wholly-owned subsidiary of TWDC under a license agreement. This license agreement grants the Group the right to use any present or future intellectual property of TWDC for use in attractions, entertainment and for merchandise. Royalties are based upon the Group's Resort revenues.

EDA management fees are payable to the *Gérant*, as specified in EDA's bylaws. These management fees for Fiscal Years 2016, 2015 and 2014 corresponded to 1% of the Group's operating revenues. Under their bylaws, the Company and EDLH are also indebted to the *Gérant* for a fixed annual fee of €25,000 and €76,225 respectively.

15.1.2. Other Direct Operating Costs

Other direct operating costs consist of wages and benefits for employees in operational roles, cost of sales for merchandise and food and beverage, maintenance and renovation expenses, rooms housekeeping expenses and other miscellaneous charges.

15.2. Marketing and Sales Expenses

Marketing and sales expenses mainly consist of costs related to advertising, wages and benefits for employees in marketing and sales roles and costs associated with sales and distribution.

15.3. General and Administrative Expenses

General and administrative expenses consist of wages and benefits for employees in general and administrative roles and costs associated with information systems.

16. NET FINANCIAL CHARGES

For Fiscal Years 2016, 2015 and 2014, the Group's net financial charges are comprised of the following:

	Fiscal Year		
(€ in millions)	**2016**	**2015**	**2014**
Financial income	**2**	2	1
Financial expense			
Interest expense	**(37)**	(44)	(50)
Other	**(3)**	(4)	(1)
	(40)	(48)	(51)
Net financial charges	**(38)**	(46)	(50)

17. INCOME TAXES

17.1. Income Taxes

Income tax expense, when recognized by the Group, is calculated using the statutory tax rate in effect in France for the relevant reporting period. For Fiscal Years 2016, 2015 and 2014, the statutory tax rate was 38%.

17.2. Deferred Taxes

As of September 30, 2016, deferred taxes included unused tax losses of approximately €2.7 billion, which can be carried forward indefinitely.

Recognition of a deferred tax asset for carried forward tax losses will only be recorded after the Group has reported several consecutive years of taxable income. Any deferred tax assets, net of any deferred tax liabilities, would be calculated using the prevailing tax rates applicable to the Group.

Theoretical unrecorded net deferred tax assets have been calculated using the prevailing tax rates applicable to the Group and totaled €1.2 billion as of September 30, 2016, compared to €0.9 billion as of September 30, 2015 and €1.0 billion as of September 30, 2014.

18. RELATED-PARTY TRANSACTIONS

Transactions between the Group, TWDC and other related-parties are presented below:

		Fiscal Year		
(€ in millions)	Note	2016	2015	2014
Revenues	18.1.	**21**	18	15
Costs and expenses				
Royalties and management fees	15.1.1.	**(75)**	(83)	(75)
Development Agreement (excluding capitalized costs) and other services	18.2.	**(50)**	(41)	(37)
Total costs and expenses		**(125)**	(124)	(112)
Other income	18.3.	**-**	24	-
Net financial charges	18.4.	**(40)**	(44)	(53)
Share of (loss) / profit of equity investments	18.5.	**(13)**	1	2
Total		**(157)**	(125)	(148)

		September 30,		
(€ in millions)	Note	2016	2015	2014
Trade and other receivables		**3**	3	9
Receivables from equity investments	7.	**15**	1	14
Equity investments	7.	**4**	8	6
Loan to SNC Nature Hébergements 1	7.	**6**	5	5
Total assets		**28**	17	34
Borrowings:				
– TWDC loans	11.	**995**	997	1,597
– Revolving Credit Facility of €350 million	11.2.	**130**	-	-
– Standby revolving credit facility of €100 million		**-**	-	100
– Standby revolving credit facility of €250 million		**-**	-	50
Provisions – Equity investments	7.	**10**	1	-
Trade and other payables[(1)]	12.3.	**40**	42	93
Deferred income		**1**	1	4
Total liabilities		**1,176**	1,041	1,844

(1) *As of September 30, 2016, 2015 and 2014, included royalties and management fees outstanding for an amount of €24 million, €29 million and €79 million, respectively. Subsequent to the year-end, the payment of royalties and management fees was waived. For more information, see note 24. "Subsequent events".*

In addition to the amounts presented in the table above, in Fiscal Year 2015, as part of the Recapitalization Plan, TWDC purchased shares in cash for an amount of €230 million to the Company's and EDA's capital increases. For a description of the Recapitalization Plan, please refer to note 2. "Recapitalization Plan" of the Group's 2015 consolidated financial statements.

18.1. Revenues

Revenues primarily included Theme Park tickets and Resort packages sold to third parties through TWDC entities. In addition, prior year's figures included amounts received from The Walt Disney Company (France) S.A.S. in relation to the lease of office space located in the Walt Disney Studios® Park until December 31, 2014, the lease termination date. Refer to note 18.3. "Other Income" for further information related to the lease termination.

18.2. Development Agreement and Other Services

The Group reimburses the *Gérant* for its direct and indirect costs incurred in connection with the provision of services under the Development Agreement[1]. The indirect costs under the Development Agreement primarily include the Group's share of expenses incurred by TWDC's European marketing offices. The indirect costs also include the development of conceptual design for Theme Parks facilities and attractions.

In addition, the Group reimburses Euro Disneyland Imagineering S.A.R.L., an indirect subsidiary of TWDC, of its costs incurred for the management and administration of the overall design as well as the construction of attractions and development investments in the Resort.

Under these agreements, the Group recorded €44 million, €35 million and €31 million of *Costs and expenses,* and €19 million, €16 million and €20 million of costs capitalized as *Property, plant and equipment* for Fiscal Years 2016, 2015 and 2014, respectively.

The Group also has agreements with other wholly-owned subsidiaries of TWDC. Under these agreements, the Group recorded €6 million of *Costs and expenses* for Fiscal Years 2016, 2015 and 2014 as well as €2 million of costs capitalized mainly as *Intangible assets* for Fiscal Year 2016. These agreements include the services described below:

- The Group has an agreement with The Walt Disney Company Ltd to host the Group's Internet sites. Under this agreement, an annual fixed fee of $0.4 million is due to The Walt Disney Company Ltd for predefined transaction volumes and resources necessary to supply these services.

- The Group has various agreements with Disney Destinations LLC ("DD LLC") for support services, notably for developing sales and distribution opportunities, providing call center services and information technology solutions for the Group's hotels and sales and distribution departments. An expense of €4 million was recorded in Fiscal Year 2016 under these agreements.

18.3. Other income

In Fiscal Year 2015, *Other income* corresponded to a €24 million fee received by the Group for the early termination of a lease agreement with The Walt Disney Company (France) S.A.S.

18.4. Net Financial Charges

For Fiscal Years 2016, 2015 and 2014, net financial charges mainly resulted from interest expenses related to the long-term debt that the Group owes TWDC. For a description of the financing arrangements with TWDC, see note 11. "Borrowings".

[1] Refers to the agreement dated February 28, 1989, between the Company and the *Gérant* whereby the *Gérant* provides and arranges for other subsidiaries of TWDC to provide EDA with a variety of technical and administrative services, some of which are dependent upon Disney expertise or cannot reasonably be supplied by other parties.

18.5. Share of (Loss) / Profit of Equity Investments

Share of (loss) / profit of equity investments corresponds to the Group's share in the results of its joint ventures. For Fiscal Year 2016, the €13 million loss was driven by the construction contract activities and pre-opening operating activities related to the Villages Nature project. For more information, refer to note 7.3 "Equity Investments".

18.6. Additional Arrangements

As of September 30, 2016, the Group has available the Revolving Credit Facility granted by TWDC, totaling €350 million in principal, bearing interest at Euribor plus 2% per annum and maturing on December 15, 2023. As of September 30, 2016, an amount of €130 million was drawn by the Group from the Revolving Credit Facility. For further information, refer to note 11. "Borrowings".

The Group also has a contingent liability related to TWDC. Pursuant to the 1994 Financial Restructuring[1], the Company is required to pay a development fee of €183 million to TWDC upon meeting certain future conditions (see note 21.2.1. "Group's Contingent Obligations Excluding Villages Nature"). The Group has not accrued for this amount.

The Group also has contingent liabilities related to the innovative eco-tourism project Villages Nature developed jointly with Pierre & Vacances – Center Parcs Group. For more information related to these contingent liabilities, please refer to note 21.2.2. "Group's Contingent Obligations and Commitments Related to Villages Nature".

19. CASH FLOWS

Cash and cash equivalents as of September 30, 2016 were €113 million, down €136 million compared to September 30, 2015.

	Fiscal Year		
(€ in millions)	**2016**	**2015**	**Variance**
Cash (used in) / generated by operating activities	**(68)**	69	(137)
Cash used in investing activities	**(193)**	(134)	(59)
Cash generated by financing activities	**125**	265	(140)
Change in cash and cash equivalents	**(136)**	200	(336)
Cash and cash equivalents, beginning of period	**249**	49	200
Cash and cash equivalents, end of period	**113**	249	(136)

Cash used in operating activities for Fiscal Year 2016 totaled €68 million compared to cash generated of €69 million in the prior year. This variance resulted from decreased operating performance during the year, partially offset by a change in the timing of payment of royalties and management fees.

Cash used in investing activities for Fiscal Year 2016 totaled €193 million, compared to €134 million in the prior year. The increase was due to continued investments in the guest experience including preparation for the upcoming celebration of Disneyland® Paris' 25th Anniversary as well as cash provided to the Les Villages Nature de Val d'Europe S.A.S. joint venture.

Cash generated by financing activities for Fiscal Year 2016 totaled €125 million, compared to €265 million in the prior year. During Fiscal Year 2016, the Group drew €130 million under the €350 million Revolving Credit Facility granted by TWDC. The prior year included the net cash inflow from the Recapitalization Plan.

[1] Refers to the memorandum of agreement of March 1994 between the Group and its major stakeholders outlining the terms of a restructuring of the Group's, the Phase I Financing Companies' and TWDC's obligations. See section A.3.2. "Financing of the Resort's Development" of the Group's 2015 Reference Document for more details.

19.1. Changes in Working Capital

Changes in working capital are presented below:

(€ in millions)	Note	Fiscal Year 2016	2015	2014
Change in:				
Payables to related parties (incl. royalties and management fees)		**(3)**	(49)	-
CICE tax credit	7.1.	**(20)**	(19)	(16)
Other assets and other liabilities		**25**	37	22
Net increase / (decrease) in working capital account balances		**2**	(31)	6

20. FINANCIAL INSTRUMENTS

20.1. Fair Value of Financial Instruments

20.1.1. Financial Assets and Liabilities Recorded at Fair Value

The following table presents the value of the Group's financial assets and liabilities recorded at fair value as of September 30, 2016, 2015 and 2014:

(€ in millions)	September 30, 2016	2015	2014
Foreign currency hedge contracts	**20**	5	3
Cash and cash equivalents	**113**	249	49
Total assets	**133**	254	52
Foreign currency hedge contracts	**1**	6	8
Total liabilities	**1**	6	8

The fair value of the Group's derivative instruments is based on data indirectly observable from active market prices ("Level 2" under the IFRS 7 "Improving disclosure about financial instruments" classification for fair value measurement). For more details on the Group's foreign currency hedging contracts, see note 20.2. "Currency Risk Management".

20.1.2. Financial Assets and Liabilities Recorded at Cost

As of September 30, 2016, 2015 and 2014, the Group's financial assets recorded at cost were composed of receivables and other assets for €199 million, €174 million and €189 million, respectively. At the same dates, the Group's financial liabilities recorded at cost included trade payables and other liabilities for €371 million, €346 million and €395 million, respectively.

The recorded value of receivables, other assets, trade payables and other liabilities generally equals their fair value due to the short time between their recognition and their realization (for assets) or settlement (for liabilities). Trade receivables and payables payment terms are presented in notes 6.1. "Trade Receivables" and 12.2. "Trade Payables Maturity Analysis", respectively.

As of September 30, 2016, 2015 and 2014, financial liabilities recorded at cost also include borrowings totaling €1,135 million, €1,001 million and €1,747 million, respectively. These borrowings are mainly composed of TWDC debt. Given the related party nature of these borrowings, the Group is not able to determine the estimated fair value of these borrowings as of September 30, 2016.

20.2. Currency Risk Management

20.2.1. Currency Risk Exposure and Foreign Currency Hedges

The Group's exposure to foreign currency risk relates principally to variations in the value of the U.S. dollar and British pound. The following table presents the Group's main balance sheet exposures to foreign currencies as of September 30, 2016:

	Foreign Exchange Risk Exposure	
(USD / GBP in millions)	USD	GBP
Assets	-	8
Liabilities	(3)	(1)
Foreign exchange risk exposure	(3)	7
Foreign exchange contracts in place to hedge assets	-	(8)
Foreign exchange contracts in place to hedge liabilities	3	-
Net foreign exchange risk exposure	-	(1)

The Group attempts to reduce its currency risk by entering into foreign currency hedge contracts maturing in the following 24 months.

As of September 30, 2016, 2015 and 2014, the Group had foreign currency hedge contracts outstanding for notional amounts of €283 million, €299 million and €158 million.

In Fiscal Years 2016, 2015 and 2014, the impact of the settlement of foreign currency hedge contracts was a €8 million gain, an €8 million loss and a €4 million loss, respectively. These amounts correspond to the effective portion reclassified from *Other* elements in equity and *Non-controlling interests* to *Revenue* or *Costs and expenses* when the hedged transactions affect the *Consolidated Statements of Income* (see note 2.2.6.4. "Derivative Instruments").

The effective portion of foreign currency derivatives related to transactions that have not yet affected the *Consolidated Statements of Income* are recorded in *Other* elements in *Equity* and in *Non-controlling interests* (see notes 9.3. "Other elements in Equity Attributable to Owners of the Parent" and 10. "Non-controlling Interests"). Changes to the effective portion during the Fiscal Year are presented as part of the *Consolidated Statements of Other Comprehensive Income* and amounted to an unrealized gain of €19 million, an unrealized gain of €4 million and an unrealized loss of €3 million, in Fiscal Years 2016, 2015 and 2014, respectively.

The ineffective portion of foreign currency derivatives is recognized in *Financial expense*. For Fiscal Years 2016, 2015 and 2014, these amounts were not material.

As of September 30, 2016, the credit risk impact on the Group's derivative instruments was not significant.

20.2.2. Exchange Rate Sensitivity

The following table presents the impact on *Net loss attributable to owners of the parent* and *Equity attributable to owners of the parent* of a hypothetical 10% appreciation of foreign exchange rates to the euro on September 30, 2016, taking into account the Group's portfolio of foreign currency derivative instruments:

(€ in millions)	Net gain /(loss) attributable to the parent	Increase /(decrease) in shareholders' equity
10% appreciation of U.S. dollar to euro	n/m	8
10% appreciation of British pound to euro	n/m	(13)

n/m: not meaningful.

21. PROVISIONS, COMMITMENTS AND CONTINGENCIES

21.1. Provisions

Provisions as of September 30, 2016, 2015 and 2014 are presented below:

(€ in millions)	Amount
As of September 30, 2014	**19**
Increase	9
Reversal	(11)
of which reversal without costs	*(1)*
As of September 30, 2015	**17**
Increase	16
Reversal	(8)
of which reversal without costs	*(3)*
As of September 30, 2016	**25**

Provisions include amounts for various charges, claims and litigations against the Group, as well as provisions for the Group's obligation to fund its equity investments (for more detail see note 7.3. "Equity Investments").

There are various legal proceedings and claims against the Group, principally relating to incidents arising from the conduct of its business. Management has established provisions for such matters based on its best estimate 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.

21.2. Commitment and Contingencies

21.2.1. Group's Contingent Obligations Excluding Villages Nature

The table below sets out the Group's contingent obligations as of September 30, 2016, 2015 and 2014:

			Commitments terms expiring				
(€ in millions)	Note	September 30, 2016	Less than 1 year	1-5 years	More than 5 years	September 30, 2015	September 30, 2014
TWDC contingent obligations	21.2.1.1.	**183**	-	-	183	183	183
Other	21.2.1.2.	**315**	107	190	18	364	99
Total contingent obligations		**498**	107	190	201	547	282

21.2.1.1. TWDC Contingent Obligations

As part of the terms of the 1994 Financial Restructuring agreement, the payment of a one-time development fee to TWDC of €183 million was required upon the satisfaction of certain conditions, including the initiation of construction of a second park and the authorization of its lenders for its financing. This fee primarily corresponded to costs incurred by TWDC from 1990 to 1994 for the design and development of a second park, whose development was finally postponed in Fiscal Year 1994.

In order to obtain the approval of the financing of the Walt Disney Studios® Park by its lenders, from which a substantial portion of the Legally Controlled Group's operating assets was leased, TWDC agreed in September 1999 to amend the terms of the development fee so that it will not be due unless and until future events occur. These events originally included the repayment of all of the Group's existing bank debt and the achievement of a level of operating margin before depreciation and amortization higher than €473 million.

In September 2012, as part of the refinancing of the Group's borrowings (the "2012 Refinancing"), TWDC reaffirmed that the payment of the development fee was still subject to the achievement of a level of operating margin before depreciation and amortization higher than €473 million. In addition, TWDC agreed that under no circumstances would the fee be payable any earlier than October 30, 2027, even if the operating margin level was achieved prior to this date.

21.2.1.2. Other Contingent Obligations

As of September 30, 2016, other contingent obligations included an amount of €305 million related to several long-term contracts, mainly related to services.

In addition, the Group has provided certain performance guarantees to contractual partners which, depending on future events, may or may not require the Group to pay an amount up to €10 million. The most significant guarantee relates to a concession contract for the construction and operation of the infrastructure link between the Resort and Villages Nature's geothermal network. As part of this contract, the Group is committed to pay an €8 million indemnity in case of early termination of the agreement.

21.2.2. Group's Contingent Obligations and Commitments Related to Villages Nature

Pursuant to the main agreement signed by the Group and public authorities as amended in 2010, Les Villages Nature de Val d'Europe S.A.S. agreed to guarantee a minimum level of tax revenues to the Seine-et-Marne department over a 15-year period beginning at the opening of Villages Nature to the public. The Group's commitment as part of this guarantee totaled €3 million.

In addition, as part of the financing agreements signed in May 2014 for the initial stage of construction of Villages Nature, the Group entered into the following contingent obligations:

- Villages Nature Tourisme S.A.S., the operating company of the project, will lease facilities, apartments and cottages from external investors. The Group guaranteed lease payments due by Villages Nature Tourisme S.A.S. to institutional investors for the first lease term. In addition, the Group guaranteed the payment of a potential indemnity to be paid by Villages Nature Tourisme S.A.S. in case of non-renewal of a lease of apartments and cottages with one of its institutional investors over an initial period of 12 years. The Group's contingent obligations related to these guarantees amount to €124 million.

- The Group is required to ensure that certain joint ventures related to the Villages Nature project maintain a minimum level of partner advances, as follows:

  For the construction joint ventures that build facilities, apartments and cottages, a minimum level of partner advances totaling €11 million is required. The Group has already funded these entities for an amount which is above this minimum threshold. The minimum level of partner advances of €11 million will last until the final repayment of external borrowings is made.

  For Villages Nature Tourisme S.A.S., a minimum level of partner advances totaling €11 million is required. The Group has not funded this entity as there is no operating activity yet. It will last until at least 2018, subject to this entity generating operating income.

- SNC Nature Hébergements 1 entered into a bank borrowing to finance the acquisition of apartments and cottages. As a guarantee for this bank borrowing, the Group is committed to support SNC Nature Hébergements 1 in case of unfavorable timing between the cash collection it will receive from the sale of apartments and cottages and the payments required to finance their acquisitions. The Group's maximum contingent obligations related to this commitment amount to €16 million.

In addition, Les Villages Nature de Val d'Europe S.A.S. entered into a concession contract for the construction and operation of a geothermal network. As part of this contract, Les Villages Nature de Val d'Europe S.A.S. is committed to pay an indemnity in case of early termination of the agreement. The Group guaranteed the payment of 50% of this indemnity. The Group's contingent obligations related to this guarantee totaled €13 million as of September 30, 2016.

21.2.3. Other Commitments

21.2.3.1. Future Investments

As of September 30, 2016, the Group has committed to future investments related to the development of the Resort and improvement of existing assets, for an amount of €50 million.

21.2.3.2. Leases

The Group has operating leases, driven by leases for buildings, office and computer equipment and vehicles, for which total rental expense was €38 million, €35 million and €29 million for the Fiscal Years 2016, 2015 and 2014, respectively.

As of September 30, 2016, future minimum rental commitments under these non-cancellable operating leases are as follows:

(€ in millions)	Amount
2017	15
2018	13
2019	10
2020	9
2021	9
Thereafter	36
Total	**92**

22. EMPLOYEES

The Group's average number of employees for Fiscal Years 2016, 2015 and 2014 is presented below:

	Fiscal Year		
	2016	2015	2014
Salaried	**2,114**	2,051	1,963
Hourly	**13,081**	12,664	12,101
Total	**15,195**	14,715	14,064
Full time equivalent	***14,144***	*13,674*	*13,115*

Total employee costs for Fiscal Years 2016, 2015 and 2014 were €661 million, €638 million and €595 million, respectively. These amounts included expenses related to defined contribution plans totaling €67 million, €63 million and €59 million for Fiscal Years 2016, 2015 and 2014, respectively.

23. KEY MANAGEMENT COMPENSATION

As the Company is a French Limited partnership, the Group considers that key management, as defined by IAS 24 "Related-Party Disclosure", corresponds to the corporate officers: the *Gérant* and the Supervisory Board. In addition, the Group has put in place a Management Committee that is comprised of the direct reports of the *Gérant*'s *Président(e)*. The Group determined it appropriate to disclose its total compensation in this note.

23.1. Corporate Officers (“*Mandataires Sociaux*”)

23.1.1. The *Gérant*

The Group recorded €13 million[1] of base management fees expense for Fiscal Year 2016 compared with €14 million and €13 million for Fiscal Years 2015 and 2014, respectively. For more details on the calculation method for the *Gérant*’s base management fees, see note 15.1.1. “Royalties and Management Fees”, as well as section A.4.1. “Significant undertakings related to the Resort’s Development” of the Group’s 2015 Reference Document, and section “Management of the Group in Fiscal Year 2016” of the Group and Parent Company Management Report for Fiscal Year 2016.

23.1.2. The Supervisory Board

Fees paid to members of the Company’s Supervisory Board in proportion to their attendance to Board meetings held during Fiscal Years 2016, 2015 and 2014 were €298,908, €293,787 and €198,437, respectively. TWDC employees are not paid for serving on the Company’s Supervisory Board. Members of the Company’s Supervisory Board do not benefit from other compensation, indemnity or advantages as a result of their appointment or a termination of their mandate. No stock options of the Company have been granted to the members of the Supervisory Board. For more details, see the Management Report of the Group and Parent Company for Fiscal Year 2016; section “Management of the Group in Fiscal Year 2016”.

The members of the Supervisory Board are also members of EDA’s Supervisory Board. As a rule, the Company’s Supervisory Board members do not receive any compensation for serving on the Supervisory Board of EDA.

23.2. The Management Committee

The following table presents the compensation paid by the Group to the Management Committee members during Fiscal Years 2016, 2015 and 2014:

	Fiscal Year		
(in €)	**2016**	**2015**	**2014**
Compensation paid in the Fiscal Year[(1)]	**3,372,948**	2,730,206	2,783,353

[(1)] *Corresponds to fixed compensation, variable compensation and fringe benefits (with the meaning of the French labor regulations) paid in the period.*

The Group bears the cost of compensation shown in the table above. No specific extra pension scheme is in place for the Management Committee members.

In addition, the following table details the value of TWDC stock options and restricted stock units attributed to the Management Committee members during Fiscal Years 2016, 2015 and 2014:

	Fiscal Year		
(in €)	**2016**	**2015**	**2014**
Value of TWDC stock options granted during the Fiscal Year	**597,113**	618,087	807,265
Value of TWDC restricted stock units granted during the Fiscal Year	**1,859,767**	2,165,364	2,178,815
Total	**2,456,880**	2,783,451	2,986,080

For more details, see the Group and Parent Company Management Report for Fiscal Year 2016; section “Management of the Group in Fiscal Year 2016”.

[1] This includes €4 million of EDA base management fees for the fourth quarter of Fiscal Year 2016 for which payment was waived by the *Gérant* (see note 24. “Subsequent Events” hereafter for more information).

24. SUBSEQUENT EVENTS

In November 2016, TWDC[1] agreed to waive two years of royalty and management fees, commencing with the €21 million payment for the fourth quarter of Fiscal Year 2016, to provide the Group liquidity above its remaining undrawn standby Revolving Credit Facility.

[1] The waivers of royalty and management fees have been granted by wholly-owned affiliates of TWDC.

B.4. Statutory Auditors' Report on the Consolidated Financial Statements

This is a free translation into English of the statutory auditors' report issued in French and is provided solely for the convenience of English speaking users. The statutory auditors' report includes information specifically required by French law in such reports, whether modified or not. This information is presented below the opinion on the consolidated financial statements and includes an explanatory paragraph discussing the auditors' assessments of certain significant accounting and auditing matters. These assessments were considered for the purpose of issuing an audit opinion on the consolidated financial statements taken as a whole and not to provide separate assurance on individual account captions or on information taken outside of the consolidated financial statements.

This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

PricewaterhouseCoopers Audit
63, rue de Villiers
92208 Neuilly-sur-Seine Cedex

Caderas Martin
43, rue de Liège
75008 Paris

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STATUTORY AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

(For the year ended September 30, 2016)

To the Shareholders
EURO DISNEY S.C.A.
1, rue de la Galmy
77700 Chessy

Ladies and Gentlemen,

In compliance with the assignment entrusted to us by your annual general meeting, we hereby report to you, for the year ended September 30, 2016, on:

- the audit of the accompanying consolidated financial statements of Euro Disney S.C.A.;
- the justification of our assessments;
- the specific verification required by law.

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

I - OPINION ON THE CONSOLIDATED FINANCIAL STATEMENTS

We conducted our audit in accordance with professional standards applicable in France. Those standards 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 involves performing procedures, using sampling techniques or other methods of selection, to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made, as well as the overall presentation of the consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the group as at 30 September 2016 and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

II - JUSTIFICATION OF OUR ASSESSMENTS

In accordance with the requirements of article L.823-9 of the French Commercial Code (*code de commerce*) relating to the justification of our assessments, we bring to your attention the following matter:

Fixed assets are accounted for as exposed in the notes 2.2.5. and 3.3. to financial statements. We have verified that the accounting policies are appropriate and reviewed the approach applied by the *Gérant* to assess the valuation of these assets.

These assessments were made as part of our audit of the consolidated financial statements taken as a whole, and therefore contributed to the opinion we formed which is expressed in the first part of this report.

III - SPECIFIC VERIFICATION

As required by law and in accordance with professional standards applicable in France, we have also verified the information presented in the group's management report.

We have no matters to report as to its fair presentation and its consistency with the consolidated financial statements.

Neuilly-sur-Seine and Paris, on February 9, 2017

The statutory auditors

PricewaterhouseCoopers Audit	**Caderas Martin**
Bruno Tesnière	Fabrice Vidal

B.5. Company Financial Statements Prepared Under French Accounting Principles

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STATEMENTS OF FINANCIAL POSITION

		September 30,			
		2016			2015
(€ in thousands)	Notes	Gross value	Depreciations	Net Value	Net Value
Fixed Assets					
Intangible assets		381	(266)	**115**	133
Investments in subsidiaries	3.	1,423,824	(1,423,563)	**261**	953,324
Other fixed assets	4.	584	-	**584**	584
		1,424,789	(1,423,829)	**960**	954,041
Current assets					
Accounts receivable from affiliated companies	5.	18,946	-	**18,946**	23,623
Other receivables	6.	67	-	**67**	486
Cash and cash equivalents		5	-	**5**	1
		19,018	-	**19,018**	24,110
Total assets		1,443,807	(1,423,829)	**19,978**	978,151

		September 30,	
(€ in thousands)	Notes	2016	2015
Shareholders' equity			
Share capital		**783,365**	783,365
Share premium		**1,532,784**	1,532,784
Legal reserve		**16,878**	16,878
Accumulated deficit, beginning of year		**(1,358,506)**	(1,354,791)
Current year net loss		**(955,700)**	(3,715)
	7.	**18,821**	974,521
Accounts payable and other liabilities			
Accounts payable, accrued liabilities and others		**345**	2,903
Payroll and tax liabilities		**812**	727
	8.	**1,157**	3,630
Total shareholders' equity and liabilities		**19,978**	978,151

The accompanying notes are an integral part of these financial statements.

STATEMENTS OF INCOME

(€ in thousands)	Notes	Fiscal Year 2016	Fiscal Year 2015
Revenues			
Sales and services		**1,230**	1,050
Other revenues		**37**	92
	9.	**1,267**	1,142
Costs and expenses			
Services and other	10.	**(1,676)**	(2,899)
Wages		**(1,350)**	(1,159)
Social charges		**(536)**	(529)
Other	10.	**(353)**	(328)
		(3,915)	(4,915)
Loss before financial income		**(2,648)**	(3,773)
Net financial (loss) / income	11	**(953,039)**	108
Loss before exceptional and income taxes		**(955,687)**	(3,665)
Exceptional loss		**(13)**	(50)
Net loss		**(955,700)**	(3,715)

The accompanying notes are an integral part of these financial statements.

ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS

1. DESCRIPTION OF THE BUSINESS

Euro Disney S.C.A. (the "Company") and its owned and controlled subsidiaries (collectively, the "Group"[1]) commenced operations with the official opening of the Disneyland® Park on April 12, 1992. The Group also operates the Walt Disney Studios® Park, which opened to the public on March 16, 2002 (together with the Disneyland Park the "Theme Parks"), a large hotel complex comprising seven hotels (the "Hotels") with approximately 5,800 rooms, two convention centers, the Disney Village® entertainment center and Golf Disneyland® (the "Golf Courses"), collectively the "Resort". In addition, the Group manages the real estate development and expansion of the property and related infrastructure near the Resort.

The Company, a publicly held French company with its shares traded on Euronext Paris, is managed by Euro Disney S.A.S. (the "Gérant"), an indirect wholly-owned subsidiary of The Walt Disney Company ("TWDC"). The General Partner is EDL Participations S.A.S., also an indirect wholly-owned subsidiary of TWDC. The Company owns 82% of Euro Disney Associés S.C.A. ("EDA"), which is the primary operating company of the Resort. Two other indirect wholly-owned subsidiaries of TWDC, Euro Disney Investments S.A.S. ("EDI") and EDL Corporation S.A.S. ("EDLC"), equally own the remaining 18% of EDA.

The Company's fiscal year begins on October 1 of a given year and ends on September 30 of the following year (the "Fiscal Year"). For purposes of these consolidated financial statements, the Fiscal Year for any given calendar year is the Fiscal Year that ends in that calendar year (for example, Fiscal Year 2016 is the fiscal year that ends September 30, 2016).

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1. Basis of Preparation

The Company's financial statements are prepared in accordance with French generally accepted accounting principles ("French GAAP") and regulations under the *Plan Comptable Général*.

2.2. Intangible Assets

Intangible assets consist of rights related to a Walt Disney Studios Park attraction and are recorded at acquisition cost. Amortization of these costs is computed over 20 years using the straight-line method.

2.3. Investments in Subsidiaries

Investments in subsidiaries are recorded at the acquisition cost less any impairment charges.

On an annual basis, the Company reviews the carrying value of its investments in subsidiaries for impairment. When the carrying value is higher than the value in use, an impairment charge is recorded for the difference.

Value in use for an investment in a subsidiary (combined with its own subsidiaries) is determined using a method that best reflects the future economic benefits expected to be received from the investment. In determining the best methodology, the Company considers various factors which primarily include the present value analysis of future expected cash flows, the net equity position of the subsidiary and the Company's equity market capitalization. For more information, please refer to note 3. "Investments in Subsidiaries".

2.4. Retirement Obligation

The Company provides for postretirement benefits through the use of defined contribution plans and defined benefit plans.

[1] The Group also includes Centre de Congrès Newport S.N.C., a consolidated special purpose financing company (the "Financing Company").

All employees participate in state funded pension plans in accordance with French laws and regulations and in a supplemental defined contribution plan. Salaried employees also participate in a funded retirement plan. Contributions to these plans are paid by the Company and the employees. The employer's part of the contribution is expensed as incurred. The Company has no future commitment with respect to these benefits.

In addition to the above plans, the Company provides for defined benefit plans through the Company's collective bargaining agreements. The Company's defined benefit plans provide retirement benefits ranging from one-half of a month to three months of gross wages to be provided to employees who retire from the Company at the age of 60 or older after completing at least one year of service.

3. INVESTMENTS IN SUBSIDIARIES

As of September 30, 2016 and 2015, the Company held direct ownership in the following entities:

		September 30, 2016			September 30, 2015		
(€ in thousands)		Gross value	Net value	% of ownership	Gross value	Net value	% of ownership
EDA	3.1.	**1,423,563**	**-**	**82%**	1,423,563	953,063	82%
Euro Disney Commandité S.A.S.		**261**	**261**	**100%**	261	261	100%
		1,423,824	**261**		1,423,824	953,324	

Every year, as required by French GAAP, the Company reviews the value in use of its investments.

Additional information (prepared under French GAAP) related to the Company's subsidiaries as of and for the year ended September 30, 2016, is as follows:

(€ in thousands)		Share capital	Shareholders' equity	Revenues	Net loss	Outstanding loans and advances granted by the Company
EDA	3.1.	1,203,700	(120,499)	1,285,313	(1,191,716)	18,946
Euro Disney Commandité S.A.S.		200	116	-	(8)	-

During Fiscal Years 2016 and 2015, no dividends were received from these subsidiaries.

3.1. EDA

For the year ended September 30, 2016, EDA, the main operating entity of the Company, recognized a net loss of €1,192 million, including impairment charges of its assets and investments. This caused the net equity position of EDA to be negative.

As of September 30, 2016, the Company reviewed the carrying value of its investment in the equity of EDA for impairment. Based on the value in use of the investment derived from the net present value of future cash flows, in addition to the negative net equity position of EDA, the Company considered that the value in use of its investment in EDA was nil. Accordingly, the Company recorded an impairment charge of €953 million.

4. OTHER FIXED ASSETS

As of September 30, 2016 and 2015, the net book value of *Other fixed assets* totaled €584 thousand and was composed of treasury shares owned as part of the liquidity contract and cash allocated to the liquidity account (see note 7.2. "Liquidity Contract").

5. ACCOUNTS RECEIVABLE FROM AFFILIATED COMPANIES

As of September 30, 2016 and 2015, *Accounts receivable from affiliated companies* corresponded to cash advances made to EDA for €18.9 million and €23.6 million, respectively. These advances are due within one year.

These cash advances bear interest at an annual average rate of 3-month Euribor minus 0.5%. As the 3-month Euribor was below 0.5% throughout Fiscal Year 2016, no interest was received.

6. OTHER RECEIVABLES

As of September 30, 2016, *Other Receivables* mainly corresponded to Value Added Tax ("VAT") receivables.

7. SHAREHOLDERS' EQUITY

(€ in thousands)	Share capital	Share premium	Legal reserve	Accumulated deficit	Net loss	Shareholders' equity
Balance as of September 30, 2014	**38,976**	**1,442,549**	**16,878**	**(882,572)**	**(472,219)**	**143,612**
Allocation of prior year net loss	-	-	-	(472,219)	472,219	-
Proceeds of the 2015 Recapitalization Plan	744,389	90,235	-	-	-	834,624
Net loss	-	-	-	-	(3,715)	(3,715)
Balance as of September 30, 2015	**783,365**	**1,532,784**	**16,878**	**(1,354,791)**	**(3,715)**	**974,521**
Allocation of prior year net loss	-	-	-	(3,715)	3,715	-
Net loss	-	-	-	-	(955,700)	(955,700)
Balance as of September 30, 2016	**783,365**	**1,532,784**	**16,878**	**(1,358,506)**	**(955,700)**	**18,821**

As of September 30, 2016 and 2015, the Company's legal reserve was €16.9 million, which is not available for distribution.

7.1. Share Capital

As of September 30, 2016 and 2015, the Company's issued and fully paid share capital was composed of 783,364,900 shares with a nominal value of €1.00 each.

During Fiscal Year 2015, the Group implemented a recapitalization plan (the "Recapitalization Plan"). Following completion of the final step of the Recapitalization Plan on November 17, 2015, EDL Holding Company LLC, EDI and EDLC, three indirect wholly owned subsidiaries of TWDC, together owned 600,922,335 of the Company's shares[1], representing 76.7% of the Company's share capital and voting rights.

7.2. Liquidity Contract

In accordance with the authorizations granted by the Company's shareholders during the past annual general meetings, the *Gérant* carried out a share buyback program through Oddo Corporate Finance, an independent investment services provider acting under a liquidity contract. For additional information, see the notice on the share buyback program, as well as the press releases on the liquidity contract, that are available on the Company's website (http://corporate.disneylandparis.com).

In the context of the Recapitalization Plan, the liquidity contract was suspended from December 8, 2014 to October 14, 2015.

As of September 30, 2016, the Company owns 257,892 treasury shares acquired through its liquidity contract. Their acquisition cost totaled €305 thousand. As of September 30, 2016, the Company had also €279 thousand in cash allotted to the liquidity account.

[1] Including 10 shares owned by EDL Participations S.A.S., a wholly owned subsidiary of EDL Holding Company, LLC.

8. ACCOUNTS PAYABLE AND OTHER LIABILITIES

	September 30,	
(€ in thousands)	**2016**	**2015**
Trade payables	**315**	2,873
Payroll and employee benefits	**812**	727
Other	**30**	30
	1,157	3,630

As of September 30, 2016 and 2015, trade payables totaled €0.3 million and €2.9 million, respectively. As of September 30, 2015, trade payables were mainly composed of accrued and billed payables for legal and consulting fees related to the Recapitalization plan. As of September 30, 2016, billed payables totaled €21 thousand and were due within 30 days.

9. REVENUES

In Fiscal Years 2016 and 2015, *Revenues* totaled €1.3 million and €1.1 million, respectively, and mainly consisted of services provided to EDA under an administrative assistance agreement. For Fiscal Year 2016, *Revenues* also included other external costs invoiced to EDA for an amount of €37 thousand.

10. SERVICES AND OTHER COSTS AND EXPENSES

For Fiscal Years 2016 and 2015, *Services and other costs and expenses* primarily consisted of legal fees, bank commissions and audit fees. The decrease compared with prior year was due to costs related to the Recapitalization Plan.

For Fiscal Years 2016 and 2015, *Other costs and expenses* consisted primarily of fees due to members of the Company's Supervisory Board.

11. NET FINANCIAL (LOSS) / INCOME

For Fiscal Year 2016, the Company recorded a net financial loss amounting to €953 million due to the impairment recorded for its investment in EDA. For Fiscal Year 2015, the Company recorded a net financial gain amounting to €108 thousand.

12. INCOME TAX

While the Company is subject to income tax at a rate of 33.33%, during Fiscal Years 2016 and 2015, no income tax was recorded as no taxable income was generated by the Company. As of September 30, 2016, the Company's unused tax loss carry-forwards totaled approximately €42.6 million, which is available to be carried forward indefinitely.

The Company files standalone tax reports. It has not signed any consolidated tax return agreement.

13. EMPLOYEES

The weighted average number of employees of the Company for Fiscal Years 2016 and 2015 totaled 14 persons and 12 persons, respectively. This corresponded to eight full-time equivalent persons ("FTE") for Fiscal Years 2016 and 2015, respectively.

Total employee costs for Fiscal Years 2016 and 2015 were €1.9 million and €1.7 million, respectively.

As of September 30, 2016 and 2015, the actuarial-evaluated amount for retirement obligation was €246 thousand and was not recorded on the balance sheet.

14. SUPERVISORY BOARD COMPENSATION

Fees paid to members of the Company's Supervisory Board in proportion of their attendance to Board meetings held during Fiscal Years 2016 and 2015 were €298,908 and €293,787, respectively. TWDC employees are not paid for serving on the Company's Supervisory Board. Members of the Company's Supervisory Board do not benefit from other compensation, indemnity or advantages as a result of their appointment or a termination of their mandate. No stock options of the Company have been granted to the members of the Supervisory Board.

15. FEES PAYABLE TO STATUTORY AUDITORS

In Fiscal Year 2016, fees expensed for the audit of statutory accounts totaled €124 thousand.

16. COMMITMENT AND CONTINGENCIES

As part of the Disneyland® Paris refurbishment program, the Company issued a guarantee for the payment of certain services provided to EDA. This guarantee became effective in July 2016 for a commitment up to €895 thousand.

In July 2013, the Company issued a joint guarantee for the payment of certain customs and taxes up to €825 thousand due by EDA. This guarantee allows EDA to remove imported merchandise items before the effective payment of customs duties and taxes.

In addition, in Fiscal Year 2014, EDA entered into a concession contract for the construction and operation of the infrastructure link between the Resort and Villages Nature's geothermal network. As part of this contract, EDA is committed to pay an indemnity in case of early termination of the agreement and the Company guaranteed the payment of this indemnity.

As of September 30, 2016 and 2015, no other financial guarantees or asset-backed collateral were granted by the Company.

B.6. STATUTORY AUDITORS' REPORT ON THE FINANCIAL STATEMENTS

This is a free translation into English of the statutory auditors' report issued in French and is provided solely for the convenience of English speaking users. The statutory auditors' report includes information specifically required by French law in such reports, whether modified or not. This information is presented below the opinion on the financial statements and includes an explanatory paragraph discussing the auditors' assessments of certain significant accounting and auditing matters. These assessments were considered for the purpose of issuing an audit opinion on the financial statements taken as a whole and not to provide separate assurance on individual account captions or on information taken outside of the financial statements.

This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

PricewaterhouseCoopers Audit
63, rue de Villiers
92208 Neuilly-sur-Seine Cedex

Caderas Martin
43, rue de Liège
75008 Paris

STATUTORY AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS

For the year ended September 30, 2016

To the Shareholders
EURO DISNEY S.C.A.
1, rue de la Galmy
77700 Chessy
France

In compliance with the assignment entrusted to us by your shareholders' annual general meeting, we hereby report to you, for the year ended September 30, 2016, on:

- the audit of the accompanying financial statements of Euro Disney S.C.A. ("the Company");
- the justification of our assessments;
- the specific verifications and information required by law.

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

I - OPINION ON THE FINANCIAL STATEMENTS

We conducted our audit in accordance with professional standards applicable in France. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit involves performing procedures, using sampling techniques or other methods of selection, to obtain audit evidence about the amounts and disclosures in the financial statements. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made, as well as the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

In our opinion, the financial statements give a true and fair view of the assets and liabilities and of the financial position of the Company as at September 30, 2016, and of the results of its operations for the year then ended in accordance with French accounting principles.

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II - JUSTIFICATION OF OUR ASSESSMENTS

In accordance with the requirements of article L. 823-9 of the French Commercial Code (*code de commerce*) relating to the justification of our assessments, we bring to your attention the following matter:

A substantial part of the assets of your Company is composed of investments in subsidiaries that are accounted for as described in the notes 2.3 and 3.1 to financial statements. We have verified that the accounting policies are appropriate and reviewed the approach applied by the *Gérant* to assess the valuation of these assets.

These assessments were made as part of our audit of the financial statements, taken as a whole, and therefore contributed to the opinion we formed which is expressed in the first part of this report.

III - SPECIFIC VERIFICATIONS AND INFORMATION

In accordance with professional standards applicable in France, we have also performed the specific verifications required by French law.

We have no matters to report as to the fair presentation and the consistency with the financial statements of the information given in the management report of the *Gérant*, and in the documents addressed to the shareholders with respect to the financial position and the financial statements.

Concerning the information given in accordance with the requirements of article L. 225-102-1 of the French Commercial Code relating to remuneration and benefits received by corporate officers and any other commitments made in their favor, we have verified its consistency with the financial statements, or with the underlying information used to prepare these financial statements and, where applicable, with the information obtained by your company from companies controlling it or controlled by it. Based on this work, we attest to the accuracy and fair presentation of this information.

In accordance with French law, we have verified that the required information concerning the identity of shareholders and holders of the voting rights has been properly disclosed in the management report.

Neuilly-sur-Seine and Paris, on February 9, 2017

The Statutory Auditors

PricewaterhouseCoopers Audit — **Caderas Martin**

Bruno Tesnière — Fabrice Vidal

B.7. Social, Environmental and Societal Information

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1. CORPORATE SOCIAL RESPONSIBILITY POLICY

Disneyland® Paris is recognized as the leading European vacation destination and has a significant economic impact on the French tourism industry. Along with the French public authorities, Disneyland Paris is a key contributor in the development of the eastern Paris region. The Group[1] is the number one single-site employer in France and the largest private employer in the department of Seine-et-Marne.

In 2013, the Group selected the firm *Vigéo*, a non-financial rating agency, expert in the field of corporate responsibility, to independently assess its social and societal footprint. This study (the "*Vigéo* Study") was completed in December 2015. The *Vigéo* Study highlighted the significant role of the Group in the social and economic attractiveness of the eastern Paris region. The *Vigéo* Study also underlined the major contribution of the Group to the employment quality and social inclusion in the area.

Based on this unique and exceptional position, the Group believes it has high levels of responsibility towards its stakeholders which it fully assumes with the objective of being a model for sustainable development in the European tourism and leisure industry.

Since the opening of Disneyland Paris in 1992, the Group has conducted its resort and real estate development activities as a responsible corporate citizen. This implies taking into account the social, environmental and societal impacts of the Group's activities, as well as the Group's relationships with stakeholders.

The Group based its corporate social responsibility ("CSR") policy on the following principles:

- Promoting the safety of both its guests and employees and developing a culture of safety;
- Fostering a respectful workplace for employees and developing common values of quality, creativity, innovation and integrity;
- Maintaining a balanced and sustainable development of Val d'Europe in order to build a significant hub of economic activity on the east side of Paris;
- Minimizing its overall environmental impact as well as the impacts of its activities on climate change and raising awareness on environmental issues;
- Encouraging responsible corporate citizenship and supporting local community initiatives.

For Fiscal Year 2016, the Group has consolidated the CSR information for the Group and Euro Disney Associés S.C.A. ("EDA") into a dedicated exhibit of the Group and Parent Company's Management Report. See note 5. "Reporting Methodology" for further information.

2. SOCIAL INFORMATION

The Group's social goal is to be recognized as an employer of choice in France, particularly in the Ile-de-France region and the department of Seine-et-Marne, through a socially responsible human resources policy guided by strong values such as diversity and dialogue.

With an average of 15,000 employees, the Group is the largest private employer in the department of Seine-et-Marne. Since employees are at the heart of the guest experience in the Disneyland Paris site (the "Resort") (see note 2.1.2. "Breakdown of employees by Gender, Age and Geographic Region"), the Group is fully committed to social responsibility based on the following strategies:

- Continuing to recruit for the long term;
- Maintaining a balanced compensation policy;
- Providing personal and professional development opportunities;

[1] The Euro Disney S.C.A. group (the "Group") includes Euro Disney S.C.A., its owned and controlled subsidiaries and the consolidated special purpose financing company.

- Promoting a safe working environment;
- Fostering a culture of diversity;
- Promoting social dialogue.

The Group's commitment to social responsibility is reflected in its day-to-day activities as well as many initiatives launched over the years. Examples of current programs include:

- *CastMemberland* program, which aims at improving employee's working and living conditions through various services such as transport, housing accommodation, catering services and recreational events;
- *Team Talent*, which focuses on the foundations of the social, relational and managerial contract in order to enhance employee engagement and enable employees to work together more effectively on a daily basis; and
- *Talent School*, an internal management school that offers a specific development program with the aim of providing employees opportunities to join the management team.

The *Vigéo* Study pointed out the efficiency of the Group's social policies. This independent study highlighted the major contribution of the Group to the employment quality in the area. The *Vigéo* Study also recognized the Group's initiatives to prevent discrimination, to promote equal opportunities and to prevent precariousness.

The Group's efforts in term of employment quality are also demonstrated by the results of the last employee satisfaction survey that the Group presented to its employees during Fiscal Year 2015. These results revealed substantial improvements recorded by the Group between 2012 and 2014 in the following areas:

- Confidence in leadership;
- Responsibility of employees in terms of safety;
- Employee engagement; and
- Training and professional development.

Based on its training program and quality standards, the Group is recognized as a major contributor to the improvement of professionalism in tourism in France. With 500 different job roles, the Group creates a pathway of excellence for tourism jobs, in particular through the Val d'Europe tourism cluster and its implication in the sector of leisure parks to improve the training requirements and create recognized certifications. Please see note 4.1.2. "Impact on Surrounding Populations" for further information.

2.1. Employment and Professional Development

2.1.1. Average Number of Employees

The average number of employees for Fiscal Years 2016, 2015 and 2014 is presented below:

	Fiscal Year					
	2016		2015		2014	
	Group	EDA	Group	EDA	Group	EDA
Salaried	**2,114**	**2,034**	2,051	1,969	1,963	1,889
Hourly	**13,081**	**13,055**	12,664	12,641	12,101	12,080
Total	**15,195**	**15,089**	14,715	14,610	14,064	13,969
Full time equivalent	***14,144***	***14,045***	*13,674*	*13,575*	*13,115*	*13,027*

2.1.2. Breakdown of Employees by Gender, Age and Geographic Region

The breakdown of employees by gender and age as of September 30, 2016, 2015 and 2014 is presented below:

	September 30,					
	2016		2015		2014	
	Group	EDA	Group	EDA	Group	EDA
Headcount						
Total number	**14,758**	**14,581**	14,739	14,558	14,134	13,962
Headcount by gender (%)						
Women	**46%**	**47%**	47%	47%	46%	46%
Men	**54%**	**53%**	53%	53%	54%	54%
Headcount by age (%)						
Under 26	**19%**	**19%**	20%	20%	19%	19%
26-55 years old	**74%**	**74%**	74%	74%	75%	75%
56 and over	**7%**	**7%**	6%	6%	6%	6%

Since the Group's activities are all located on the Resort, the breakdown of employees by geographic region is not applicable.

Of the Group's employees, 72% have been under indefinite term contracts (*contrats à durée indéterminée*) for more than five years. The breakdown of employees under indefinite and fixed-term contracts by seniority as of September 30, 2016, 2015 and 2014 is presented below:

	September 30,					
	2016		2015		2014	
	Group	EDA	Group	EDA	Group	EDA
Headcount by seniority (%)						
Less than 1 year	**12%**	**12%**	14%	15%	13%	13%
1 to 4 years	**24%**	**24%**	22%	22%	22%	22%
5 to 10 years	**22%**	**22%**	22%	22%	24%	24%
11 to 16 years	**17%**	**17%**	18%	18%	18%	18%
17 to 22 years	**12%**	**12%**	12%	12%	20%	20%
More than 22 years	**13%**	**13%**	12%	11%	3%	3%

The proportion of indefinite term contracts to total headcount remained stable at approximately 90% as of September 30, 2016, 2015 and 2014. The increase in the percentage of employees with more than 22 years of seniority between Fiscal Years 2014 and 2015 reflects the share of employees hired at the opening of the Resort who are still in the headcounts.

Please see note 2.3. "Social Relationship and Equality, Diversity in Employment" for information on the Group's equality in employment.

2.1.3. Hires, Dismissals and Absenteeism

During Fiscal Year 2016, the Group continued to develop strategies aimed at promoting existing jobs and employment opportunities at Disneyland® Paris in order to enhance the Group's position as an employer of choice.

Due to the seasonal nature of the business, the Group has significant needs for seasonal contracts. Thus, major recruitment campaigns were conducted during Fiscal Year 2016 bringing together 600 to 900 candidates at each event. During these events, interviews with preselected candidates were organized and the Group's history, values and jobs were presented by some of its employees. The Group also launched its annual Casting Tour during which recruiters from Disneyland Paris met candidates in 13 different European cities.

During Fiscal Year 2015, the Group also launched a mobile application that allows candidates to discover jobs and career opportunities at Disneyland Paris and to apply directly for open positions.

In June 2016, the Group participated in the eighth edition of the *Challenge du Monde des Grandes Ecoles,* an event that gathered more than 6,000 students and several companies. This annual event combined sports competition, career forum and targeted actions related to disability awareness. This event served as an opportunity for students to meet more than 150 of the Group's employees who answered their questions and shared their knowledge on the diversity of Disneyland® Paris jobs. During this event, employees from the human resources department ran workshops and round tables dedicated to recruitment through social networks.

In addition, the Group participates in initiatives such as recruitment forums, partnerships and social networks all over Europe in order to reach students and young graduates.

The hires and dismissals for Fiscal Years 2016, 2015 and 2014 are presented below:

	Fiscal Year					
	2016		2015		2014	
	Group	EDA	Group	EDA	Group	EDA
Hires[(1)]	**24,117**	**22,977**	23,440	22,279	22,086	20,850
Hires (excluding temporary contracts)	**6,508**	**6,498**	8,052	8,027	6,664	6,652
of which % under indefinite term contracts	**16%**	**16%**	20%	20%	15%	15%
of which % under fixed term contracts	**84%**	**84%**	80%	80%	85%	85%
Hires (temporary contracts)	**17,609**	**16,479**	15,388	14,252	15,422	14,198
Dissmissals[(2)]	**276**	**274**	238	235	247	247
of which % for misconduct	**58%**	**59%**	67%	68%	68%	68%
of which % for real and serious causes[(3)] and other causes	**42%**	**41%**	33%	32%	32%	32%

(1) *The number of hires corresponds to the number of contracts signed (indefinite term contract, fixed-term contract or temporary contract). These data exclude the conversion of fixed term contracts into indefinite term contracts.*
(2) *Mainly indefinite term contracts.*
(3) *As defined under French labor law.*

The legal absenteeism rate and breakdown by reason for Fiscal Years 2016, 2015 and 2014 is presented below:

	Fiscal Year					
	2016		2015		2014	
	Group	EDA	Group	EDA	Group	EDA
Absenteeism rate[(1)]	**23%**	**23%**	23%	23%	23%	23%
Indefinite term contracts	**23%**	**23%**	23%	23%	23%	23%
Fixed term contracts (*excluding temporary contracts*)	**24%**	**24%**	23%	23%	24%	24%
Temporary contracts	**4%**	**4%**	3%	3%	6%	6%
Absenteeism rate by reason						
Paid holidays	**9%**	**9%**	9%	9%	9%	9%
Trainings	**3%**	**3%**	3%	3%	3%	3%
Maternity leaves, family events leaves	**1%**	**1%**	1%	1%	1%	1%
Illness	**4%**	**4%**	4%	4%	4%	4%
Other paid and unpaid absences	**4%**	**4%**	4%	4%	4%	4%
Work- and commute-related accidents, and occupational diseases	**2%**	**2%**	2%	2%	2%	2%

(1) *Computation methodology: volume of hours of absence / volume of hours scheduled.*

Absenteeism remained stable for Fiscal Years 2016, 2015 and 2014.

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2.1.4. Compensation, Benefits and Recognition Programs

Labor costs and average wage increase for Fiscal Years 2016, 2015 and 2014 are presented below:

	Fiscal Year					
	2016		2015		2014	
(€ in millions)	Group	EDA	Group	EDA	Group	EDA
Labor costs	**661**	**611**	638	581	595	544
of which paid to temporary employment agencies[(1)]	**15**	**n/a**	18	n/a	14	n/a
Average wage increase[(2)]						
In %	**3.2%**	**3.2%**	2.8%	2.8%	1.6%	1.6%

(1) *The cost of temporary employment agencies is included in labor cost under IFRS whereas it is recorded in a separate line in EDA's income statement under French GAAP. The Group's cost of temporary employment agencies is almost entirely recorded by EDA.*
(2) *This percentage corresponds to the average wage increase of employees present throughout the corresponding Fiscal Year.*
n/a: not applicable

The Group strives to provide fair and balanced compensation through both wage increases and maintaining other employee benefits. These plans, which aim to provide long-term support to employees, notably include a contribution towards employees' spending in terms of medical costs, insurance, retirement, transportation, catering and accommodation costs. The Group remains particularly committed to support low wage employees by providing them, under the annual salary policy, general increases to maintain their purchasing power. In addition, since Fiscal Year 2015, the Group has restored individual salary increases based on individual performance. As a complement to its annual compensation policy, the Group implemented a process to adjust certain wages biannually in order to maintain compensation equality and improve the overall competitiveness of the Group's social policies.

The Group remains committed to find the right balance between its development choices and its social responsibility. Since 2009, the cumulative wage increases implemented by the Group were in line with market practices and above inflation rate and minimum legal wage increases over the same period. This growth aimed at increasing employees' purchasing power to recognize their work.

Various savings plans are offered to employees, including a work time savings account (*CET*, *Compte Epargne Temps*), a company savings plan (*PEE, Plan Epargne Entreprise*) and a collective pension savings plan (*PERCO, Plan d'Epargne Retraite Collectif*). The Group does not offer shares of the Company to its employees through a company savings program.

The Group did not make a distribution under its legally required statutory profit sharing plan since EDA recorded a net cumulative loss for the last three Fiscal Years.

The Group also maintains 12 programs to recognize employee commitment, such as:

- *Guest Citations*, a program based on complimentary or congratulatory letters sent by guests mentioning an employee. Employees who have been mentioned the most often are invited to an annual appreciation ceremony;
- *Service Award*, a program celebrating employees' seniority milestones;
- *The Walt Disney Legacy Award*, a program common to all employees of the Walt Disney Parks and Resorts segment ("WDPR"), that recognizes employees who continue Walt Disney's legacy through their day-to-day actions, singled out by their peers.
- *Disney Heroes Award*, a program that recognizes employees who contributed to save a life or prevent serious injury on the Resort thanks to their training to safety or their first-aid skills. For the first time in October 2015, the Group rewarded an employee for this program.

2.1.5. Training

2.1.5.1. Training Policies

The Group provides more than 400 training programs to its employees to allow them to develop their professional skills and to improve the quality of services they deliver to guests. The Group is a recognized contributor to the improvement of professionalism in France's tourism sector through:

- A standard training program for all new employees, including an integration course, a welcome program and technical and regulatory training; and
- A certified internal training center ("Disney University").

The Disney University is the strategic learning partner for the Human Resources ("HR") department to support the leadership, as well as Disney's and the Group's culture/heritage learning needs of each organization, ensuring broader support across the Group and alignment with the business strategies of each division. The development of managerial skills and leadership, as well as the creation of a variety of teaching formats, are key areas of focus for the Disney University.

Alongside the Disney University, the HR department's training teams provide professional development for all employees in order to promote guest and employee safety, improve efficiency in operations, learn about technical evolutions and strengthen service quality. For each job and area, the training teams design courses and programs using various learning methods (classroom programs, on-line tools, forums and various other tools). This allows employees to practice and acquire concrete skills. Some programs help employees to obtain recognized certification in their trade or access to management positions. The training programs support the Group's activities and take into account employee diversity. They are provided to employees throughout their career within the Group.

The Group also has an internal management school open to all operational lines of business with the aim of providing employees opportunities to join the management team. This school offers a comprehensive development program that includes a common selection process for all lines of business, thus ensuring equal opportunities for promotion, and a new training course focused on managerial skills and leadership.

During Fiscal Year 2016, 43 "students" successfully completed this program and joined the management team of Disneyland® Paris in a diverse range of divisions such as restaurants, attractions, guest flow management, ticketing, maintenance, hotels, boutiques, entertainment, safety and security.

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2.1.5.2. Training Hours

The volume of training hours for Fiscal Years 2016, 2015 and 2014 is presented below:

	Fiscal Year					
	2016		2015		2014	
	Group	EDA	Group	EDA	Group	EDA
Total number of training hours	**435,652**	**432,957**	437,386	435,292	436,013	431,553

As part of its 2015 professional training declaration, the Group declared training costs representing 5.5% of total gross salaries (the minimum legal requirement is 1%).

2.2. Organization of Work, Health and Safety

2.2.1. Organization of Work Time

Since the Resort is open 365 days a year, employees may be required to work during weekends and public holidays. Resort operations are based on a 35-hour work week, according to planning rules set by collective bargaining agreements. Full time contracts are based on a 35-hour work week and part-time contracts are based on work weeks ranging from 16 to 28 hours.

Due to the seasonal nature of the business, the need for employees varies throughout the year. Accordingly, the Group has implemented a process to optimize scheduling and employee mobility between the Disneyland® Park and the Walt Disney Studios® Park (collectively the "Theme Parks"), the Disney Village® and the seven themed hotels (the "Hotels"). This process improves efficiency by automating both scheduling and the corresponding payroll systems. In conjunction with this process, flexible working agreements have been negotiated with employee labor unions. Special part-time contracts, such as two-day or four-day work week contracts have also been put in place. This flexibility has helped management to better match the number of employees with the level of activity.

Employees worked a total of 406,415 overtime hours during Fiscal Year 2016, or 1.9% of total labor hours worked.

The organization of work time for autonomous salaried employees (*Cadre autonome* as per French labor law) is based on 211 work days per year. The proportion of autonomous salaried employees represents the majority of the Group's management team given the autonomy of their duties and the Group's employment structure. The organization of work time for hourly salaried employees ("*Cadre intégré*" as per French labor law) is based on a monthly 151.67 hours which corresponds to 35 hours allocated to five days per week with a limit of seven hours per day.

2.2.2. Health and Safety

2.2.2.1. Health and Safety Conditions at Work

The Group gives priority to the safety of its employees and guests. As a result, the Group has implemented an occupational risk prevention plan, as part of an extensive Safety Management System ("SMS"). The SMS is based on continuous dynamic improvement and anticipation of safety regulations, and takes into account:

- Continued compliance of facilities and equipment;
- Consideration of safety requirements and risk reduction at the initial stages of projects;
- A high level of safety standards;
- Regular monitoring of safety standards;
- Analysis of occupational risks;
- Raising awareness actions and training employees;
- Post-analysis of incidents.

For further information on the SMS and the measures implemented by the Group for guest safety, see note 4.4.2. "Measures in Favor of Customer Health, Safety and Satisfaction".

The Occupational Health & Safety department is responsible for the occupational risk prevention plan and is composed of more than 100 specialized employees. Teams comprise the Health division (including Occupational Health, Social Welfare and First Aid) and the Occupational Risk Management division. As of September 30, 2016, the Health division team included 11 occupational physicians, 14 occupational nurses, 3 social workers and 24 nurses working together with physicians specialized in emergency care who are available during the Theme Parks operating hours. The Occupational Risk Management division was composed of 20 occupational risk prevention officers, 4 project managers with expertise in toxicology, ergonomics, occupational psychology and a department of 10 employees in charge of training.

During Fiscal Year 2016, the Occupational Health & Safety department continued to focus on the following four priorities:

- Arduousness at work (physical wear of employees facing specific workplace constraints that lead to measurable, sustainable and irreversible damages to their health and life expectancy without disability);
- Prevention of psychosocial risks;
- Shared activity (simultaneous activity of several teams or companies in the same place);
- Pedestrian circulation all over the Resort's backstage.

The Group implemented an action plan in Fiscal Year 2014 aimed at reducing the exposure to arduous risks at work and maintaining the employability of the persons affected by these types of conditions. The Group remains committed to continue risk prevention initiatives and working conditions improvements, despite a share of eligible employees representing less than 5% of the headcount.

Since initiation, this action plan has included additional human resources such as occupational risks prevention officers, human resources officers, as well as the implementation of an innovative monitoring IT system. This tool presents a global overview of employees' health and working conditions through three modules: the electronic medical file, the dematerialization of workplace accident and occupational disease statements, and the risk assessment document which includes the analysis of the level of criticality and the follow-up of preventive actions.

In order to achieve a high level of safety standards, the Occupational Health & Safety department continues to focus on the following three strategic directions:

- Mobilizing management and promoting occupational health and safety recommendations:
  During Fiscal Year 2016, several operational departments organized workshops to enhance the culture of safety among teams. The Group has continued the deployment of a training course called "Managing the Culture of Safety" for all employee levels. In addition, the Group has organized a forum for all its senior managers and executives to strengthen their individual and collective engagement to risk prevention. During this annual event, the Group awarded trophies to teams that were particularly engaged in improving work safety conditions and reducing work-related risks and the number of workplace accidents.
- Driving employee awareness:
  Internal awareness campaigns are regularly proposed on occupational and public health risk topics. During Fiscal Year 2016, those campaigns have addressed topics such as working during cold and hot weather periods. In addition, the month of June 2016 was dedicated to safety prevention. During this Month of Prevention, the Group and its employees organized events to strengthen the culture of safety in all areas.
- Participating in key projects:
  During Fiscal Year 2016, the Occupational Health & Safety department was actively involved in advising project managers, in the rehabilitations of several attractions (including *Big Thunder Mountain*) and the launch of new entertainment offerings (such as the *Mickey and the Magician* show). The Occupational Health & Safety department has also contributed to the preparation for the renovation of some backstage facilities (cafeterias).

During Fiscal Year 2016, 111 meetings of the *Comité d'Hygiène et de Sécurité des Conditions de Travail* or "CHSCT" council were held, including 5 meetings of the Central CHSCT.

Since Fiscal Year 2011, a global safety organization was implemented by The Walt Disney Company ("TWDC") to improve safety levels for both employees and guests in all Disney theme parks around the world. This organization helps to implement new programs inspired by best practices around the world, to which the Group adheres.

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2.2.2.2. Collective Bargaining Agreements on Occupational Health and Safety and Working Conditions

A "Stress and Psychosocial Risks Prevention" agreement was signed in September 2011 and was implemented during Fiscal Year 2012. This agreement defines methods and action plans to better evaluate these stress and psychosocial risks, as well as new communication tools and training programs for both employees and managers. Additional resources are available to support any employee who might be in a situation of psychological suffering.

2.2.2.3. Workplace Accidents and Occupational Diseases

The workplace accidents rate for Fiscal Years 2016, 2015 and 2014 is presented below:

	Fiscal Year					
	2016		2015		2014	
	Group	EDA	Group	EDA	Group	EDA
Workplace accidents rate[(1)]	**59.15**	**58.62**	60.53	60.13	64.18	63.29
of which severe workplace accidents[(2)]	**2.37**	**2.34**	2.60	2.54	2.88	2.81

(1) *Computation methodology: (number of workplace accidents resulting in lost work time * 1,000,000) / annual worked hours*
(2) *Computation methodology: (number of days lost due to workplace accidents * 1,000) / annual worked hours*

The number of occupational diseases declared and recognized by the French social security administration was 37 for Fiscal Year 2016, compared to 26 and 34 declared respectively in Fiscal Years 2015 and 2014.

The preventive measures and management of workplace accidents and occupational diseases are presented in notes 2.2.2.1. "Health and Safety Conditions at Work", 2.2.2.2. "Collective Bargaining Agreements on Occupational Health and Safety and Working Conditions" and 2.3.1.2. "Collective Bargaining Agreements".

2.3. Social Relationship and Equality, Diversity in Employment

2.3.1. Social Dialogue

The sustained success of the Group is based on the respect of people, their development and the high quality requirements in every field and at every level. This success requires an effective and constructive social dialogue between all stakeholders to ensure the development of the Group and its employees.

2.3.1.1. Social Dialogue Organization

The social dialogue helps reinforce the social link and the quality of human relationships within the Group.

During Fiscal Year 2016, the Group has continued to offer specific training on social dialogue and trade union interaction to targeted employees, notably the management teams.

The social dialogue is based on the following principles:

- Positioning management as a facilitator of social dialogue. This is reflected in specific trainings provided to management, at all levels, as well as regular events organized with labor unions[1];
- Considering the role of labor unions as a balancing and improving factor for the Group;

[1] There are ten labor unions at the Resort: the *Confédération Française Démocratique du Travail (C.F.D.T.)*, the *Confédération Française de l'Encadrement - Confédération Générale des Cadres (C.F.E.-C.G.C.)*, the *Confédération Française des Travailleurs Chrétiens (C.F.T.C.)*, the *Confédération Générale du Travail (C.G.T.)*, *Force Ouvrière (F.O.)*, the *Syndicat Indépendant du Personnel Euro Disney (S.I.P.E.)*, the *Union Nationale des Syndicats Autonomes (U.N.S.A.)*, the *Confédération Nationale des Travailleurs – Solidarité Ouvrière (CNT-SO)*, the *Syndicat Indépendant des salariés du Tourisme 77 (SIT 77)* and the *Union des Syndicats et Associations Professionnels Indépendants Européens (U.S.A.P.I.E.)*.

- Anticipating conflicts through dialogue and negotiation to find constructive solutions;
- Promoting mutual respect between stakeholders and their respective missions; and
- Providing the information and resources to support qualitative social dialogue.

In order to enable all labor unions to carry out their missions, the Group made available hardware resources (equipped premises), intangible resources (e-mail and intranet) and financial resources (0.02% of the previous year gross salaries split between representative unions). These voluntary contributions aim to assist representative labor unions in their operations.

During Fiscal Year 2016, 296 employee representatives held 188 meetings. The Group also has 10 CHSCT councils whose members were appointed in January 2016 by the workers' council and employees' representatives, one Central CHSCT and one workers' council which held 36 meetings during Fiscal Year 2016.

For Fiscal Year 2016, the workers' council budget amounted to €3 million, of which €2 million was dedicated to subsidizing certain employee expenses and the remaining €1 million was for the workers' council operating budget (which represented 0.53% and 0.2% of total gross salaries paid to employees, respectively).

Since 2011, an independent auditor has ensured that the financial statements prepared by the management of the workers' council are true and fairly stated.

In accordance with the requirements of law n°2013-504 dated June 14, 2013, with regard to protecting employment, the Group has implemented during Fiscal Year 2014 a new IT tool allowing employee representatives to access a unique database which includes social and economic information that is regularly updated. This tool enables employee representatives to better understand the Group's strategic focus and challenges.

On July 8, 2014, the workers' council also appointed an additional employee representative with a voting right to the Supervisory Board of EDA under the mandatory employee participation in governance bodies, as required by the above mentioned law.

In addition, as required by law n°2015-994 dated August 17, 2015, the Group modified the consultation of the workers' council in regards to social dialogue and employment. Since Fiscal Year 2016, the previous information/ consultations which occurred throughout the year have been consolidated into three main annual components on the following topics:

- The Group's strategic orientation and the impacts of this strategy;
- The Group's economic and financial overlook; and
- The Group's social policy, working conditions and employment.

These meetings presented an opportunity for the Group to share and exchange effective discussions on these issues with the members of the workers' council.

2.3.1.2. Collective Bargaining Agreements

As part of the negotiations with trade unions, the Group organizes regular consultation meetings. Through these meetings, all stakeholders are provided with a global vision and better understanding of the challenges facing the Group. This helps all parties to define a common diagnosis and build a viable solution.

The Group has negotiated almost 35 collective bargaining agreements that are still applicable on various matters such as work schedules, compensation, a time savings account, a company savings plan, labor union rights, insurance and health care costs and equality at work.

During Fiscal Year 2016, the Group and its labor unions have negotiated and signed the following bargaining agreements:

- An amendment to the agreement related to the savings plan for the collective retirement ("*PERCO*") signed on December 9, 2015;

- An agreement signed on June 21, 2016 for the recognition of an Economic and Social Unit between Euro Disney Associés S.C.A., Euro Disney S.C.A., Euro Disney S.A.S., ED Spectacles S.A.R.L., and S.E.T.E.M.O. Imagineering S.A.R.L. for the organization of upcoming professional elections; and

- A pre-election agreement signed on July 18, 2016 for the organization of the upcoming elections of the workers' council and the employees' representatives scheduled in Fiscal Year 2017.

During Fiscal Year 2016, the Group also entered into negotiations for several agreements. These negotiations covered in particular the expiring agreements such as the equality between women and men and the intergenerational agreement. These negotiations also concerned a new agreement related to the reimbursement of medical expenses and the collective benefits system for death and disability.

The Group organizes, on a regular basis, meetings to monitor major collective agreements, ensure their correct application and, if necessary, implement adjustment measures.

2.3.2. Measures to Promote Gender Equality

At Disneyland® Paris, the mix of women and men is a key factor of success. The Group's ambition is to develop the mix of women and men when hiring new employees in accordance with the principles of equal treatment and non-discrimination. In calendar year 2015, 48% of internal promotions were awarded to women.

As of September 30, 2016, 38% of employees with a management role were women reflecting the Group's commitment to promote professional equality at any status level. The Group's long lasting commitment to promote gender equality is also reflected in the portion of women in total headcounts (almost half of headcounts) and in recruitment (59% of hires were women in 2016).

The Group strives for a balanced proportion of trainings provided to women and men. In 2015, 57% of the training courses were followed by women who generally benefitted from a higher level of training compared to their proportion in total headcounts.

The Group also continues to conduct awareness and internal communication campaigns to enhance the culture of diversity and equality, as well as to influence the behavior of all its employees to act in line with the Group's values regarding diversity as this notably contributes to change stereotypes related to women and their ability to perform as well as men in similar positions.

As part of the "International Women's Day" held on March 8, 2016, the Group published an article on its intranet to reaffirm professional equality as one of its essential and fundamental values.

The Group's commitment in favor of gender equality is reflected in the collective bargaining agreements signed with labor unions in 2004, 2007, 2010 and 2013.

As part of the 2010 agreement, the Group renewed its charter on diversity and gender equality. The agreement formalized the Group's commitment and values which must be shared by all internal stakeholders, in particular management. This agreement also includes equality in compensation and professional development. In this context, the Group ensures the same level of compensation to women and men when they join the Group for equivalent duties and skills.

On October 11, 2013, the Group reaffirmed its commitment in compensation and professional equality by signing a fourth agreement with the trade unions. This agreement focuses on six themes: recruitment and promotion, training, balance between work and private life, working conditions, compensation, awareness and communication.

The Group has committed to the following actions:

- Develop gender diversity when hiring new employees for any status, in accordance with the principles of equal treatment and non-discrimination;

- Promote equal access of women and men to training to ensure equal treatment in the course of their professional career;

- Ensure the balance between work and private life for employees;
- Strengthen the support for employees who are caregivers to their relatives facing significant difficulties related to accidents of life;
- Commit to protect pregnant women and include maternity constraint in working conditions;
- Ensure a level of hiring compensation equivalent for women and men for equivalent jobs and skills;
- Ensure equity in compensation treatment throughout the professional career of employees;
- Promote awareness and internal communications to reinforce the culture of diversity and equality;
- Measure with indicators the evolution of these actions.

The Group regularly performs analyses of compensation levels by type of position, taking into account factors such as seniority. These analyses show broadly balanced compensations between women and men, which reflects the efficiency of the Group's measures in terms of equity in compensation.

The Group complies with French Law pursuant to which the proportion of females on the Supervisory Board had to reach a minimum of 20% as from January 1, 2014 and shall not be less than 40% at the end of the annual general meeting of the Company held in 2017. During Fiscal Year 2016, as part of the last general meeting, the Company's shareholders approved the ratification of the cooptation of a woman named in replacement of a male member of the Supervisory Board and the appointment of two women as new members of the Supervisory Board. As of September 30, 2016, the proportion of female Supervisory Board members was 42%.

Pursuant to Article L. 226-9-1 of the French Commercial Code ("*Code de commerce*"), the Supervisory Board deliberates annually on the Group's policy regarding professional and wage equality. The Supervisory Board notes that a culture of diversity is deeply rooted in the Group and that the Group's gender equality policy is based on social dialogue.

The proportion of females and males in the Group and in EDA's headcount is described above in note 2.1.2. "Breakdown of Employees by Gender, Age and Geographic Region".

2.3.3. Measures to Promote Employment and Integration of Workers with Disabilities

As of September 30, 2016, the Group employed 770 disabled workers.

On October 7, 1993, the Group signed its first agreement on the employment of disabled workers, which represented the beginning of its commitment to their professional integration. Since 1993, the Group has consistently increased its number of disabled workers.

On January 27, 2014, the Group signed a new five-year agreement on employment of disabled workers. The Group also supports disabled workers through a dedicated department: *Mission Handicap*. As of September 30, 2016, the *Mission Handicap* team comprised five employees. Their main objectives are:

- Developing disabled workers recruitment;
- Promoting integration and professional development of disabled workers;
- Supporting them in administrative procedures;
- Financing completely or partly the purchase of specific equipment;
- Supporting them when they become unfit for their current assignment to maintain their employment;
- Launching communication and awareness campaigns;
- Ensuring the implementation and the follow up of the Group's "Disability" policy.

During Fiscal Year 2016, more than 500 employees benefited from the above different measures.

In addition, the Group has put in place measures for employees with relatives facing disabilities such as:

- Authorized occasional absence;
- Adapted work hours;
- Social subsidies;
- Support to shorten the distance between home and work.

The Group also works, in various areas, with 10 companies employing workers with disabilities. Through this commitment, the Group sustains the employability of disabled workers by offering them the possibility to work with social and medical support. Since 2013, the Group has incurred each year more than €1.0 million of total costs with these companies.

In addition, during Fiscal Year 2015, the Group entered into a new partnership with *Arpeje'h*, a non-profit organization whose mission is to improve and promote the training, qualification and employment of disabled students. Since January 2016, *Mission Handicap* has proposed various training related to disabilities, including training aimed for team leaders.

2.3.4. Diversity and Non Discrimination Policies

With more than 100 nationalities, 500 job roles and about 20 different languages spoken at the Resort, diversity and multiculturalism are key assets that the Group intends to preserve, together with the professional skills of its employees.

In 2009, the Group signed the national "Diversity" charter, which reflected its commitment to diversity through recruitment and internal promotions.

Following the signature of the Diversity charter, the Group developed in early 2010 a three-year action plan to promote the recruitment of seniors. During Fiscal Year 2014, this commitment was renewed through the signature of an intergenerational agreement, with the following defined objectives for the recruitment of seniors and young graduates:

- By September 30, 2016, achieve at least a 10.6% employment rate for seniors (50 years and more);
- By September 30, 2016, recruit at least 75 seniors (under indefinite and fixed term contracts).

The Group has already achieved these objectives since Fiscal Year 2015. As of September 30, 2016, the Group's employment rate of seniors reached 16% and 376 seniors have been recruited since the implementation of the intergenerational agreement.

The breakdown of employees by age is presented in note 2.1.2. "Breakdown of Employees by Gender, Age and Geographical Region".

In 2010, the Group proposed an awareness-raising training program related to non-discrimination and diversity which remains a part of the training for all members of the management team.

The Group also implemented IDE©M (*Instance pour la Diversité et l'Egalité des Cast Members*), a structure unique to the Group that promotes equal opportunities for all employees. Staffed by specially-trained employees (the "*Relais Diversité*") IDE©M welcomes, listens to and assists those who feel they might have been subject to discrimination in the course of their professional career at Disneyland® Paris. IDE©M has also established specific indicators that permit them to analyze potential situations of discrimination and identify corrective actions. During Fiscal Years 2016 and 2015, several information sessions were held to answer employees' questions and information brochures were made available. During Fiscal Year 2016, 18 employees were selected to integrate the IDE©M staff after a training period.

For more information on social inclusion measures proposed by the Group, see note 4.1.1.1. "Impacts on Employment".

2.4. Promotion and Compliance with International Labor Organization Fundamental Principles

2.4.1. Respect for Freedom of Association and Right to Collective Bargaining

The social approach and results of the collective bargaining agreements are presented in note 2.3. "Social Relationship and Equality, Diversity in Employment".

2.4.2. Abolition of Discrimination in Employment and Occupation

Actions in favor of diversity and abolition of discrimination in employment and occupation are presented in note 2.3. "Social Relationships and Equality, Diversity in Employment".

2.4.3. Abolition of Forced or Compulsory Labor

The Group's actions for the abolition of forced or compulsory labor are outlined in note 4.3.1. "Social and Environmental Challenges addressed through the Group's Purchasing Policy" of the "Societal Information."

2.4.4. Abolition of Child Labor

The Group's actions to promote the abolition of child labor are outlined in note 4.3.1. "Social and Environmental Challenges addressed through the Group's Purchasing Policy" and 4.5. "Other Actions Taken in Favor of Human Rights" of the "Societal Information."

3. ENVIRONMENTAL INFORMATION

3.1. Environmental Policy

The Group's ambition is to act, support and inspire each and every one to protect the environment in order to create and preserve a sustainable and innovative tourist destination in Europe that addresses global environmental challenges. The Group's environmental policy focuses on four orientations: preventing environmental risks and impacts, enhancing environmental performance, preparing for the future by integrating innovative solutions and ensuring consistency between the Group's environmental actions and communication.

The Group's strategy is to use resources more efficiently and to adapt behaviors and equipment to balance growth and environmental protection. In this context, the Group has set the following long-term commitments to reduce its impact on the environment and encourage its employees, partners and guests to take positive actions in support of the environment:

- Reduce net greenhouse gases ("GHG") emissions;
- Move towards sustainable waste management;
- Preserve water resources;
- Preserve and promote the development of biodiversity;
- Develop a responsible supply chain;
- Sustain and inspire positive environmental actions.

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The Group set for itself medium-term environmental objectives in coordination with WDPR. These objectives reflect the Group's continued ambition to improve its environmental performance and are listed below:

- By 2020, reduce net GHG emissions by 30% in comparison with Fiscal Year 2012 levels;
- By 2020, achieve a diversion[1] rate of 60% for operational waste and 75% for construction waste;
- By 2018, reduce potable water consumption by 16% in comparison with Fiscal Year 2013.

The Group's progress to date with regards to its objectives is presented in notes 3.2.1.1. "Water and Energy Consumption and Sourcing", 3.2.2.1. "Waste Prevention, Recycling, Reuse, Disposal and Other Forms of Recovery" and 3.4.1. "Significant Greenhouse Gas ("GHG") Emissions Items."

3.1.1. Group's Organizational Structure Established to Address Environmental Issues

Environmental issues were taken into consideration upon opening the Resort in 1992 by setting up a team dedicated to the Group's *Installations Classées pour la Protection de l'Environnement* (classified installations for environmental protection or "ICPE"), hazardous waste management and the quality of water discharges and ornamental ponds. With the Resort's development and the growing importance of environmental matters, the Group adapted its organizational structure to address these concerns, in particular with the creation of the Prevention, Safety and Environment Office (*Direction Prévention, Sécurité et Environnement* or "DPSE"), in charge of the Group's environmental strategy.

The environmental section of the DPSE carries out environmental actions in connection with TWDC and WDPR segment, educates employees, manages regulatory aspects and monitors environmental performance indicators. In addition to the DPSE, operational departments have also set up teams dedicated to energy management, waste prevention and management, as well as biodiversity protection and development. Moreover, operational departments are highly involved in actions and discussions related to the Group's environmental strategy. Within the Group, more than 20 employees work fulltime on environmental issues.

During Fiscal Year 2013, the Group set up a cross-functional team, the Green Team, whose mission is to promote and coordinate initiatives related to the implementation of the environmental strategy. The Green Team is composed of more than 25 employees, including representatives of various departments and functions such as DPSE, Human Resources, the legal department and employees in charge of purchasing, waste management, recycling, energy consumption, horticulture, real estate development, food and beverage and merchandise.

The Group has also implemented an operational committee in charge of monitoring the actions and projects related to its environmental strategy. Each semester, the works and progress of the operational committee are reviewed by the Group's Management Committee.

3.1.2. Employees' Training and Information on Environmental Protection

The Group supports actions that favor the environment through training and employee awareness campaigns about environmental protection.

Environmental protection is a key topic during employee orientation. In addition, each employee entering into a new job receives specific instruction cards relating to the sorting and recycling of waste, as well as the responsible use of electrical devices.

Since 2007, a committee has been in charge of reviewing all procedures related to chemical product management and the impacts of chemical products on employees' health and the environment. During Fiscal Year 2016, 111 employees were trained on chemical risks (in particular the maintenance, food and beverage, Hotels housekeeping and entertainment teams). For more details on employee safety, please refer to note 2.2.2.1. "Health and Safety Conditions at Work."

[1] Diversion is defined as material and organic recycling, recovery and re-use.

To strengthen employee's commitment, environmental-related instructions are displayed in all the Resort's buildings. They encourage employees to make eco-friendly choices each day, in terms of resource utilization, consumption of goods and travel. These instructions are periodically updated. In addition, operational teams organize information sessions to educate key operational users about the importance of sorting waste. The Group's internal newspaper and intranet regularly publish articles to promote environmental initiatives.

During Fiscal Year 2015, the Group has piloted an online training on special-waste sorting. This training is expected to be deployed to all concerned employees during Fiscal Year 2017.

Since 2014, the Group has adhered to the "Disney's Environmentality" program, initiated by TWDC. The objective of this program is to encourage each employee to adopt a day-to-day environmental behavior to contribute to the Group's environmental objectives. "Disney's Environmentality" approach consists in thinking, deciding and acting in consideration of the impacts on the environment, nature and next generation through six axes:

- Protect nature;
- Reduce fuel consumption;
- Reduce electricity consumption;
- Reduce waste;
- Use water responsibly;
- Use paper responsibly.

Employees' commitment is rewarded each year during the "Environmentality Awards" ceremony. On March 17, 2016, during the last ceremony, five trophies have been granted to reward the best performance in terms of consumption of:

- Electricity;
- Domestic natural gas;
- Water;
- Paper;
- And waste recycling.

Each year, the Group also organizes internal events related to French and European environmental initiatives. For example, during Fiscal Year 2016, the Group participated in the worldwide recycling days and in the campaign against food waste with raising awareness among employees on these matters. The Group has organized a battery and small appliance collection event over the Resort.

In April 2016, the Group launched the "Earth Month", an annual event where employees were invited to share their "Disney's Environmentality" through more than 20 activities, including:

- Activities aimed at discovering the different types of vegetation and biodiversity of the Resort, including Disney's Davy Crockett Ranch apiary visits, initiations to seeds in the Disney's Hotel Cheyenne® vegetable garden, or bird houses implementation in the Disneyland® Hotel gardens to accommodate the many bird species within the Resort;
- Visits of the Resort's water treatment plant, the external recycled ordinary waste treatment plant and the Etampes biomethanation of biodegradable food waste treatment plant;
- Prizes awarded to certain teams to recognize their positive performances in recycling, in particular cardboard sorting;
- Projections of the last Disneynature movie, *Monkey Kingdom*, for employees and their families.

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With the aim of associating guests to the "Earth Month" activities, sequences from Disneynature movies were shown on the *Sleeping Beauty Castle* as a prelude to the *Disney Dreams®!* nighttime spectacular in April 2016.

3.1.3. Environmental Evaluations and Certifications

The Group's environmental policy is centered on its internal quality process, which is based on ISO 9001 standard as well as TWDC standards. These standards also define the actions necessary to ensure monitoring as well as preventive and corrective maintenance of the attractions, buildings and maintenance equipment of the Resort (see note 4.4.2. "Measures in Favor of Customers Health, Safety and Satisfaction"). This quality system ensures traceability of maintenance equipment and allows for a reduction of incidents that could have a negative impact on the environment.

Since 1992, a specific department is dedicated to the control of the ICPE, the management of hazardous waste as well as the quality of the ornamental pond water and the Resort's water discharges. As of September 30, 2016, the Resort included 28 ICPE facilities. The DPSE oversees the specific regulations, administrative management and audits related to these ICPE facilities. The different ICPE categories are as follows:

- 23 ICPE are subject to declaration (the maintenance workshops, the gas station and the boilers of the Hotels and Disney Village®);
- 3 ICPE are subject to registration (warehouses and the cooling facilities of the energy production plant for the Theme Parks, the Disneyland® Hotel, administrative areas and fireworks storage facilities);
- 2 ICPE are subject to authorization by the prefecture of Seine-et-Marne (in particular the combustion facilities of the boilers of the Theme Parks, administrative areas, the Disneyland Hotel and the kennel located on the guests parking).

The Group's various risk assessment approaches, which are adapted to its operational activities, as well as the associated principles of prevention to mitigate risks, are presented in notes 3.3. "Pollution" and 2.2.2.1. "Health and Safety Conditions at Work".

3.1.4. Resources Allocated to the Prevention of Environmental Risks and Pollution

The Group has dedicated a team, the environmental section of the DPSE, to carry out environmental actions, educate employees, manage regulatory aspects and monitor environmental performance indicators. Within the Group headcount, more than 20 employees are dedicated to environmental topics. During Fiscal Year 2016, the Group has also continued the implementation of a specific IT tool to optimize the monitoring of environmental indicators.

Another team is dedicated to monitoring and managing the Group's water and energy consumption through daily electronic analyses, allowing for appropriate corrective action when needed.

3.2. Circular Economy

3.2.1. Sustainable Uses of Resources

3.2.1.1. Water and Energy Consumption and Sourcing

The Group's objective is twofold in preserving water resources: by 2018 reduce potable water consumption by 16% in comparison to the levels recorded in Fiscal Year 2013 and implement new ways to treat, recycle and reuse water. As part of this objective, since 2013, the Group has operated its on-site wastewater treatment plant for the Theme Parks and the Disneyland Hotel. This facility allows the recycling and reuse of most of the treated water for landscape and Golf Disneyland® irrigation, road and sidewalk washing and ornamental pond water addition, and, since 2016, power plant cooling towers. During Fiscal Year 2016, this wastewater treatment plant allowed the Group to save approximately 200,000 m^3 of drinking water, with a total of 700,000 m^3 saved since its opening in August 2013.

The Group also aims to improve energy efficiency (electricity and domestic natural gas) and to develop the use of renewable energies.

During Fiscal Year 2016, as part of its hotel rehabilitation program, the Group completed the renovation of the Disney's Newport Bay Club® hotel and launched the first phase of the energy efficiency improvement of Disney's Hotel Cheyenne® with the waterproof reinforcement of six buildings and the replacement of 429 hotel rooms' windows out of a total of 14 buildings and 1,000 hotel rooms.

During Fiscal Year 2015, the Group also launched a multiyear program within the Theme Parks backstage to improve the pedestrian crosswalk lights. During Fiscal Year 2016, 93 LED lights were installed in order to reduce the consumption of electricity. In addition, more than 40,000 light bulbs were replaced by LED in all edges of roofs and facades of Main Street of Disneyland® Park and Disneyland® Hotel.

The Group has also launched a multiyear program to renew and modernize its 12 power plant cooling towers used for the Theme Parks, the Disneyland Hotel and the nearby administrative areas air-conditioning. This program should be achieved in 2026 and result to a 20% reduction of electricity consumption compared to previous facilities.

The Group's and EDA's water and energy consumption for the past three Fiscal Years is presented in the table below:

	Fiscal Year					
	2016		2015		2014	
Consumption (per year)	Group	EDA	Group	EDA	Group	EDA
Water (thousands of cubic meters)	**1,846**	**1,123**	1,970	1,235	1,822	1,153
Electricity (MWh)	**190,764**	**131,606**	194,440	133,748	190,028	132,234
Domestic natural gas (MWh)	**111,627**	**73,278**	108,984	73,151	101,762	69,625

Water Consumption

Water resources are primarily used for sanitary usage, ornamental ponds, irrigation, washing, restaurants and hotel guest rooms. Water consumption of the Group mainly depends on the volume of Resort activities and on climatic conditions. The benefits of measures put in place to reduce water consumption may be offset by these factors. In addition, the Resort is located in a suburban area with no specific constraint related to water consumption.

The Group's and EDA's water consumption decreased 6% compared to the prior year, reflecting the lower volume of Resort activities as well as higher rainfall during the beginning of the summer period compared to the prior year. The Group's water consumption decreased 11% compared to Fiscal Year 2013, which is the reference year for the Group's objective to reduce its water consumption by 16% by 2018.

Energy Consumption

The Group's energy consumption depends mainly on the volume of Resort activities and on climatic conditions. The effects of measures put in place to reduce energy consumption may be offset by these factors.

The Group's and EDA's electricity consumption decreased 2% compared to the prior year. This performance reflected attractions' closure for refurbishments in preparation of the celebration of Disneyland® Paris's 25th Anniversary in 2017.

The Group's domestic natural gas consumption increased 2% compared to the prior year reflecting the impact of the reopening of Disney's Newport Bay Club at full capacity after rehabilitation. EDA's domestic natural gas consumption remained stable.

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Like every year since 2006, the Group purchases 15% of its electricity consumption from renewable energy sources. This purchase percentage covers 28,615 MWh, which is the equivalent to the consumption of three hotels. The Group selected the "kWh Equilibre" program provided by the French electricity company ("*EDF*"). This program, generated by hydropower, is backed by guarantee of origin certificates delivered by Powernext, which is an independent institute dedicated to the issuance, transfer and revocation of guarantee of origin certificates. Those certificates help guarantee the renewable origin of the energy or energy sources commonly released into the environment.

During Fiscal Year 2015, the Group launched an energy audit conducted by an external consulting firm to evaluate the breakdown of energy consumption by usage and user, as well as a measurement campaign to identify consuming items in electricity, heating and cooling network and gas at 34 locations. Improvement initiatives have thus been proposed for each location.

As part of its eco-tourism project Villages Nature, the use of geothermal water located 1,800 meters deep should provide for 97% of heat demand in future use, while reducing GHG emissions. In addition, the excess energy from this source will be used to cover Disneyland® Paris's energy needs for heating purposes, the equivalent of 20 GWh of the consumption of natural gas currently used by the Theme Parks and the Disneyland® Hotel. The works on existing Resort's equipment have been launched during Fiscal Year 2015 and continued during Fiscal Year 2016 to adapt the heating installations to geothermal energy.

3.2.1.2. Raw Materials Consumption and Measures to Improve Efficiency in Their Use

The Group's ambition in terms of raw materials consumption is to develop a responsible supply chain, which includes two major orientations:

- Support a responsible production, sourcing and delivery of merchandise, products and services to the Group (actions related to sourcing of food products are presented in note 4.3.2. "Importance of Subcontracting and Integration of Social and Environmental Responsibility in the Relationships with Suppliers and Subcontractors");
- Promote a responsible sourcing of paper products.

During Fiscal Year 2016, the Group has continued its actions to simplify and optimize the number of office paper items to reach one main paper reference. Office paper used by the Group meets all the environmental criteria from sustainably managed forests (i.e. in accordance with the Forest Stewardship Council label, made in France with 100% recycled fiber and bleached without chlorine). The measures taken by the Group to improve efficiency in the use of office paper are presented in note 3.2.2.1. "Waste Prevention, Recycling, Reuse, Disposal and Other Forms of Recovery", sub-section "Ordinary Industrial Waste".

In addition, the Group's activities require a significant use of paper for printed brochures, sales catalogues and trip guides. Since 2006, the Group has been a member of the EcoFolio organization. The Group declared 541 tons of paper use for calendar year 2015, compared to 539 tons and 606 tons declared in 2014 and 2013, respectively.

Since November 2012, the Group has its Theme Parks maps for guests printed on PEFC[1]-certified paper. The Group's internal magazine is also printed on PEFC- and Imprim'Vert®-certified paper, as well as available in a digital format.

3.2.1.3. Land Use

Land use by the Group for its tourism, hotel and property development activities is not significantly different from that of other players in the same sectors. The Resort is located in a suburban area, where environmental impacts are reduced as a result of the availability of treatment services, including those for water and waste. When new buildings or facilities are constructed, according to regulations and under the control of relevant public authorities, the Group has environmental impact studies performed by expert consultants in this field.

[1] PEFC is a global umbrella organization for the assessment and mutual recognition of national forest certification schemes developed in a multi-stakeholder process.

3.2.2. Waste Prevention and Management

3.2.2.1. Waste Prevention, Recycling, Reuse, Disposal and Other Forms of Recovery

The Group's activities generate an important volume of waste, in particular the Theme Parks and the Hotels, as well as waste produced by maintenance activities, restaurants, shops and landscaping.

The Group's priorities in terms of waste prevention, recycling, reuse, disposal and other forms of recovery are:

- Prevent;
- Reduce;
- Reuse;
- Develop waste sorting by material type and optimize source sorting;
- Recycle or compost;
- Transform waste into energy, by using biomethanisation;
- Incineration with energy recovery, or landfill with methane recovery.

The Group set for itself the objectives to achieve a diversion rate of 60% for operational waste and 75% for construction waste by 2020.

As part of these objectives, waste management performed by operational teams is based on both technical efforts, such as improved source sorting means for recyclable and organic material, and actions to increase awareness and employee commitment to reduce the volume of waste generated.

Dedicated teams monitor and handle two types of waste: ordinary industrial waste ("OIW") and hazardous waste ("HW"). The Group's OIW and HW production over the last three Fiscal Years is presented below:

	Fiscal Year		
Waste by type *(in tons)*	2016	2015	2014
Ordinary Industrial Waste[1] (OIW)	***17,580***	17,681	17,060
Detail of OIW:			
OIW incinerated	***7,890***	*8,386*	*8,173*
Cardboard and plastic film rolls	***1,732***	*1,901*	*1,628*
Manure	***1,054***	*1,098*	*1,297*
Food biodegradable waste	***1,257***	*1,070*	*893*
Sludge from the water treatment plant	***884***	*1,048*	*1,143*
OIW sent to sorting facility	***1,112***	*858*	*1,055*
Green waste	***955***	*691*	*995*
Collected papers	***331***	*287*	*291*
Other[2]	***2,365***	*2,342*	*1,585*
Hazardous Waste[3] (HW)	**396**	425	430
Total Operational Waste Production	**17,976**	18,106	17,490

(1) *OIW is a type of waste that is neither toxic nor hazardous, like household waste. Part of OIW is recoverable and reusable: cardboard, paper, glass, wooden pallets, ferrous metals, waste electrical and electronic equipment ("WEEE") and printer cartridges. Waste collection and sorting is carried out by using bins, tanks and/or specific compactors. Waste that cannot be sorted directly in the Resort is sent to either an approved sorting center or incineration center for energy recovery. OIW production depends on the volume of Resort activities, which may offset the effects of the measures presented below.*

(2) *Mainly includes food grade grease waste, metal wastes, wooden pallets and glass wastes. The increase in Other OIW in Fiscal Years 2016 and 2015 compared with Fiscal Year 2014 was driven by the on-going rehabilitations that generate metal wastes.*

(3) *HW is waste whose composition poses risks to human health and/or negatively affects the environment (e.g. aerosols, paint cans, solvents, motor oil, batteries, fluorescent lamps or energy saving bulbs).*

Ordinary Industrial Waste

This waste category represents 98% of the total operational waste produced at the Resort during Fiscal Year 2016.

The 6% decrease in incinerated waste during Fiscal Year 2016 compared to the prior year was due to a lower volume of Resort activities. OIW to be incinerated is sent to a Seine-et-Marne ISO 14001 certified incineration facility. This facility also allows for waste-to-electricity recovery. During Fiscal Year 2016, the 7,890 tons of incinerated OIW allowed to produce 2,738 MWh of electricity, and consecutively to avoid GHG emissions for 214 tons of CO_2 equivalent.

The diversion rate for operating waste during Fiscal Year 2016 was 55% (49% excluding waste from the water treatment plant), compared to 53% and 52% for Fiscal Years 2015 and 2014, respectively.

The Group performs the collection and treatment of biodegradable food waste in all its public restaurants and employees' cafeterias. Biodegradable waste is collected and treated through biomethanation in an Ile-de-France facility. Biogas coming from this process is 95% converted to organic soil amendments[1] and 5% to electricity and heat through waste-to-energy recovery. The Group's 1,257 tons of biodegradable food waste collected during Fiscal Year 2016 generated 563 MWh of energy, which is close to the annual consumption of 176 families[2]. The increase in food biodegradable waste collection reflected improvements in the sorting process and a higher engagement of operational teams compared to the prior year.

The increase in office paper collected was mainly due to waste collection and sorting of important volumes of paper during office moves of Fiscal Year 2016 as well as the growing impact of eco-gestures performed by the employees. As of September 30, 2016, 4,839 paper-exclusive bins were available in the Group's offices in order to facilitate collection and sorting. Collected paper is then sent to a dedicated facility for recovery. Since Fiscal Year 2015, each of the 70 paper collection machines has been equipped with a remote management system to improve the paper waste collection process and reduce the number of pickup tours, as well as the GHG emissions linked to the transportation of waste. In addition, the Group has implemented a specific collection in some of its administrative buildings in order to transform office paper to schoolbooks that are distributed as part of its sponsorship program.

During Fiscal Year 2016, 98 tons of metal cans and plastic bottles were collected compared to 133 tons and 107 tons in Fiscal Years 2015 and 2014, respectively. Can and bottle collectors are deployed in the Walt Disney Studios® Park, Disney Village®, Disneyland® Park, several restaurants and the employee lounges.

In 2008, the Group launched the *Green Workspace* program, which allowed for significant progress in waste reduction. This program has been extended during Fiscal Year 2015 with the "Disney's Environmentality" program which covers all the Group's departments. The table below presents the program's main indicators over the last three Fiscal Years for the Group and EDA:

	Fiscal Year					
	2016		2015		2014	
Results of the "Green Workspace" program	Group	EDA	Group	EDA	Group	EDA
Recycled cardboard and plastic film (tons per year)	**1,732**	**1,146**	1,901	1,297	1,628	1,075
Office paper ordered (tons per year)	**183**	**144**	183	142	189	147
of which % of recycled paper	**95%**	**94%**	96%	95%	73%	66%
Plastic water bottles purchased	**104,736**	**92,160**	126,100	101,500	100,700	93,900
Number of water fountains	**452**	**287**	436	322	408	295

The Group has implemented cardboard recycling, plastic film rolls and plastic covers since 2014, allowing source sorting of recyclable materials and therefore the reduction of the quantity of incinerated materials. Thanks to this solution, cardboard and plastic films are collected in 40 compactors equipped with a remote management system that provides the ability to plan and optimize waste transportation, which reduces GHG emissions. This waste is then sent to a cardboard and plastic film sorting facility in the Ile- de-France region. In addition, new equipment has been installed during Fiscal Year 2016 to encourage and facilitate sorting at the World of Disney boutique in the Disney Village and warehouses.

[1] Soil amendments are used to enrich agricultural soils, whereas fertilizers are used to enhance plant growth.
[2] According to September 2016 report from the *Agence de l'Environnement et de la Maîtrise d'Energie* ("ADEME"), the annual consumption of an average family is 3.2MWh (excluding heating, hot water and cooking).

During Fiscal Year 2015, the Group launched a collection process for plastic covers and polystyrene packaging over a large part of the Resort, including warehouses and major boutiques. In addition, the Group has deployed during Fiscal Year 2016 remote management systems for glass and PET plastic collection to reduce and optimize waste transportation and reduce the related GHG emissions.

The total volume of office paper ordered remained flat compared to Fiscal Year 2015, whereas the recycled paper ordered decreased by 1 percentage point. During Fiscal Year 2016, all the printers and copiers will be replaced by a fewer number of machines, with a better performance in term of energy consumption.

Orders of plastic bottles decreased by 17% compared to the prior year due to lower resort volumes and cooler weather conditions during the spring period.

Since 1998, the Group has been a member of the *Eco-Emballages* program, whose activity consists of near-household packaging waste recovery: the green dot is displayed on the packaging of products sold in the boutiques, as well as on the plastic shopping bags. The Group's contribution to the *Eco-Emballages* program for calendar year 2015 allowed for the financing and collecting of approximately 777 tons of near-household packaging. In addition, the Group is required to contribute to the sorting and processing of unsolicited printed advertising and as such is a member of EcoFolio. The Group is also a member of Ecologic, an organization that ensures the sorting and processing of Waste Electrical and Electronic Equipment ("WEEE").

Other initiatives conducted by the Group allow for a reduction of waste being produced or for implementation of better recycling. For example, each month employees can purchase merchandise that no longer conforms to the Group's quality standards (furniture, linen, decorations, soft toys and other Disney goods).

During Fiscal Year 2016, the Group conducted a diagnosis on waste with the help of an external consulting firm specialized in "waste characterization." Waste characterization consists in determining the features of each location that produces wastes. This study aims at understanding waste production and management throughout the Resort and at launching actions to achieve the objective of a diversion rate of 60% for operational waste by 2020.

Hazardous Waste

Almost 47 different types of HW are segregated at their source, mainly by the maintenance teams. About 100 HW collection areas are located at the Resort. These areas are specifically equipped with casks, holding tanks and special containers. HW is then repackaged before being transported by a subcontractor to an authorized sorting facility.

HW production mainly depends on the volume of maintenance activities and the type of products used. This waste category represents 2% of the total operational waste produced at the Resort during Fiscal Year 2016.

Construction Waste

In addition to the OIW and HW production mentioned in the table and paragraphs above, the Group implemented the monitoring of its construction waste in Fiscal Year 2016.

In Fiscal Year 2016, 1,563 tons of construction waste was collected with a diversion rate over 80%. These construction wastes were mainly generated by the Group's on-going renovation program. These wastes included hotel equipment and furniture for which 118 tons were recovered during Fiscal Year 2016.

3.2.2.2. Actions in preventing food waste

In order to take action in preventing food waste, the Group also implemented specific communication for its guests at its buffet-style restaurants. In addition, the Group's procedures were updated with the use of smaller containers on the buffet services to reduce food waste at the closing of the restaurant.

The Group has also implemented specific measures with its food provider to prevent food waste in its employees' cafeterias. These measures cover the whole process from the planning and orders to ends of service management. They include cafeteria attendance analysis to anticipate off-peak period services, self-service configuration for vegetables allowing employees to adjust quantities to their needs or cooking on a just-in-time basis.

3.3. POLLUTION

3.3.1. Measures to Prevent, Reduce or Repair Air, Water or Soil Discharges Seriously Affecting the Environment

The Group's activities do not involve significant risks of discharges that would seriously affect the soil, air or water. Some discharge risks remain, which are presented below, along with the measures implemented to manage them.

Greenhouse gas emissions are presented in note 3.4.1. "Significant Greenhouse Gas ("GHG") Emissions Items". The Group's utilization of its wastewater treatment plant is presented in note 3.2.1.1. "Water and Energy Consumption and Sourcing".

3.3.1.1. *Preventing and Reducing Emissions*

Water quality at the Resort is subject to regular controls and analyses. The quality of the water used and the water discharged related to the Group's activities is regularly analyzed and assessed by internal teams. In addition, the Group's facilities presenting a risk of discharge are closely monitored to avoid any pollutant being released into the environment. Examples of the Group's monitoring activities are presented below:

- In 2010, in anticipation of the first agreement on industrial discharges between the Hotels and the *Syndicat Intercommunal d'Assainissement de Marne-la-Vallée* (Intercity Sanitation Syndicate of Marne-la-Vallée), the Hotels were equipped with flow meters to measure actual discharges. The agreement has been in effect since 2011 and includes two annual sampling and analysis campaigns for each of the Hotels' discharge points. On December 2015, the Theme Parks and Hotels' agreements on industrial discharges have been renewed from 2016 to 2020.

- Technicians are trained to provide chemical and bacteriological monitoring of the water quality of the ornamental lakes and decorative fountains within the Resort. During Fiscal Year 2016, 300 analyses were conducted. These technicians are also responsible for controlling various water discharges, including storm water and recycled waste water. Water samples are obtained from ornamental lakes, storm water and recycled waste water areas. The samples are then tested for pollutants using an on-site chemical and bacteriological laboratory (e.g. from Theme Parks as well as administrative and technical areas). During Fiscal Year 2016, 5,376 analyses were performed of which 720 related to storm water and 4,656 related to recycled waste water. In addition, an external laboratory that is accredited by the *Comité Français d'Accréditation* ("*Cofrac*") participated to regulatory inspections, measurements and analyses of the Hotels' water.

- Transport of dangerous goods (chemical products, pyrotechnics and hazardous waste) and the associated loading or unloading is subject to specific monitoring (including regulatory monitoring conducted by safety advisers, internal audits and training).

- In the Resort, liquid chemical products are stored in retention tanks in order to prevent accidental discharge. Similarly, liquid fuels are stored in buried jacketed tanks equipped with leak detectors. The Group's maintenance teams provide preventive and curative maintenance of this equipment in order to reduce the risk of incidents that could affect the environment.

- The facility that contains the Theme Parks' and Disneyland® Hotel's heating and hot water production is equipped with a continuous automated pollutant discharge monitoring system. In addition, it is subject to an annual measurement campaign by a control office, in accordance with the regulations.

- Networks and systems containing refrigerants (including cold storage facilities) are regularly monitored to ensure that they are waterproof and compliant with regulations (including tracking, traceability of operations, control of the risk of the development of legionella bacteria and bacteriological analyses). Verifications are conducted both internally and by an external analytical laboratory certified by *Cofrac*.

3.3.1.2. *Repairing Discharges*

Teams are trained to react in response to an accidental leak or spill. The Resort is equipped with a truck and other specific intervention devices for the treatment of hydrocarbon or hydraulic oil leaks. Fire safety officers are also trained on these procedures and associated risks of pollution.

3.3.2. Taking into Account Noise Pollution and Any Other Form of Pollution Specific to the Group's Activities

Some of the Group's activities can cause discomfort and inconvenience to residents of the area, in particular the noise related to shows that include fireworks. The Group has set up a committee of internal pyrotechnic experts who ensure compliance with admissible levels of sound determined by neighborhood noise regulations. During Fiscal Year 2016, this fireworks committee implemented five noise measurement campaigns during *Disney Dreams®!* to ensure the show complies with admissible levels of sound. These campaigns confirmed that the *Disney Dreams!* show complies with current sound regulations. In addition, some of the Group's ICPE (such as boilers and the metal shop) are subject to sound level measurement campaigns in accordance with the law. These campaigns are carried out every three years by an authorized control office.

Since 2013, efforts have also been made to ensure compliance with regulations related to night lighting of non-residential buildings while taking into account the specificities of the Resort's operating hours, as most of the maintenance is carried out at night.

3.4. Climate Change

3.4.1. Significant Greenhouse Gas ("GHG") Emissions Items

The Group's actions to reduce GHG emissions follow an order of priority: avoiding GHG emissions, reducing emissions through efficiency, replacing high-carbon fuels with low-carbon alternatives and evaluating local quality offsets for the remaining emissions.

In the mid-term, the Group set for itself an objective to reduce by 2020 net GHG emissions by 30% in comparison with Fiscal Year 2012 levels. As part of this objective, the Group has launched projects to improve the supply chain flow in order to optimize travel and reduce the related GHG emissions. Since Fiscal Year 2015, the deployment of remote management systems connected to waste collection equipment has also allowed for the reduction and optimization of the collection flow.

The GHG emissions of the Group for the last three Fiscal Years are presented in the table below:

	Fiscal Year		
GHG emissions *(in tons equivalent)*	**2016**	**2015**	**2014**
Direct emissions			
Domestic natural gas – Energy production plant	**11,827**	11,924	11,324
Domestic natural gas – Other	**8,788**	8,203	7,469
Propane	**675**	679	642
Sub-total fixed sources	**21,290**	20,806	19,435
Diesel engines: fuels	**7,057**	6,305	6,011
Propane	**46**	44	41
Sub-total mobile sources	**7,103**	6,349	6,052
Sub-total direct emissions	**28,393**	27,155	25,487
Indirect emissions			
Emissions related to electricity consumption (including attractions, heating and lighting)	**15,643**	15,944	15,582
Sub-total indirect emissions	**15,643**	15,944	15,582
Total emissions[1]	**44,036**	43,099	41,069

(1) *The figures presented above correspond to the Group's emissions based on the Bilan Carbone® methodology version 12.1 as of September 2016 for emission factors related to electricity and fuels, and recommended calculation and verified by Bureau Veritas for natural gas as part of the annual declaration* GEREP *(the electronic management of pollutant emissions register or* Gestion Electronique du Registre des Emissions Polluantes*). These figures do not include data for GHG emissions related to coolants which are not available.*

During Fiscal Year 2016, the GHG emissions increased 2% compared with Fiscal Year 2012 (the reference year for GHG emissions objectives: 43,129 tons). This result is encouraging given the new assets opened since 2012, including the new *Ratatouille*-themed attraction opened in July 2014 in the Walt Disney Studios® Park, the World of Disney boutique opened in July 2012 in the Disney Village® as well as the Group's renovation program in preparation for its 25th Anniversary celebration.

Since 2005, and in accordance with French and European regulations, the Group has established an annual report of its pollutant and waste emissions through the electronic management of pollutant emissions register procedure ("*GEREP*").

A decree dated January 24, 2014 established the list of operators and their facilities that received approved GHG emission allowances. EDA was granted an allowance of 47,903 tons of CO_2 emissions between 2013 and 2020. For calendar year 2015, EDA declared 11,782 tons of CO_2 emissions (for which EDA used GHG emission allowances for 7,266 tons and bought GHG emission rights for the difference), compared to 11,158 tons and 13,457 tons declared in 2014 and 2013, respectively. These emissions are produced by the facility that heats the buildings and produces hot sanitary water for the Theme Parks and the Disneyland® Hotel and were verified by *Bureau Veritas Certification France* (consultant validated by the *Ministère de l'Ecologie, du Développement durable et de l'Energie*).

The Group has implemented a Company Travel Plan (the *Plan de Déplacements Entreprise*, or "*PDE*"). The *PDE* is a set of measures to optimize business-related travel activities by promoting the use of alternative transportation modes to the individual car. One of the main objectives of the *PDE* is to reduce pollutant and GHG emissions from fuel consumption. During Fiscal Year 2015, the update of the *PDE* was included into a global study conducted by the "*Syndicat Intercommunal de Transports de Val d'Europe*" and "*Régie Autonome des Transports Parisiens*" related to the Resort accessibility.

Under the *PDE*, the Group's car fleet is gradually replaced by less fuel-consuming vehicles and electric vehicles. Since Fiscal Year 2013, the Group has replaced all of its 18 internal buses[1] with vehicles that comply with Euro V standard, of which 7 buses that comply with Euro VI standard. As of September 30, 2016, the Group's fleet also included three Euro VI cars, the highest standard in terms of GHG emissions control, and two cars that comply with Euro V standard. The Group's objective is to be equipped with a full Euro VI internal bus fleet by Fiscal Year 2018. As of September 30, 2016, the Group's car fleet included 263 electric vehicles of which eight are private passenger vehicles.

The *PDE* also includes events to educate employees. This year, employees were able to participate in events encouraging walking and other non-motorized transportation, and to attend information sessions on the public transportation networks serving the Resort.

In addition, the Group developed initiatives to replace truck transport by river waterway transport for containers arriving from *Le Havre* harbor to reduce GHG emissions relating to its supply chain. During Fiscal Years 2016, 2015 and 2014, river waterway transport was used for 65%, 43% and 37%, respectively, of containers arriving from *Le Havre*.

In accordance with the regulations in force, the Group is required to disclose information on GHG emissions generated by its activities. The Group currently discloses information on its direct GHG emissions as well as its indirect emissions related to its electricity consumption. Given current technical limits, the Group is not currently able to evaluate the other indirect emissions resulting from its activities, notably GHG emissions generated by supply chain or GHG emissions generated by its guests travel patterns. The Group currently works on possible way to comply with this requirement for the upcoming years.

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1 Internal buses transport employees inside the Resort, and guests between the Theme Parks and the Hotels.

3.4.2. Adaptation to Climate Change Impacts

In the medium-term perspective, the Group is not directly affected by the consequences of climate change. However, climate change requires a balanced strategy between reducing GHG emissions in order to limit the magnitude of impacts and the adaptation to certain inevitable consequences. The Group, in coordination with TWDC, is committed to achieve GHG emission reduction objectives over both the medium and long-term horizons. The Group contributes to these objectives through its environmental policy, in particular with its water consumption initiatives (see note 3.2.1.1. “Water and Energy Consumption and Sourcing”) and its efforts in preventing and fighting pollution discharges (see note 3.2.2. “Waste Prevention and Management” and note 3.4.1. “Significant Greenhouse Gas (“GHG”) Emissions Items”).

3.5. Biodiversity Protection

3.5.1. Measures to Preserve and Promote the Development of Biodiversity

The Group’s ambition is to preserve biodiversity.

Teams are dedicated to fauna and flora and are working together to preserve the Resort’s biodiversity. These teams, including approximately 130 persons, maintain more than 250 hectares of green spaces, including five ecological environments with major environment interest. This rich heritage is preserved in two ways: the preservation or the development of natural habitats, and the implementation of best practices with reasonable impact on ecosystems.

In this context, the management of green spaces is based on a sustainable approach for raw materials consumption, notably water with almost 100 kilometers of drip system installed over the Resort, increased allocation of work hours dedicated to hand weeding and 33 products without toxicological rating in 2016.

Two apiaries installed on the Resort to strengthen the environment for the bee’s natural pollination of the Resort. During Fiscal Year 2016, these apiaries produced more than a ton of honey, which was then sold in Resort boutiques and distributed at the breakfast buffet of Disneyland® Hotel and Disney’s Hotel New York®.

In addition, Disney’s Davy Crockett Ranch became a pilot site for biodiversity. Pastoral green space management has been performed using protected and hardy breed of sheep (the “*solognote*”). In 2016, after four years of pasture, the grassland is temporarily inoperative to allow spontaneous vegetation to regenerate itself.

Biodiversity is also encouraged at Disney’s Hotel Cheyenne® and Disney’s Davy Crockett Ranch through two orchards consisting of roughly 50 local fruit trees and a vegetable garden of more than 200 m². Approximately 20 different varieties of vegetables, fruit and aromatics are grown annually in Remy’s vegetable garden, located at Disney’s Hotel Cheyenne. These products are distributed through the Resort restaurants kitchens and included in key recipes such as the *ratatouille* served in the restaurant *Bistrot Chez Rémy*. This vegetable garden is fully committed in the “produce locally” approach and during Fiscal Year 2016, was awarded first prize of the National Competition of Vegetable Gardens in France in the “private vegetable garden cultivated in a landscaped environment” category.

The Group’s actions to preserve biodiversity also include the implementation of alternative habitats such as bats habitats, shelter for insects and replacement habitats as bird houses (80 nest boxes were installed over the Resort). These habitats are controlled several times a year to ensure a seasonal follow-up of the populations.

3.6. Compliance with Laws and Regulations

The Group’s environmental strategy was designed in accordance with French and European regulations. Action plans are regularly proposed to adapt operations to comply with regulations. The Group also pays particular attention to the transportation of hazardous products and pyrotechnic products (see also note 3.3.1.1. “Preventing and Reducing Emissions”).

No provisions or guarantees for environmental risks were recorded as of September 30, 2016 as no significant environmental risk has been identified. The Group has not been subject to legal proceedings in respect to environmental matters. Moreover, there are no legal actions outstanding related to environmental issues.

EDA has taken out an insurance policy for general liability coverage in case of environmental damage linked to its operations.

To the Group's knowledge, there is no environmental issue that may affect the Group's utilization of its tangible or intangible assets, except those described above.

4. SOCIETAL INFORMATION

The Group is conscious of its high responsibility in terms of societal issues and local impacts. The Group upholds a strong citizenship approach based on ethical values by supporting the economic and social development of the region, promoting solidarity actions, and making efforts to offer products and services that provide a level of guest satisfaction beyond expectations that guests can trust. This approach is reflected in its following strategic orientations:

- Pursuing its commitment to a social and economic development of the region with local and regional partners;
- Maintaining solidarity and citizenship commitment within the Group;
- Adopting responsible purchasing and sourcing approaches;
- Ensuring fair practices with its guests and partners.

The result of the *Vigéo* Study, which was completed in December 2015, highlighted the effectiveness of the Group's initiatives in term of societal responsibility. This independent study underlined the major contribution of the Group to the socio-economic attractiveness of the eastern Paris region and social inclusion on its territory. The *Vigéo* Study particularly recognized the strong commitment of the Group in terms of economic development, job development and sustainable management in the area. The study also pointed out the Group's commitment to the employment of persons who face work integration difficulties and to public interest causes.

4.1. Local, Economic and Social Impact of the Group's Activities

On March 14, 2012, the Inter-ministerial Delegation for the Euro Disneyland project in France published an economic and social impact study[1] of Disneyland® Paris which covered the period from its opening in 1992 to 2012. This study confirmed Disneyland Paris as the leading European vacation destination and the fifth largest concentration of hotels in France. The main conclusions of the study of these 20 years were:

- €7 billion of public and private investments made in the eastern Paris region;
- €50 billion of added value for the French economy were generated by Disneyland Paris;
- 6.2% of foreign exchange income generated by tourism in France were provided by foreign visitors who came first for Disneyland Paris;
- Disneyland Paris received more than 250 million visits during these 20 years[2].

4.1.1. Impacts on Employment and Local Development

4.1.1.1. Impacts on Employment

With an average of 15,000 employees, the Group is currently the largest private employer in the Department of Seine-et-Marne. From 1992 to 2011, its activities and investments generated an average of 55,000 direct and indirect permanent jobs in France[1].

[1] Source: economic and social impact study realized by the Inter-ministerial Delegation for the Euro Disneyland project published on March 14, 2012. This study is available on the Company's website: http://corporate.disneylandparis.com/CORP/EN/Neutral/Images/uk-2012-03-14-press-kit-economic-and-social-impact-study.pdf.

[2] Since the publication of the study, the number of visits has now reached more than 300 million guests since the opening of the Resort.

With this position, the Group plays a unique role in the training and integration of young people. The Group offers jobs in various roles, including some without qualification requirements, and provides an American skill recognition model promoting upward social mobility. The Group also provides innovative trainings (see note 2.1.5. “Training”) and encourages the transfer of know-how from seniors to younger generations, for instance in job roles such as boilermakers, costume designers or restorers of stained glass.

The Group has developed partnerships with local and departmental stakeholders to support people marginalized from the labor market through a dedicated training program called “Gateway to Employment” (“*Les passerelles pour l’emploi*”), funded by the *Conseil Départemental de Seine-et-Marne* and the *Conseil Régional d’Ile-de-France*. Thus, the Group is working with *Initiatives 77*, an operator of the *Conseil Départemental*, in connection with *Pôle emploi*, *CAP Emploi*, *Missions Locales* and other associations. From 2007 to 2016, the Group offered 655 jobs through the “Gateway to Employment” program, of which 90% of participants are still employed after the trial period. In addition, in partnership with *Initiatives 77*, the Group hired 132 people from 2007 to 2016. The Group also implemented a sponsorship program (“*CAP parrainage*”) from 2010 to 2016, allowing 50 job seekers to benefit from the advice and coaching of 20 of the Group’s managers.

During Fiscal Year 2016, the Group also participated in the French Ministry of Defense program called “Voluntary Military Service” (“*Service Militaire Volontaire*”). This program facilitates the professional integration of young people in difficulty. Some volunteers from the “Voluntary Military Service” center of the Ile-de-France region could discover employment opportunities and, after a personnel interview, sign a contract (eight fixed term contracts and five indefinite term contracts were signed).

The Group also entered into the *NQT* program (previously named “Our Neighborhoods Have Talents” – “*Nos Quartiers ont des Talents*”), which provides corporate mentors to young, college graduates from low-income neighborhoods. Several of the Group’s *Management Committee* members serve as mentors. This program was renewed during Fiscal Year 2014 for an additional three years. It has enabled 187 young graduates to find jobs since 2009. On October 22, 2015, the Group was awarded an *Equal Opportunities* trophy, in recognition for its commitment to the association “Our Neighborhoods Have Talents”.

In June 2016, in collaboration with the disabled student federation for education and employment (*Fédération Étudiante pour une Dynamique Études et Emploi avec un Handicap*), the Group has awarded scholarships to seven disabled students to allow them to pursue graduate studies.

4.1.1.2. Impacts on Local Development

Beyond its social ambition to be recognized as an employer of choice, the Group actively participates in the development and life of the region.

More than 20 years ago, the Group entered into a partnership with French public authorities to develop the Resort and Val d’Europe town center. In 1987, this partnership was formalized in an agreement signed with the French Republic and certain other French public authorities (the “Main Agreement”). The renewal of the Main Agreement in 2010 reflected the Group’s long term commitment to support the development of the eastern Paris region and the French tourism industry.

The Main Agreement allows for the development of the Resort and its surrounding area. In addition, the Main Agreement allows the Group to develop Villages Nature, a new tourism project based on sustainable development, with Pierre & Vacances-Center Parcs Group. For more information on the Group’s Resort operating segment and on Villages Nature, see section A.1.2. “Operational Organization of the Group” of the 2015 Reference Document.

As part of the Main Agreement, the Group obtained the right to develop a 2,230-hectare site with the objective of maximizing the value of lands, while protecting the environment of the tourist destination with a harmonious development of the Resort, retail, office and residential areas.

With its public and private partners, the Group continues to develop the Val d’Europe town center in order to build an important platform of infrastructure and a major economic and urban center that could eventually accommodate 60,000 people and jobs as per the Main Agreement.

Val d'Europe is a territory with strategic, economic and environmental assets, such as competitive taxes, favorable infrastructure costs and exceptional accessibility (France's number one TGV train hub, two RER stations, buses that connect directly with both of Paris's international airports and three primary exits off of the A4 motorway). More than 5,000 public and private entities and associations are currently located in the Val d'Europe town center and the Paris-Val d'Europe Business Park, which reflects the appeal of Val d'Europe.

On May 10, 2016, the Group presented the conclusions of two studies conducted by TNS Sofres and Ipsos, two market research institutes, with a sample of 1,000 users of Val d'Europe (residents, students and workers) and 200 executive managers. These studies highlighted that Val d'Europe is considered as a modern territory, with a balanced development in respect of environmental constraints. 93% of residents would recommend the Val d'Europe to their relatives, which demonstrates their attachment to the city. Moreover, the Val d'Europe is considered as an attractive business area as 86% of Val d'Europe's companies are satisfied with their implantation and 93% of companies' leaders would recommend business implantation in the Val d'Europe.

The Main Agreement and the different phases of development of the Resort and its surrounding areas, as approved by the French public authorities, have allowed for the construction of public facilities such as schools, a university center and cultural facilities. As part of the future development projects, a new university campus is currently expected to open in 2019 at Val d'Europe. This campus will be built in anticipation of Val d'Europe's growing population and will welcome around 10,000 students by 2025 / 2030. It will offer training notably for jobs in the tourism and health sectors. This campus will cover 90,000 m^2, including student housing, and catering, cultural and sports facilities.

For more information on the Main Agreement, see section A.3. "History and Development of the Group" of the 2015 Reference Document.

4.1.2. Impact on Surrounding Populations

The Group works closely with the *Val d'Europe Agglomération* (previously named *Syndicat d'Agglomération Nouvelle du Val d'Europe* ("SAN")[1]) and the Public Development Department (*Etablissement Public d'Aménagement* or "EPA-France") to preserve and improve the quality of the environment in the Resort and the surrounding areas. The Group also works with these organizations on the architectural design of the real estate development and on urban quality management. For example, the Group provides advice regarding the maintenance of public green spaces.

The Group is also a key player in the Val d'Europe tourism cluster. The Val d'Europe tourism cluster is a partnership between the Group, the University of Paris-Est/Marne-la-Vallée, the *Val d'Europe Agglomération*, the Inter-ministerial Delegation, the *Conseil Régional d'Ile-de-France*, the *Conseil Départemental de Seine-et-Marne* and the EPA-France. Through this partnership, stakeholders in education, research, and private companies come together to optimize the economic development of Val d'Europe and develop a strong identity for the Resort and its surrounding areas. A series of public conferences called "Thursdays on the Cluster" ("*Les Jeudis du Cluster*") has been launched to share information and thoughts about these topics. These conferences are open to all Val d'Europe participants including residents, students, researchers and tourism professionals.

As part of the French education timetable reform, which requires the introduction of afterschool activities, the Group has organized, since Fiscal Year 2014, weekly events with elementary school children to present the diversity of the Group's business activities through playful workshops with the participation of Disney VoluntEARS (see note 4.2.2.2. "Community Relations").

4.2. Relations with Stakeholders

4.2.1. Dialogue Conditions

The Group is committed to play an active role in general discussions and in the development of strategies related to the tourism and leisure parks business in France. The Group is actively working with other major partners in this field to promote tourism in France.

[1] The *Syndicat d'Agglomération Nouvelle du Val d'Europe* ("*SAN*") is a public institution for intermunicipal cooperation. It was launched on July 8, 1987, upon the initiation of the Euro Disneyland project. The SAN is the political and administrative body of Val d'Europe which includes the municipalities of Bailly-Romainvilliers, Chessy, Coupvray, Magny-le-Hongre and Serris. The SAN was transformed into urban community by a decree dated December 30, 2015.

Since Fiscal Year 2014, the Group has been a founding member of “Alliance 46.2”, the alliance of 19 major companies of the French and European tourism market, which aims at enhancing the positioning of the tourism industry as a relevant and major contributor to the economy. The Group has also reinforced its tourism cooperation with the Ministry of Foreign Affairs (also in charge of promoting tourism) and actively participated in the 2014 and 2015 national conferences for tourism. The Group also significantly expanded its links with the Paris town hall and actively participated in the *Comité Destination Paris* working group to optimize synergies with this destination. It is also involved with the following organizations: Atout France (which is the French public agency for the development of tourism), the Regional Tourism Committee, the Departmental Committee of Tourism, and tourist offices. On a local level, the Group is a founding member of the association of tourism cluster of Val d’Europe. The Group is also involved in the *Syndicat National des Espaces de Loisirs d’Attractions et Culturels* (“SNELAC”) in France and the International Association of Amusement Parks and Attractions (“IAAPA”) in Europe through the sharing of legal and fiscal information, the sharing of devices related to health, safety and accessibility and contribution to its committee on training and social policies.

Given the importance of relevant urban development around its resort and the lobbying for appropriate infrastructure, the Group is a member of the working groups *Stratégies de développement Grand Paris* and *Paris Capitale*. These working groups strive to optimize the synergies related to tourism inside *Grand Paris*.

In the field of employment, the Group works with the French Ministry of Labor to expand the tourist area around Disneyland® Paris to promote employment and economic diversification. As part of its cooperation with the *Conseil Départemental de Seine-et-Marne*, the Group also participates in the “*Cap-parrainage*” national network which promotes occupational reintegration for people marginalized from the labor market, with the sponsorship of corporate executives who coach them. This initiative was launched for the first time in Val d’Europe and is now expanding to the south of the Seine-et-Marne.

In 2009, the Group established an environmental initiative by which its engagement program and initiatives were presented to a group of key stakeholders followed by a discussion on best practices. These organizations include the *Conseil Départemental de Seine-et-Marne*, the *Conseil Régional d’Ile-de-France*, the Paris town hall, the *Agence de l’Environnement et de la Maîtrise d’Energie* (“ADEME”).

The Group is a member of *IMS-Entreprendre pour la Cité*, an association of more than 250 companies committed to adopting a corporate social responsibility approach. As part of thematic workshops, the Group’s Human Resources and Community Relations teams meet on a regular basis with their counterparts of other companies to share experiences on societal practices.

The Group works with other agencies as well. They share thoughts on the Val d’Europe tourism cluster with the *Pôle Régional Enseignement Supérieur* (“PRES”) *Paris-Est*. They facilitate the employment of foreign employees with the French Ministry of the Interior and discuss the field of public transportation with the RATP and SNCF.

Information on social dialogue within the Group is presented in note 2.3. “Social Relationship and Equality, Diversity in Employment”.

4.2.2. Partnerships and Community Relation Actions

4.2.2.1. Partnerships

The Group has entered into local partnerships with the *Conseil Départemental de Seine-et-Marne* and the city of Meaux in the fields of tourism cooperation, economic development, employment and professional integration, environment, culture and transportation. In 2014, these local partnerships were renewed and extended until 2020.

4.2.2.2. Community Relations

Community Relations at Disneyland Paris is based on the commitment of Disney VoluntEARS. Through the Community Relations team, which defines and organizes a wide array of charitable activities, these volunteers give their time, talent and enthusiasm for children and their families during compassionate events.

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The Group pursues its commitment in sponsorship programs for children through various types of actions:

- Compassionate actions: invitations to the Theme Parks for disadvantaged or ill children and their family or the *Children's Wishes* program that allows seriously ill children to visit the Resort;
- Environmental actions: in particular, awareness workshops designed to encourage children from neighboring towns to adopt an environmental-friendly behavior;
- Creativity actions: participations of children in activities that enhance their creativity;
- Healthy living activities: raise awareness of the importance to practice sport activities and to have a balanced diet for well-being.

The following table presents the major events organized by the Group and the Disney VoluntEARS during Fiscal Year 2016:

Date	Description
January 2016	During the award ceremony of the 2nd edition of the *HandiDon* operation, Disneyland® Paris has welcomed 300 members of the association *Paralysés de France*.
June, 2016	To celebrate the 40 years of the *Ile-de-France* school of guide dogs for the blind, Disneyland Paris has welcomed 300 persons and more than 50 dogs in the parks and a pre-parade was organized during the afternoon with the guide dogs and their owners.
July 2016	Disneyland Paris has welcomed, over three days, 1,000 disadvantaged Parisian children for a magical day in the park.
August 2016	Disneyland Paris has welcomed 5,000 children of *Secours Populaire Français* association. On August 22, 150 children from the association "*Copains du monde*" joined them and formed a colorful pre-parade in the park.

4.3. Subcontractors and Suppliers

4.3.1. Social and Environmental Challenges addressed through the Group's Purchasing Policy

The Group adheres to the program of social ethics (International Labor Standards or "ILS") established by TWDC. This program relates to the manufacturing of all products incorporating or using any intellectual property owned or controlled by TWDC and its subsidiaries. The objective of this program is to promote employee safety, integration and respect in all locations where Disney products are manufactured. During Fiscal Year 2015, the Group added additional capacity to support the implementation of the ILS program and to promote enhanced compliance. As of September 30, 2016 this team had five members, which were able to conduct an enhanced number of internal training sessions with departments that buy Disney branded products on behalf of the Group.

The Group requires its subcontractors to respect the following code of conduct commitments (the "Code of Conduct for Manufacturers"):

- Not to use child labor or forced labor;
- To treat each employee with dignity and respect and refrain from adopting discriminatory practices in hiring and employment;
- To respect employees' right to associate, organize and bargain collectively;
- To provide employees with a safe and healthy work environment and to ensure that all accommodations provided to employees comply with health and safety standards;
- To apply laws and regulations relating to wages and working time, environment, manufacturing, pricing and sales and distribution of merchandise;
- Not to use subcontractors to manufacture Disney products or components without a prior written agreement;

- To take appropriate steps to ensure that the provisions of the Code of Conduct for Manufacturers are communicated to employees;

- To authorize Disney and its designated agents (including third parties) to participate in monitoring activities to confirm compliance with the Code of Conduct for Manufacturers, including unannounced on-site inspections of manufacturing facilities and employer-provided housing; reviews of books and records relating to employment matters; and private interviews with employees;

- To maintain on site all documentation that may be needed to demonstrate compliance with the Code of Conduct for Manufacturers.

The Group launched several actions to integrate environmental criteria in its purchasing policy. These actions included the following topics:

- Office supplies through the use of 100% recycled paper, the implementation of an alternative offer of eco-responsible products and the combination of purchasing orders to reduce the number of deliveries;

- Printing policies through the optimization of printing equipment, a lower number of printer ink cartridges and the full traceability on recycling supplies. In addition, the Group contracted with a printing provider certified FSC and PEFC for the edition of the Theme Parks' plans and some internal publications;

- The implementation of an inventory of all chemicals used in the Resort to ensure the traceability and monitor the use of these products.

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4.3.2. Importance of Subcontracting and Integration of Social and Environmental Responsibility in the Relationships with Suppliers and Subcontractors

4.3.2.1. Food & Beverage suppliers

As part of its Resort operating activities, the Group sells large quantities of food and beverage in the catering services provided to its guests. The Group's food and beverage suppliers are referenced by *Convergence Achats S.A.R.L.*, a joint venture created by the Group and *Groupe Flo*.

During Fiscal Year 2013, a collaborative website was launched with suppliers to improve the traceability of food and beverage products. As of September 30, 2016, this tool was in place for 240 suppliers. This collaborative website improves the monitoring of products through the follow-up of quality controls, quality complaints and supplier audits, as well as the update of specification sheets. Information on quality, food safety, composition or origin of products is updated in real-time through this tool.

The Group pays particular attention to preserve the environment through its purchases of food and beverages. For example, palm oil is no longer used as frying oil in any of the Resort's restaurants. In addition, the Group has developed partnerships with local suppliers to foster a shortened supply chain; examples include the purchase of *Brie* cheese, cured meat and marmalade.

4.3.2.2. Merchandise Suppliers

As part of its Resort operating activities, the Group also sells a large number of merchandise items (for example toys, clothes and decorative items). The Group also applies the ILS program to its suppliers for merchandise products. As part of these rules, any supplier using the Disney brand is required to allow free access to its facilities, so that the compliance with the ILS program can be evaluated. When a breach in standards is identified, the supplier must correct it or stop producing for the Group.

The Group has implemented a Safety Management System to ensure the conformity of merchandise items throughout their life cycle. Therefore, the safety of merchandise products is taken into account from the design stage to the commercialization. For more information related to SMS, please refer hereafter to note 4.4.2.1."Guest Safety".

To ensure the quality and traceability of merchandise items sold on the Site, the following three controls have been put in place:

- A preliminary evaluation of the level of quality of new suppliers based on their answers to a questionnaire;
- An initial quality testing established before any delivery to ensure the compliance with the product's specifications;
- A recurrent quality control performed every year or every two years.

Quality requirements are also mentioned in contracts with suppliers. In addition, ISO 17025 certified laboratories control the compliance of merchandise products in Europe, Asia, Turkey and India. Besides, for any product item that has been sold for more than 18 months and for a defined level of purchasing cost, a new competitive bid is launched. The Group also uses a tool for products traceability based on a unique codification for the manufacturing site and the period of production.

As part of the ILS program, all third parties involved in the manufacture of Disney products (design, printing, production, finishing and packaging) must comply with the Code of Conduct for Manufacturers or any other work standard previously approved by the Group. The principles of the code of conduct for Disney product manufacturers are in line with the conventions of the International Labor Organization (see note 4.5. "Other Actions Taken in Favor of Human Rights").

4.3.2.3. Services and Other suppliers

The Group has included a clause in the agreements with external service providers (for example, cleaning companies) to raise awareness about its policy on diversity, including disabilities, and invite them to commit to the same process and promote these values every day. Such agreements also include a clause requiring service providers to comply with anti-corruption laws and labor laws.

4.4. Loyalty practices

4.4.1. Actions Implemented to Prevent Corruption

Integrity is at the heart of the Group's values. This is both an asset and an imperative for the Group: the respect of ethical principles and values as a socially responsible company and as a reference employer. These principles and ethical values can be summarized as: acting in accordance with laws and regulations and establishing a culture of integrity, honesty, trust, respect, decency and teamwork. These principles are included in the standards of business conduct that the Group formalized in 2007.

During Fiscal Year 2016, the Group reinforced these principles and ethical values by including them in a more strengthened culture of ethics and compliance. A new dedicated intranet support allows employees to easily access to key messages, information, tools and procedures related to compliance.

Compliance with laws to prevent corruption is an integral part of the Group's standards of business which aims at promoting ethical behavior by the Group's employees. These standards of business conduct remind the employees that it is the Group's strict policy not to make any payment that violates the laws governed by the *Foreign Corrupt Practices Act* of the United States of America. It is also the Group's policy to take measures to ensure that its employees, representatives and foreign partners do not act in a way that would put the Group in jeopardy of violating this law.

In 2013, the Group launched an employee awareness course on the compliance with laws related to the fight against corruption, including a focus on relationships with suppliers and other third parties. This course provided to top management and to other employees has continued during Fiscal Year 2016 with on-line trainings on:

- The *Foreign Corrupt Practices Act* of the United States of America;
- Standards of business conduct.

4.4.2. Measures in Favor of Customer Health, Safety and Satisfaction

4.4.2.1. Guest Safety

The Group's top priority is the safety of employees and guests at any stage of their experience at Disneyland® Paris. This commitment is reflected in the constant and continuous involvement of the Management Committee to improve safety, as well as the implementation of a monthly Safety Steering Committee led by the Senior Vice President and Chief Operating Officer.

The Group has implemented a SMS that aims at ensuring the safety of its guests, employees and assets. This system relies on the following steps:

- The implementation of security steering committees covering all areas related to product development, operations and technical services;
- Pre-analysis based on risk identification, systemic risk assessment and regulations, which were extended during Fiscal Year 2016 to fire prevention and guests behavior;
- Action plans to improve prevention processes, protection processes and emergency response. During Fiscal Year 2016, all evacuation plans were revised and improved and the teams trained;
- Performance assessments with four control levels: legal and mandatory external audits, a yearly audit performed by WDPR segment, Guest Safety audits and self-assessments regularly performed by operations. During Fiscal Year 2016, the Group has a positive trend of performance as a result of the attraction audit;
- Constant improvement based on performance assessments and controls;
- Improvement of management tools and implementation of Guest Safety indicator dashboards.

This system is regularly evaluated to ensure the compliance with the ISO 9001 quality standard. The Group regularly develops and adapts its procedures in the framework of a global safety culture program.

This SMS is managed by the prevention, security and environment department (52 employees working notably in the fields of operational safety, culture of safety, food safety, fire prevention or pyrotechnics) and all the management of operational teams. The technical services include approximately 1,000 employees working also on safety topics, their main mission is to ensure the safety of facilities.

These specialized teams ensure that the Group complies with safety laws and regulations. They are also in charge of risk control, particularly in the following areas:

- Development of new products: safety is considered from the design of new products (conception of attractions, improvements in Hotels, creation of new merchandise products, design of new shows or new food offers) to the launch of the operations or the sales;
- Maintenance of facilities: technical reliability of the many Resort facilities is a key factor of guest safety;
- Safe operations: a high safety level requires corresponding relevant processes, employee technical training and employees trained to face exceptional events and a major training improvement program was also initiated during Fiscal Year 2016;
- Employees: reinforcing leadership and culture of safety at every level of the Group. Since 2011, a program to enhance the culture of safety has been deployed. It focuses primarily on the commitment and behavior of the Group's management and on employees' engagement at all levels. Many actions were implemented to develop the awareness of security in everyday tasks and to support this program, such as conferences on safety, the development of support tools, the display of safety indicators, a communication and recognition program, events and forum, and initiatives and performance sharing;

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- Guests: beyond information requirements on foreseeable risks (display of risk information at the gate of attractions or on product packaging), the Group encourages each guest to develop a culture of safety and adopt safe behaviors. For example, since July 2013, the Group has widely distributed short films called *Timon and Pumbaa are Wild About Safety!* in all of its Hotels. In addition, interactive programs are currently implemented for children, to enhance their awareness of security while in the Theme Parks. The Group noted a decrease of 10% of accidents involving children since 2013.

An emergency operating center, in coordination with public authorities, is activated in case of a threat or major event (certain or suspected) in order to rapidly take the measures appropriate for the situation. The prevention, security and environment department is in charge of the engineering of the crisis management system and its implementation. The Group is also in contact with other Disney parks worldwide to best manage every incident and constantly improve the design of its products and operational processes. In addition, an IT tool has been developed to manage the first hours of a crisis and simulation exercises are regularly conducted in cooperation with public authorities to ensure an optimum level of efficiency and coordination.

During Fiscal Year 2016, TWDC teams performed an audit on attractions, hotels and maintenance, and has confirmed a positive trend of improvement in these fields.

The following table presents the number of safety audits and maintenance quality self-assessments performed on the Group’s attractions in Fiscal Years 2016, 2015 and 2014:

	Fiscal Year		
(Number of safety audits/maintenance quality self-assessments on attractions)	**2016**	**2015**	**2014**
Guest Safety Audits	**479**	483	452
Maintenance Quality Self-Assessments	**25**	31	31

The Group also assesses the efficiency of its safety policies through the monitoring of key indicators, such as the rate of accident occurrence in the attractions of its Theme Parks and the rate of guest complaints related to safety standards.

4.4.2.2. Food Safety and Customer Health

For several years, the Group has been actively committed to improve its food and beverage offerings with more healthy and well balanced products.

In 2012, the Group adhered to the program “The Healthy living Commitment” initiated by TWDC. The objective of this program is to prevent obesity and cardiovascular diseases. Relying on the notoriety of the Disney brand, the program aims at changing the young generation’s consumption habits toward more healthy and well balanced choices.

As part of this program, the Group signed a charter implemented in all Disney parks all around the world. This charter defines rules for the establishment of the food and beverage offerings in the Resort, such as:

- Food and beverage offers putting forward side dishes, beverages and desserts with fewer calories (for example: salad, tomatoes, fruit salad, water and fruit juices) to guide the guest to well-balanced food choices;
- The implementation of calories, salt, sugar and trans fat maximum thresholds for kids menus;
- Take into account nutritional constraints in the choice of ingredients used for any food preparation or Disney branded products sold in the Resort.

Beyond this commitment, which is part of the overall public health concern, the Group gives priority to food safety.

The Group has implemented specific procedures and controls to insure the compliance and traceability of all food products served to the visitors. In 2012, the Group developed and deployed a unique tool to monitor the food products traceability in all food and beverage locations over the Resort. This tool allows the dematerialization and archive of all information related to the traceability of food products.

Moreover, beginning 2012, all food and beverage suppliers are subject to an annual food hygiene audit. This audit is managed by the Group's department in charge of food safety and the quality department of *Convergence Achats S.A.R.L.* (see note 4.3.2. "Importance of Subcontracting and Integration of Social and Environmental Responsibility in the Relationships with Suppliers and Subcontractors").

In July 2015, the Group implemented a new regulation related to consumer information on foods and allergens.

In addition, in September 2016, the Group has reinforced its non-smoking policy to protect its guests from the harmful effects of smoking and improve the security of the Resort. The covered and uncovered areas of the Theme Parks are non-smoking areas and dedicated outdoor spaces have been specially designed for smoker guests. This policy also applies to electronic smoking devices.

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4.4.2.3. Disabled Customers Offer

Disneyland® Paris pays particular attention to the health and safety of its disabled guests. Accordingly and beyond regulatory requirements, the Group has focused its actions on the following areas:

- Communication of information for disabled guests through the Disneyland Paris website as well as through registered travel agents' dedicated websites and accessibility maps for the Theme Parks. In addition, access cards are available for disabled guests;
- Regular improvements to the Resort's accessibility infrastructures;
- Several training modules are offered to employees such as welcome procedures for disabled guests, accessibility procedures, adapted cashiers station in the shops and restaurants and special offers proposed by the booking call center. The Group also provided online training modules;
- Awareness campaigns for employees in the course of regulatory training days.

During Fiscal Year 2016, the Group continued its refurbishment program in preparation of the upcoming celebration of Disneyland Paris' 25th Anniversary in 2017. Accessibility improvement is addressed as part of this program, in particular through the improvement of the attractions' waiting areas dedicated to people with disabilities (including attractions *Buzz Lightyear Laser Blast*, *Peter Pan's Flight*, *"it's a small world"*, some stations of *Disneyland Railroad* and *Le Caroussel de Lancelot*), the study of prototypes enabling easier boarding for wheelchair users (particularly for *Big Thunder Mountain* and *Autopia* attractions) and the implementation of specific equipment for persons with hearing impairments in some entertainment theaters (including *Animagique Theater* in the Walt Disney Studios® Park and the *Chaparral Theater* in Disneyland® Park).

As part of the implementation of the French accessibility regulation ("Ad'AP" *Agenda d'Accessibilité Programmée*) on the accessibility of public areas, the Group launched a multi-year program in July 2015 to improve the accessibility of its infrastructures. This program, which continues until 2024, also focuses on training and raising awareness among employees.

As part of this program, the Group launched several actions in Fiscal Year 2016, such as listing of Hotels on the *accessible.net* website, the deployment of four new accessibility maps for the Theme Parks available in several languages, the creation of adapted pathway for guests with disabilities, the implementation of a new access cards with new allocation rules and use for attractions and free hosting of guide dogs in the Resort kennel.

4.4.2.4. Customers Satisfaction

Guest satisfaction has always been a major concern for the Group. To meet the expectations of its major key markets, the Group relies on a dedicated department of 28 employees of which 13 are trilingual surveyors. This department conducts surveys and market research about a wide range of guest topics and follows up several guest satisfaction indicators by performing, each year, more than 160,000 face to face surveys and 80,000 web-based surveys.

4.5. Other Actions Taken in Favor of Human Rights

The Group is committed to adopt ethical and responsible management of its activities through the Human Rights policy statement defined by TWDC. The Group complies with TWDC standards which are in line with the United Nations' Universal Declaration on Human Rights and the International Labor Organization Declaration on Fundamental Principles and Rights at Work. This commitment also includes opposing human trafficking and the exploitation of children.

TWDC's Human Rights policy statement is available on TWDC's website (http://thewaltdisneycompany.com/citizenship/policies/human-rights).

5. REPORTING METHODOLOGY

This methodology note describes the rules, methods and tools implemented by the Group to collect and present the social, environmental and societal information disclosed in this exhibit.

5.1. Reporting Scope

As requested by article L.225-102-1 of the French commercial code, social, environmental and societal information is collected annually for the Company and its legally controlled subsidiaries. This information is also collected and disclosed for EDA, the subsidiary of the Company.

The scope of data disclosed in note 2. "Social Information" is comprised of the Company and its fully consolidated subsidiaries that have employees. These entities are the Company, EDA, ED Spectacles S.A.R.L. (a direct wholly-owned subsidiary of EDA that operates the *Buffalo Bill's Wild West Show* within the Disney Village®) and S.E.T.E.M.O. Imagineering S.A.R.L. (a direct wholly-owned subsidiary of EDA that provides studies on projects of new attractions and manages their construction).

The scope of data presented in note 3. "Environmental Information" is comprised of the Group and EDA. EDA operates the Disneyland® Park, the Walt Disney Studios® Park, the Disneyland® Hotel, Disney's Davy Crockett Ranch and Golf Disneyland®. The five other hotels of the Group and the Disney Village are operated by another entity, EDL Hôtels S.C.A.

5.2. Reporting Period

The social, environmental and societal information is disclosed in this exhibit for the period beginning on October 1 of a given year and ending on September 30 of the following year (the "Fiscal Year"), unless otherwise indicated. This information is presented so as to allow comparison with previous periods. The Fiscal Year for any given calendar year is the Fiscal Year that ends in that calendar year (for example, Fiscal Year 2016 is the fiscal year that ends on September 30, 2016).

5.3. Reporting, Consolidation and Control Tools

The data presented in this report was collected by a group of experts from various departments: Human Resources, the DPSE, Sourcing, Communication, Legal and Operational teams.

The Group's qualitative information was provided by the experts mentioned above for their respective area of responsibilities and was consolidated by the Group's financial communication team. This team implemented internal control procedures which comprised interviews with the experts, the consultation of internal and external documentation and reviews by an internal working group.

The Group's social quantitative information is processed through HR software. The team in charge of social reporting checks data consistency every time an automatic report is created, by performing a comparison of results and an exhaustive verification of the queries' contents. This information was reviewed by the HR teams for a consistency check.

The Group's environmental quantitative information is collected by various operational teams, working all over the Resort, based on available supporting documentation (for example: utility provider invoices). These teams establish monitoring reports through Microsoft Excel worksheets and perform a first level of control by comparing the data collected to the corresponding support documentation. The reports are then transmitted to and consolidated by the DPSE's environmental team, who also reviews for consistency. During Fiscal Year 2016, the Group continued to deploy an IT dedicated system, which should be effective in Fiscal Year 2017. This tool is expected to improve the collection of data and the environmental indicators reporting.

The indicators and the qualitative information presented were selected to ensure that all items required by the *Grenelle* legislation were covered. Beyond these regulatory requirements, the Group has chosen to present in detail its indicators and actions related to the sustainable use of resources (including water and energy) and waste management, which are particularly important with regard to its business.

5.4. Details and Limits of Data Collection

The data used for indicators may be adjusted depending on the technical capacity to establish them.

For social data, some employees (about 80 persons) have an employment contract with two of the Group's entities. The data presented for EDA as of September, 30 does not include employees with dual employment contracts. As these employees represent less than 1% of EDA's total headcount, the impact on the indicators disclosed is not considered significant.

For environmental data, data collection systems implemented by the Group do not allow the production of every indicator per legal entity. Therefore some indicators are not available for EDA stand alone, as mentioned in the relevant tables.

B.8. Report by one of the Statutory Auditors, Appointed as an Independent Third Party, on the Consolidated Social, Environmental and Societal Information Presented in the Management Report

This is a free translation into English of the Statutory Auditors' report issued in French and is provided solely for the convenience of English speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

PricewaterhouseCoopers Audit
63, rue de Villiers
92208 Neuilly-sur-Seine Cedex

REPORT BY ONE OF THE STATUTORY AUDITORS, APPOINTED AS AN INDEPENDENT THIRD PARTY, ON THE CONSOLIDATED SOCIAL, ENVIRONMENTAL AND SOCIETAL INFORMATION PRESENTED IN THE MANAGEMENT REPORT

For the year ended September 30, 2016

To the Shareholders,
EURO DISNEY S.C.A.
1, rue de la Galmy
77700 Chessy

In our capacity as statutory auditor of Euro Disney S.C.A., appointed as an independent third party and certified by COFRAC under number 3-1060[1], we hereby report to you our report on the consolidated social, environmental and societal information for the year ended September 30, 2016, presented in the management report (hereinafter named "CSR Information"), pursuant to article L.225-102-1 of the French Commercial Code (*code de commerce*).

Company's responsibility

The legal manager is responsible for preparing a company's management report including the CSR Information required by article R.225-105-1 of the French Commercial Code in accordance with the guidelines used by the Company (hereinafter the "Guidelines"), summarised in the management report and available on request at the Company's headquarters.

Independence and quality control

Our independence is defined by regulatory texts, the French Code of ethics (*Code de déontologie*) of our profession and the requirements of article L.822-11 of the French Commercial Code. In addition, we have implemented a system of quality control including documented policies and procedures regarding compliance with the ethical requirements, French professional standards and applicable legal and regulatory requirements.

Statutory Auditor's responsibility

On the basis of our work, our responsibility is to:

- attest that the required CSR Information is included in the management report or, in the event of non-disclosure of a part or all of the CSR Information, that an explanation is provided in accordance with the third paragraph of article R.225-105 of the French Commercial Code (Attestation regarding the completeness of CSR Information);
- express a limited assurance conclusion that the CSR Information taken as a whole is, in all material respects, fairly presented in accordance with the Guidelines (Conclusion on the fairness of CSR Information).

[1] scope is available at www.cofrac.fr

Our work involved 7 persons and was conducted between September 2016 and mid-November 2016 during a 10 week period.

We performed our work in accordance with the French professional standards and with the order dated May 13, 2013 defining the conditions under which the independent third party performs its engagement and with ISAE 3000[1] concerning our conclusion on the fairness of CSR Information.

1. Attestation regarding the completeness of CSR Information

Nature and scope of our work

On the basis of interviews with the individuals in charge of the relevant departments, we obtained an understanding of the Company's sustainability strategy regarding social and environmental impacts of its activities and its societal commitments and, where applicable, any actions or programmes arising from them.

We compared the CSR Information presented in the management report with the list provided in article R.225-105-1 of the French Commercial Code.

For any consolidated information that is not disclosed, we verified that explanations were provided in accordance with article R.225-105, paragraph 3 of the French Commercial Code.

We verified that the CSR Information covers the scope of consolidation, i.e., the Company, its subsidiaries as defined by article L.233-1 and the controlled entities as defined by article L.233-3 of the French Commercial Code within the limitations set out in the methodological note, presented in section 5 of the CSR Information presented in the management report.

Conclusion

Based on the work performed and given the limitations mentioned above, we attest that the required CSR Information has been disclosed in the management report.

2. Conclusion on the fairness of the CSR Information

Nature and scope of our work

We conducted around 20 interviews with the persons responsible for preparing the CSR Information in the departments in charge of collecting the information and, where appropriate, responsible for internal control and risk management procedures, in order to:

- assess the suitability of the Guidelines in terms of their relevance, completeness, reliability, neutrality and understandability, and taking into account industry best practices where appropriate;
- verify the implementation of data-collection, compilation, processing and control process to reach completeness and consistency of the CSR Information and obtain an understanding of the internal control and risk management procedures used to prepare the CSR Information.

We determined the nature and scope of our tests and procedures based on the nature and importance of the CSR Information with respect to the characteristics of the Company, the social and environmental challenges of its activities, its sustainability strategy and industry best practices.

Given the fact that all activities of Euro Disney S.C.A. are concentrated on a single geographic location, our work has been performed on this site and covers all activities of the group.

[1] ISAE 3000 – Assurance engagements other than audits or reviews of historical financial information

Regarding the CSR Information that we considered to be the most important (specified in appendix):

- we referred to documentary sources and conducted interviews to corroborate the qualitative information (organisation, policies, actions), performed analytical procedures on the quantitative information and verified, using sampling techniques, the calculations and the consolidation of the data. We also verified that the information was consistent and in agreement with the other information in the management report;
- we conducted interviews to verify that procedures are properly applied, and we performed tests of details, using sampling techniques, in order to verify the calculations and reconcile the data with the supporting documents. The selected sample represents 30% of quantitative environmental and social data disclosed.

For the remaining consolidated CSR Information, we assessed its consistency based on our understanding of the company.

We also assessed the relevance of explanations provided for any information that was not disclosed, either in whole or in part.

We believe that the sampling methods and sample sizes we have used, based on our professional judgement, are sufficient to provide a basis for our limited assurance conclusion; a higher level of assurance would have required us to carry out more extensive procedures. Due to the use of sampling techniques and other limitations inherent to information and internal control systems, the risk of not detecting a material misstatement in the CSR information cannot be totally eliminated.

Conclusion

Based on the work performed, no material misstatement has come to our attention that causes us to believe that the CSR Information, taken as a whole, is not presented fairly in accordance with the Guidelines.

Neuilly-sur-Seine, on February 9, 2017

One of the Statutory Auditors

PricewaterhouseCoopers Audit

Bruno Tesnière
Partner Statutory Auditor

Sylvain Lambert
Partner within the Sustainable Development Department

Appendix: List of information considered to be the most important

Social information:

- Number of employees and breakdown of employees by gender and age, including total headcount indicators by the end of September 2016;
- Recruitments and dismissals, including indicators on number of recruitments and dismissals;
- Compensations and their evolutions;
- Organisation of working time;
- Absenteeism, including absenteeism rate indicator;
- Organisation of social dialogue, including information and employee consultation procedures;
- Collective agreements;
- Health and safety conditions at work, including assessment of agreements signed with unions or health and safety representatives;
- Work accidents, including frequency rate and gravity rate, as well as occupational diseases, including frequency rate of occupational lost-time accidents indicator;

- Training policies;
- Total number of training hours, including total number of training hours indicator;
- Policy implemented and measures taken to promote gender equality, including indicators on proportion of women and proportion of women in management;
- Policy implemented and measures taken to promote the employment and integration of people with disabilities;
- Anti-discrimination policy implemented;
- Promotion and compliance with ILO (International Labor Organization) fundamental conventions related to freedom of association and right to collective bargaining, and to the elimination of discrimination in respect of employment and occupation, to the elimination of forced or compulsory labour, to the elimination of child labour;

Environmental information:

- Company organisation to take into account environmental issues, and when applicable, environmental certification and processes;
- Employee environmental training and information;
- Means dedicated to environmental risks and pollutions prevention;
- Provision and guarantee amounts for environmental risks, if this information does not cause damage to the company in an existing litigation;
- Measures to prevent, reduce or remediate discharges in the air, water and soil causing important damage to the environment, including emissions of VOC indicator;
- Measures to prevent, recycle and dispose of waste, including indicators on dangerous and non-dangerous waste production and proportion of dangerous and non-dangerous waste recovered;
- Water consumption and water sourcing depending on local constraints;
- Raw material consumption and measures taken to improve the efficiency in use;
- Energy consumption and measures taken to improve energy efficiency and the use of renewable energy, including indicators on the use of electricity and natural gas;
- Greenhouse gas emissions, including indicators on direct and indirect CO_2 emissions linked with energy consumption.

Societal information:

- Local, economic and social impact of the company's activities on employment and regional development;
- Local, economic and social impact of the company's activities on neighbouring populations;
- Relations with people or organisations interested in the company's activities, including social integration associations, educational institutions, environmental associations, consumer organisations and neighbouring populations;
- Partnerships and sponsorship;
- Application of social and environmental criteria in the procurement policy;
- Importance of subcontracting operations and integration of social and environmental responsibility in the relationships with suppliers and sub-contractors;
- Actions taken against corruption and bribery;
- Measures taken in favour of consumer health and safety.

B.9. Statutory Auditors' Special Report on Related-Party Agreements and Commitments

This is a free translation into English of the statutory auditors' report issued in French and is provided solely for the convenience of English speaking users. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

PricewaterhouseCoopers Audit
63, rue de Villiers
92208 Neuilly-sur-Seine Cedex

Caderas Martin
43, rue de Liège
75008 Paris

STATUTORY AUDITORS' SPECIAL REPORT ON RELATED-PARTY AGREEMENTS AND COMMITMENTS

General meeting of the shareholders for the approval of the accounts year ended September 30, 2016

To the Shareholders
EURO DISNEY S.C.A.
1, rue de la Galmy
77700 Chessy

Ladies and Gentlemen,

As Statutory Auditors of your company, we hereby present our report on related-party agreements and commitments.

Our responsibility does not include identifying undisclosed related-party agreements and commitments. We are only required to report to you, on the basis of the information provided to us, on the main features, terms along with the reasons justifying the interest for the company of the related-party agreements and commitments that have been disclosed to us, without commenting on their relevance or substance. Under the provisions of Article R.226-2 of the French Commercial Code ("*code de commerce*"), it is your responsibility to determine whether these agreements and commitments are appropriate and should be approved.

Furthermore it is up to us, if required, to transmit the information foreseen in article R.226-2 of the French Commercial Code related to the pursuance during the fiscal year of the agreements and commitments already approved by the general meeting.

We have performed the work that we considered necessary with regard to the professional ethics of the "*Compagnie Nationale des Commissaires aux Comptes*" (the national company of statutory auditors) related to this assignment. This work consisted of checking the information given to us with the documents on which it is based.

AGREEMENTS AND COMMITMENTS SUBMITTED FOR THE APPROVAL OF THE GENERAL MEETING

We inform you that we have received no notice of any related-party agreement drawn up in the course of the fiscal year that is subject to the dispositions of article L.226-10 of the French Commercial Code.

AGREEMENTS AND COMMITMENTS ALREADY APPROVED BY THE GENERAL MEETING

Agreements and commitments approved in previous fiscal years

In accordance with the requirements of article R.226-2 of the French Commercial Code, we have been informed of the following related-party agreements and commitments authorised in previous years, which remain in force during the fiscal year just ended.

1. *Agreements between your company and Euro Disney Associés S.C.A. ("EDA"), a subsidiary in which your company has an 82% shareholding*

Within the framework of the legal and financial restructuring of the Euro Disney group in September 2004 and in compliance with the contribution agreement ("The Contribution Agreement") pursuant to which your company contributed substantially all of its assets and liabilities to EDA in exchange for an 82% interest in the capital of EDA, the following related-party agreements remained in place during the period:

1. The sub-licence contract, between your company and EDA, which allows the latter to continue to use the name "Euro Disney" free of charge and, in addition, to execute all those contracts not transferred to EDA under the Contribution Agreement.

2. The cash flow agreement, between your company and EDA, by which your company made available to EDA funds that it kept from the 2005 capital increase. The funds made available amounted to €18.9 million at September 30, 2016. No income from interest related to this advance was recorded in fiscal year 2016.

3. The agreement for administrative assistance, by which your company provides certain services to EDA in exchange for a fixed remuneration, revisable annually. In fiscal year 2016 your company recorded €1.2 million which corresponds to income booked by your company. Payments for the year represent €1.5 million including taxes.

2. *The agreement between your company and Euro Disney S.A.S., the* Gérant *of your Company, in which The Walt Disney Company ("TWDC") has a 99% shareholding*

In compliance with article IV of the company bylaws, the *Gérant* receives from your company an annual income equal to €25,000 payable in one payment at the end of each fiscal year.

For fiscal year 2016, a charge of €25,000 was recorded related to this agreement. This amount has not been paid by your company.

Neuilly-sur-Seine & Paris, February 9, 2017

The Statutory Auditors

PricewaterhouseCoopers Audit	**Caderas Martin**
Bruno Tesnière	Fabrice Vidal

B.10. Supervisory Board General Report on Euro Disney S.C.A. and its Owned and Controlled Subsidiaries

Ladies and Gentlemen,

We are pleased to present to you our general report on the management of Euro Disney S.C.A. (the "Company"), its owned and controlled subsidiaries[1] (collectively, the "Group") for the fiscal year ended September 30, 2016 ("Fiscal Year").

You will find a detailed presentation of the Fiscal Year consolidated financial statements prepared under IFRS and statutory financial statements prepared under French GAAP in the Group and parent company management report. We do not have any particular comments on this report, which we have reviewed and which has been submitted to you.

***

The Group's total revenues for Fiscal Year were €1,278 million, a decrease of 7% compared to the prior fiscal year. This decrease was due to lower volumes, primarily resulting from the adverse tourism environment in Paris.

Resort operating segment revenues decreased 7% to €1,267 million, compared to €1,366 million in the prior fiscal year. Theme parks revenues decreased 10% to €722 million due to a 10% decrease in attendance. The decrease in attendance was due to fewer guests visiting from all the Group's key European markets. The average spending per guest remained flat. Hotels and Disney Village revenues decreased 4% to €505 million due to a 2 percentage point decrease in hotel occupancy, a 1% decrease in average spending per room and a 2% decrease in Disney Village revenues. The decrease in hotel occupancy resulted from fewer guests visiting from most key European markets, partially offset by more guests visiting from France and Germany. The decrease in average spending per room was due to lower daily room rates, partially offset by higher spending on food and beverage. The decrease in Disney Village revenues was attributed to lower resort volumes.

Real estate development operating segment revenues increased by €4 million to €11 million due to higher land sale activity. Given the nature of the Group's real estate development activity, the number and size of transactions vary from one year to the next.

Costs and expenses increased 5% to €1,520 million, driven by the Group's continued improvements in the guest experience, planned labor rate inflation and incremental security costs.

Direct operating costs increased 4%, due to continuing enhancements to the guest experience including new shows (such as *Mickey and the Magician* or *The Forest of Enchantment: a Disney musical adventure*), attraction improvements (such as *"it's a small world"* or *Peter Pan's Flight*) and hotel refurbishments (such as Disney's Newport Bay Club®), as well as labor and other operating cost increases, partially offset by a decrease in certain costs associated with lower resort volumes. In addition, the Group incurred incremental security costs. Marketing and sales expenses increased 5% due to increased media campaigns and technology initiatives. General and administrative expenses increased 10%, primarily due to higher labor costs and new technology initiatives.

As a result of the adverse economic conditions of the tourism industry in Paris, which contributed to the deterioration of the operating results for the Fiscal Year (operating margin resulted in a negative amount of €242 million) and hence lowered the first year of the Group's long term plan, the Group performed an impairment test of all its long-lived assets under IFRS and determined its assets were impaired[2]. Accordingly, an impairment charge of €565 million was recorded in the Fiscal Year, with no impact on the Group's cash position or cash flows.

Therefore, the net loss of the Group increased to €858 million, compared to €102 million for the prior fiscal year. Net loss attributable to owners of the parent and non-controlling interests amounted to €705 million and €153 million, respectively. Excluding the impairment charge of €565 million in the Fiscal Year and the €24 million gain for the early termination of a lease agreement in the prior fiscal year, the net loss increased €167 million compared to the prior fiscal year.

The Group's cash and cash equivalents were €113 million, down €136 million compared to the prior fiscal year.

Cash used in operating activities totaled €68 million compared to €69 million generated in the prior fiscal year. This variance resulted from decreased operating performance during the year, partially offset by a change in the timing of payment of royalties and management fees.

Cash used in investing activities totaled €193 million, compared to €134 million in the prior fiscal year. The increase was due to continued investments in the guest experience including preparation for the upcoming celebration of Disneyland® Paris' 25th Anniversary as well as cash provided to its joint venture with Pierre et Vacances – Center Parcs group, Les Villages Nature de Val d'Europe S.A.S.

[1] The Group also includes Centre de Congrès Newport S.N.C., a consolidated special purpose financing company. For more information, see note 1.3. "Disneyland® Paris Financing" of the consolidated financial statements for the Fiscal Year.

[2] Non-amortizable assets, such as the assets corresponding to the real estate development activity, are not subject to this impairment.

Cash generated by financing activities totaled €125 million, compared to €265 million in the prior fiscal year. During Fiscal Year, the Group drew €130 million under the €350 million standby revolving credit facility granted by The Walt Disney Company ("TWDC"). The prior year included the net cash inflow from the recapitalization and debt reduction plan implemented during fiscal year 2015.

In November 2016, TWDC agreed to waive irrevocably and unconditionally two years of royalty and management fees to provide the Group liquidity above its remaining undrawn standby revolving credit facility.

***

In Fiscal Year, as required by French GAAP, the Company performed an impairment test of its investment in its main operating subsidiary, Euro Disney Associés S.C.A. ("EDA") and determined it was impaired given the fact that the result of EDA for Fiscal Year resulted in a net loss of €1,192 million. Accordingly, the Company recorded an impairment charge of €953 million in its statutory financial statements for Fiscal Year. Due to the impairment of the Company's investment in EDA, the net equity (*capitaux propres*) of the Company has become less than 50% of the share capital.

In addition, as a result of the impairments performed on the assets of EDA and EDL Hôtels S.C.A. ("EDLH"), under French GAAP, the net equity (*capitaux propres*) of EDA and EDLH have also became less than 50% of their respective share capital (negative net equity of EDA of €121 million and net equity of EDLH of €10 million)[1].

The aforementioned impairments have no impact on the Group's or the concerned entities cash position or cash flows.

***

The Supervisory Board emphasized the fact that the Group's results stem from an unprecedented and conjectural context. The Group, as leader on the European tourist destination market, was no exception amongst the tourism industry participants which all encountered strong difficulties in the Paris region, resulting in a significant decrease in attendance. The Group had to operate in an overall (i.e., geopolitical, economic and social) deteriorated environment, whose impact was difficult to foresee throughout the Fiscal Year, and to which were added poor weather conditions during the third quarter. These combined negative external events contained the growth of the Group's key markets and changed significantly consumer behaviors. While the Group quickly adapted to these circumstances to mitigate their impacts, the measures taken did not enable the Group to counterbalance the decline of its revenues.

In addition, the slowdown of the Group's Resort activities came at the time when significant investments were being made in the framework of a large parks and hotels renovation program – which incidentally were expected to weigh on the Group's short-term performance – and when additional costs were incurred (notably costs related to safety).

The combination of these elements, as well as the aforementioned impairment charge, had a direct impact on the Group's financial performance, driving a significant increase in the net loss for the Fiscal Year.

The Supervisory Board noted that the Group has decided to continue focusing on its long-term plan to improve the guest experience and guest satisfaction, as these are vital to drive long-term performance, to the extent the financial structure would allow it. The Supervisory Board underlines that in the framework of the continuation of these investments and on the basis of the forecasts presented to it, the Group will draw significantly on the line of credit granted by TWDC, which will expire in December 2023. The Supervisory Board also pointed out the enhanced efforts made to contain certain cost increase, while preserving the quality of service and entertainment and, in priority, the guest and employee safety, but considered that however such efforts are not up to the challenge that the Group has to face with.

Therefore, during the Fiscal Year, a number of times, the Supervisory Board expressed to the *Gérant* its concerns for maintaining as careful as possible an accurate management of the Group's level of liquidity, investments and costs, given both the persistence of a fragile and unstable environment and the constraints inherent in the Group's financial structure, with its high level of indebtedness, and this notwithstanding the existing standby revolving credit facility.

In this difficult context, the Supervisory Board notably ensured that, excluding any exceptional unforeseen negative event, the Group might be able to meet its upcoming maturities, and that, as the case may be, might be able to delay planned investments, except if it obtains any new financial means.

In performing its review of the Fiscal Year financial statements, the Supervisory Board also requested clarifications to the *Gérant* and the statutory auditors on the detailed terms of the impairment test on long-lived assets, the methodology of the valuation of the Company's investments in its main operating subsidiary, and the application of the IFRS 7 for the information on the fair value measurement of the Group's debt.

In line with its regular practice, and upon the Audit Committee's initiative, the Supervisory Board also asked to have independent experts perform a review of certain costs incurred for the renovation of parks and hotels and a review of transactions between TWDC's entities and the Group. The Supervisory Board noted the positive conclusions of these reviews.

[1] A vote of the shareholders of EDA and EDLH respectively will therefore be scheduled in accordance with Article L.225-248 and Article L.226-1 of the French Commercial Code.

A positive effect on the Group's revenues by driving increases in attendance and per guest spending in 2017 is expected from the 25th Anniversary celebration. However, the Supervisory Board maintains close attention to the evolution of the Group's risk factors that may affect its economic performance. The Supervisory Board will also closely monitor the concrete action plan to be implemented by the *Gérant* to improve the Group's financial situation and cash position and to strengthen cost management.

In conclusion, the Supervisory Board noted that the management team is strongly committed to addressing the Group's issues, with a strategy supported by the strength of the Disney brand, the quality of guest experiences and the employees' commitment.

***

During its meeting held on February 9, 2017, the Supervisory Board acknowledged the resignations of Ms. Virginie Calmels and Ms. Valérie Bernis and, after having noted the recommendations of the nominations committee, resolved on the ways and means to reorganize the Supervisory Board.

There is no replacement of Ms. Bernis whose term of office was to come to expire on the date of the next shareholders general meeting. Ms. Calmels being replaced by Mr. Axel Duroux as Chairman of the Supervisory Board, her term of office will not be renewed and the number of the members of the Supervisory Board is now comprised of 10 members of whose 7 are independent.

At the shareholders' ordinary general meeting, you are requested to approve the renewal of terms of office of Mr. Philippe Labro and Mr. Anthony Martin Robinson, which expire at the close of the general meeting, for a three (3) year term, *i.e.* until the close of the shareholders ordinary general meeting that will deliberate upon the financial statements of the fiscal year ended September 30, 2019. You are also requested to appoint Ms. Hélène Etzi to replace Mr. Karl L. Holz, who gave notice of his decision not to renew his term of office, which will come to an end on the date of the shareholders general meeting, for a three (3) year term, *i.e.* until the close of the shareholders ordinary general meeting that will deliberate upon the financial statements of the fiscal year ended September 30, 2019. Ms. Etzi is currently General Manager, Disney Channels EMEA & France within The Walt Disney Company EMEA & France[1].

In addition, you are requested to grant to the *Gérant* a new authorization to purchase and to sell the Company's shares on the stock market in accordance with the laws and regulations in force. As described in the special report of the *Gérant,* the previous authorization enabling the *Gérant* to conduct same transactions on securities under the Thirteenth Resolution of the annual general shareholders' meeting held on February 17, 2016 will expire on August 17, 2017.

In accordance with the provisions of Article 8.2.(f) of the Company's bylaws, you are requested to grant the authorization to the *Gérant*, in its capacity as representative of the Company acting as shareholder of EDA as well as Euro Disney Commandité S.A.S. legal representative acting as general partner of EDA to vote during the shareholders' meeting of EDA or to pronounce itself favorably, as the case may be, in favor of the approval of the related-party agreements authorized by the Supervisory Board of EDA.

***

At the shareholders' extraordinary general meeting, as provided by Article 10.2 of the bylaws and Articles L. 225-248 and L. 226-1 of the French Commercial Code (*Code de commerce*), you are requested to act that, due to losses shown in the annual financial statements of the Company, the equity (*capitaux propres*) of the Company has become less than 50% of the share capital and to decide whether the Company should be dissolved. If dissolution is not decided and instead the pursuit of the activities of the Company is decided, which is recommended to you, the Company will have by the latest at the end of the second fiscal year following that in which the losses were recorded to restore the situation, and this in accordance with the conditions set forth by the French laws and regulations in force.

Furthermore, in accordance with the Company's bylaws, you are requested to grant the authorization to the *Gérant*, in its capacity as representative of the Company, itself in its capacity as shareholder (*associé commanditaire*) of EDA, and the legal representative of the company Euro Disney Commandité S.A.S., itself in its capacity as general partner (*associé commandité*) of Euro Disney Associés S.C.A. ("EDA"), to vote at the general meeting of shareholders of EDA or to make a decision thereof upon consultation of the general partners of EDA, as the case may be, in compliance with the provisions of Article 10.2 of EDA's bylaws and Articles L. 225-248 and L. 226-1 of the French Commercial Code (*Code de commerce*) on a draft resolution in order to act that, due to losses shown in the annual financial statements of EDA, the equity (*capitaux propres*) of EDA is less than one-half of the share capital and to decide whether EDA should be dissolved. If dissolution is not decided and the pursuit of the activities of EDA is decided, EDA will have by the latest at the end of the second fiscal year following that in which the losses were recorded to restore the situation, and this in accordance with the conditions set forth by the French laws and regulations in force.

Chessy, February 9, 2017.

For the Supervisory Board
Axel Duroux
Chairman of the Supervisory Board

[1] Her biography will be made available in the general meeting resolution booklet.

B.11. Euro Disney S.C.A. Supervisory Board Special Report on Related-Party Agreements

Ladies and Gentlemen,

Your Supervisory Board, pursuant to Part II of the French Commercial Code (*"Code de commerce")* and Article 6.3.(b) of the bylaws of Euro Disney S.C.A. (the "Company"), is required to present to the shareholders' ordinary general meeting a special report on related-party agreements governed by Article L. 226-10 of the French Commercial Code ("*Code de commerce*").

After examining all the documents submitted to your Supervisory Board by the *Gérant*, pursuant to the applicable French laws and regulations, your Supervisory Board reviewed the agreements previously entered into by the Company and approved by you and which remained in full force and effect during the fiscal year ended September 30, 2016 (the "Fiscal Year"), for which no particular comment was made, and noted that no other transactions governed by Article L. 226-10 of the French Commercial Code ("*Code de Commerce*") has been entered into during the Fiscal Year.

Chessy, February 9, 2017.

For the Supervisory Board
Axel Duroux
Chairman of the Supervisory Board

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CORPORATE GOVERNANCE

C.1. The Company's Corporate Governance Bodies

The four primary participants in the Company's legal and governance structure are:

- the General Partner;
- the limited partners (shareholders);
- the *Gérant* ("Euro Disney S.A.S."); and
- the Supervisory Board.

To the Company's knowledge, members of the Supervisory Board and the representatives of the *Gérant* and General Partner have no family relationship.

C.1.1. The General Partner

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

The General Partner is EDL Participations S.A.S. EDL Participations S.A.S. cannot be removed as General Partner without its consent and cannot dispose of any part of its interest as General Partner without the prior approval of a simple majority vote of common stock shareholders represented at a general shareholders' meeting. A unanimous vote of the shareholders is required to approve a transfer of EDL Participations S.A.S.' entire interest.

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

The General Partner is entitled to a distribution each year equal to 0.5% of the Company's profits, if any. For Fiscal Year 2016, the General Partner did not receive any distribution.

As of September 30, 2016, the General Partner held 10 shares of the Company.

The General Partner is represented by Mr. Mark Stead, Chairman and CEO since January 13, 2012. Mr. Stead is the Group's Senior Vice President and Chief Financial Officer and a member of the Management Committee (for additional information, see section B.2. "Group and Parent Company Management Report", sub-section "Management of the Group in Fiscal Year 2016"). Moreover, he has been a corporate officer in three companies since January 13, 2012, i.e. Chief Executive Officer of EDL Participations S.A.S. and Chief Operating Officer of Val d'Europe Promotion S.A.S.[1] and Euro Disney Commandité S.A.S. In addition, he was Chief Operating Officer of Euro Disneyland Participations S.A.S. until July 25, 2013, date of dissolution of this entity. During the last five Fiscal Years, he did not hold any other corporate positions.

To the Company's knowledge, and in the previous five years, the General Partner and its legal representative have not been:

- convicted of any fraudulent offences;
- involved in any official public incrimination and/or sanction by statutory or regulatory authorities (including designated professional bodies);
- prevented by a court from acting as a member of an administrative, management or supervisory body or participating in the management of a public issuer.

To the Company's knowledge, no potential conflicts of interest exist between any duties of the General Partner or its legal representative, and their private interests and duties.

[1] Mr. Stead's role as Chief Operating Officer of Val d'Europe Promotion S.A.S. ended in October 2016.

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The business address of the General Partner and its representative is the Company's registered office (1 rue de la Galmy, 77700 Chessy, France).

C.1.2. The Shareholders

The shareholders are convened to the general meetings of shareholders held at least annually and deliberate in accordance with the prevailing legal and regulatory requirements.

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

- election of an individual to the Supervisory Board;
- approval of the Company's consolidated and statutory accounts including payment of any dividend proposed by the *Gérant*; and
- ratification of any agreement (other than agreements entered into in the ordinary course of business on normal commercial terms) or any amendment thereto entered into directly or through intermediaries: between the Company and the *Gérant*; or by any member of the Supervisory Board; or by any Company shareholder holding more than 10% 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 French Commercial Code; approval of any agreement 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 has ownership interests or holds an executive position; are excluded from the vote only the persons mentioned in Articles L. 225-38 and L. 225-40 of the French Commercial Code.

A resolution passed by a two-thirds majority of common stock shareholders is required to approve any amendment to the bylaws, including any increase or reduction of the Company's share capital, any merger or divestiture or any conversion to another form of corporate organization.

C.1.3. The *Gérant* (Euro Disney S.A.S.)

Under French law, the primary responsibility of the management company is to manage a company at all times in the company's best interests.

The *Gérant*, a French simplified corporation, was appointed for an indefinite period as the Company's sole management company at the extraordinary shareholders' meeting held on February 24, 1989. The *Gérant* is an indirect wholly-owned subsidiary of TWDC. Under the Company's bylaws, the *Gérant* has the power to pursue 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. As part of the 2005 Restructuring, Euro Disney S.A.S. was also appointed as the management company for EDA, which is the Company's principal subsidiary.

If the *Gérant* ceases to hold office for any reason, the General Partner, currently an indirect wholly-owned subsidiary of TWDC, has the exclusive right to appoint a successor in accordance with the Company's bylaws. The *Gérant* may resign from its duties with a six-month prior written notice to the Supervisory Board or otherwise the *Gérant* may be removed by the General Partner in the following circumstances:

- at any time for legal incapacity, whether due to bankruptcy proceedings or otherwise;
- at any time for any other reason by decision of the General Partner with a majority shareholders vote at an extraordinary general meeting; or
- by judicial action that legitimate grounds exist for such removal, as provided by applicable law, upon a final and binding court judgment, that may not be appealed, by competent jurisdiction.

The Président *of the* Gérant

The *Gérant* is represented by Ms. Catherine Powell, *Présidente* since July 11, 2016. The *Gérant* was previously represented by Mr. Tom Wolber until July 10, 2016.

Compensation and other benefits provided to Ms. Catherine Powell, Présidente *of the* Gérant *since July 11, 2016*

Ms. Powell is employed by The Walt Disney Company Ltd and she does not receive any specific compensation for her corporate position (*mandat social*) as *Présidente* of the *Gérant*. She does not benefit from any complementary defined benefit retirement program and is not entitled to any severance payment as a result of the beginning or termination of this corporate position and does not have any non-competition indemnity. As a member of the Management Committee (for further information on this committee, see section B.2. "Group and Parent Company Management Report", sub-section "Management of the Group in Fiscal Year 2016"), Ms. Powell is required to hold a minimum of 2,500 shares of the Company for the duration of her membership.

The compensation and other benefits provided to Ms. Powell since her appointment are detailed in the following tables[1].

	Fiscal Year	
(in €)	2016	2015
Compensation due for the Fiscal Year	238,719	n/a

n/a: not applicable

	Fiscal Year	
(in €)	2016	2015
Value of TWDC stock options granted during the Fiscal Year	-	n/a
Value of TWDC restricted stock units granted during the Fiscal Year	-	n/a
Total	-	n/a

n/a: not applicable

Each line of the tables above is detailed in the following tables.

The following table presents the summary of Ms. Powell's compensation:

	Fiscal Year			
	2016		2015	
(in €)	due	paid	due	paid
Fixed compensation	137,702	137,702	n/a	n/a
Variable compensation[(1)]	-	-	n/a	n/a
Extraordinary compensation	-	-	n/a	n/a
Director's fee	-	-	n/a	n/a
Fringe benefits[(2)]	101,017	101,017	n/a	n/a
Total	238,719	238,719	n/a	n/a

n/a: not applicable
(1) *Ms. Powell does not receive multiannual variable compensation.*
(2) *As Ms. Powell is employed by a British company, she does not receive fringe benefits in the scope defined by French labor regulations. However, the Group determined it appropriate to disclose in this line the costs related to Ms.Powell's relocation, accommodation and other expatriation costs as well as the use of a company car.*

1 *These tables were drawn up pursuant to the* Association française des entreprises privées ("AFEP") / Mouvement des entreprises de France ("MEDEF") *corporate governance code of listed corporations, as updated in November 2016.*

During Fiscal Year 2016, no Company or TWDC stock options have been granted to or exercised by Ms. Powell since her appointment. In addition, no Company or TWDC restricted stock units were granted to or vested for Ms. Powell since her appointment.

In addition, there were no outstanding Company stock options as of September 30, 2016.

The list of Ms. Powell's "*mandats sociaux*" and positions held in French and/or foreign companies is available in section B.2. "Group and Parent Company Management report", sub-section "Management of the Group in Fiscal Year 2016".

Compensation and other benefits provided to Mr. Wolber, Président *of the* Gérant *until July 10, 2016*

Mr. Wolber was employed by Disney International Employment Services, Inc and he did not receive any specific compensation for his corporate position (*mandat social*) as *Président* of the *Gérant*. He did not benefit from any complementary defined benefit retirement program and was not entitled to any severance payment as a result of the beginning or termination of this corporate position and did not have any non-competition indemnity. As a member of the Management Committee (for further information on this committee, see section B.2. "Group and Parent Company Management Report", sub-section "Management of the Group in Fiscal Year 2016"), Mr. Wolber was required to hold a minimum of 2,500 shares of the Company for the duration of his membership.

The compensation and other benefits provided to Mr. Wolber are detailed in the following tables[1].

	Fiscal Year	
(in €)	**2016**	**2015**
Compensation due for the Fiscal Year	**1,169,224**	1,077,014

	Fiscal Year	
(in €)	**2016**	**2015**
Value of TWDC stock options granted during the Fiscal Year	**295,179**	162,817
Value of TWDC restricted stock units granted during the Fiscal Year	**442,851**	244,233
Total	**738,030**	407,050

Each line of the tables above is detailed in the following tables.

The following table presents the summary of Mr. Wolber's compensation:

	Fiscal Year			
	2016		**2015**	
(in €)	**due**	**paid**	**due**	**paid**
Fixed compensation	**365,289**	**365,289**	383,742	383,742
Variable compensation – in euros[(1)]	**303,577**	**391,265**	391,265	-
Variable compensation – in USD (for information)	***320,000***	***430,000***	*430,000*	-
Extraordinary compensation	**-**	**-**	-	-
Director's fee	**-**	**-**	-	-
Fringe benefits[(2)]	**500,358**	**500,358**	302,007	302,007
Total	**1,169,224**	**1,256,912**	1,077,014	685,749

(1) *Variable compensation is composed of a discretionary annual bonus determined in US dollars under TWDC's company policy based on Mr. Wolber's individual performance in relation to the objectives of the Group and of TWDC's Parks & Resorts operating segment. Variable compensation paid during a given Fiscal Year relates to the previous Fiscal Year performance as this amount is finalized after the closing of the Fiscal Year. The euro amount due for Fiscal Year 2016 is an estimate based on the USD/EUR exchange rate as of December 31, 2016. Mr. Wolber does not receive multiannual variable compensation.*

(2) *As Mr. Wolber was employed by an American company, he did not receive fringe benefits in the scope defined by French labor regulations. However, the Group determined it appropriate to disclose in this line the costs related to Mr. Wolber's relocation, accommodation and other expatriation costs as well as the use of a company car.*

1 *These tables were drawn up pursuant to the* Association française des entreprises privées ("AFEP") / Mouvement des entreprises de France ("MEDEF") *corporate governance code of listed corporations, as updated in November 2016.*

The following table details information on TWDC stock options granted to Mr. Wolber during Fiscal Year 2016:

	TWDC stock options
Date of the plan	2011
Number of options	10,270
Option grant price (in USD)	$113.23
Vesting period	25% on December 17, 2016 25% on December 17, 2017 25% on December 17, 2018 25% on December 17, 2019
Expiration date	December 17, 2025
Value of the options (in €)(1)	295,179

(1) *Based on the USD/EUR exchange rate at the date of grant.*

No TWDC stock options have been exercised by Mr. Wolber during Fiscal Year 2016. No Company stock options have been granted to or exercised by Mr. Wolber during Fiscal Year 2016.

The following table details information on TWDC restricted stock units granted to Mr. Wolber during Fiscal Year 2016:

	TWDC shares - time vesting
Date of the plan	2011
Number of shares	4,240
Grant date	December 17, 2015
Vesting period	25% on December 17, 2016 25% on December 17, 2017 25% on December 17, 2018 25% on December 17, 2019
Value of the shares *(in €)*(1)	442,851

(1) *Based on the USD/EUR exchange rate at the date of grant.*

The following table details information on TWDC restricted stock units that have vested for Mr. Wolber during Fiscal Year 2016:

	TWDC shares - time vesting
Date of the plan	2011
Number of shares	3,161

No Company restricted stock units were granted to or vested for Mr. Wolber during Fiscal Year 2016.

The following table details information on TWDC stock options granted to Mr. Wolber since his appointment as *Président* of the *Gérant*:

Information on TWDC stock options granted to Mr. Wolber	Fiscal Year 2016	Fiscal Year 2015
Date of the plan	2011	2011
Total number of options	10,270	8,847
Grant date	Dec. 17, 2015	Dec. 18, 2014
Expiration date	Dec. 17, 2025	Dec. 18, 2024
Option grant price (in USD)	$113.23	$92.24
Vesting period	25% on Dec. 17, 2016 25% on Dec. 17, 2017 25% on Dec. 17, 2018 25% on Dec. 17, 2019	25% on Dec. 18, 2015 25% on Dec. 18, 2016 25% on Dec. 18, 2017 25% on Dec. 18, 2018
As of September 30, 2016:		
Number of options exercised	-	-
Cumulative number of options cancelled or lapsed	-	-
Remaining outstanding options	10,270	8,847

The following table details information on TWDC restricted stock units granted to Mr. Wolber since his appointment as *Président* of the *Gérant*:

Information on TWDC Stock Units granted to Mr. Wolber	Fiscal Year 2016	Fiscal Year 2015
Vesting type	Time Vesting	Time Vesting
Date of plan	2011	2011
Total number of shares granted	4,240	3,253
Grant date	Dec. 17, 2015	Dec. 18, 2014
Vesting period	25% on Dec. 17, 2016 25% on Dec. 17, 2017 25% on Dec. 17, 2018 25% on Dec. 17, 2019	25% on Dec. 18, 2015 25% on Dec. 18, 2016 25% on Dec. 18, 2017 25% on Dec. 18, 2018
As of September 30, 2016:		
Number of shares that vested	-	817
Cumulative number of shares cancelled or lapsed	-	-
Remaining outstanding shares [(1)]	4,271	2,496

(1) *For Fiscal Years 2016 and 2015, the number of vested plus outstanding shares is higher than the number of shares granted. This increase reflects the impacts of dividend paid in shares after the grant date.*

The list of Mr. Wolber's "mandats sociaux" and positions held in French and/or foreign companies is available in section B.2. "Group and Parent Company Management report", sub-section "Management of the Group in Fiscal Year 2016".

The Management Committee

The Group has a Management Committee which is composed of the *Président(e)*'s direct reports, as well as three specialized committees. The Management Committee composition, the aggregate compensation paid to its members, the number of shares they own and the value of stock options or restricted stock units that have been granted to them by the Company or TWDC, as well as the areas of responsibilities of the specialized committees are presented in section B.2. "Group and Parent Company Management report", sub-section "Management of the Group in Fiscal Year 2016". The *Gérant,* its *Président(e)* and the Management Committee do not receive any additional pension plans, retirement plans or other advantages, other than those provided to all employees and disclosed above and in section B.2. "Group and Parent Company Management report", sub-section "Management of the Group in Fiscal Year 2016".

C.1.4. The Supervisory Board

The description and role of the Supervisory Board and its special-purpose committees are presented in the Report of the Chairman of the Supervisory Board on the Organization and Role of the Supervisory Board and on the Company's Internal Control Organization and Procedures (see section C.2. hereunder).

The Supervisory Board's composition, compensation paid to its members and amount of shares they own are presented in section B.2. "Group and Parent Company Management report", sub-section "Management of the Group in Fiscal Year 2016". The members of the Supervisory Board do not receive any pension plans, retirement plans or other advantages, other than those disclosed in section B.2. "Group and Parent Company Management report", sub-section "Management of the Group in Fiscal Year 2016".

C.2. Report of the Chairman of the Supervisory Board on the Organization and Role of the Supervisory Board and on the Company's Internal Control Organization and Procedures

Ladies and gentlemen,

Pursuant to Article L. 226-10-1 of the French Commercial Code ("*Code de Commerce*") and the *Autorité des marchés financiers* ("AMF") recommendations, and in my capacity as Chairman of the Euro Disney S.C.A. (the "Company") Supervisory Board (the "Board"), I am pleased to present this report, as approved by the Board its meetings held on November 9, 2016 and February 9, 2017, for fiscal year 2016 (the "Fiscal Year"). Included in this report are descriptions of the (i) Board's organization and operations, (ii) internal control and risk management's procedures set up by the "Company", its owned and controlled subsidiaries[1] (collectively, the "Group") (iii) corporate governance procedures, and (iv) terms and conditions related to shareholders' attendance at the Company's shareholders' general meeting.

1) Organization of the Board

The organization, the role, the obligations as well as the Board's duties are governed by Articles L. 226-4 and seq. of the French Commercial Code ("*Code de Commerce*") and Article 6 of the Company's bylaws[2].

Board Organization

The members of the Company's Board are elected by the annual shareholders' general meeting. The Company's general partner is not allowed to vote in this election. In the event of a vacancy resulting from the death, legal incapacity or resignation of any member of the Board, the Board, with the prior approval of the management company, Euro Disney S.A.S. (the "*Gérant*") may temporarily fill the vacancy with a new member who shall serve for the remainder of the term of the former member. Any temporary appointment so made by the Board must be ratified at the next shareholders' ordinary general meeting.

The Board must comprise a minimum of three members.

As set by the bylaws, the Board members are elected for a term of three years and can be re-elected.

For the Fiscal Year, the Board consisted of twelve members[3]. In conformity with the applicable law and regulations, detailed information on the members of the Board (such as their age, the list of their positions and directorships held, the number of shares held and their compensation) is available in the Group and parent company management report for the Fiscal Year (the "Management Report"). The composition of the Board has evolved after the Fiscal Year (see sub-section "Nomination Committee" below).

The Board determines the rules constituting a member's independence, based on the recommendations in force (as described in the sub-section "Independence of the Board members").

The Board pays attention to the diversity of its members, in terms of gender parity, nationality and experience (see sub-section "Background, Diversity and Gender Parity" below).

A nomination committee assists the Board in searching for and selecting new Board members (see sub-section "Nomination Committee" below).

Board Role and Obligations

The role of the Board is to monitor the general affairs and the management of the Company, in the best interest of both the Company and the shareholders, as well as to monitor the transparency and quality of the information communicated to shareholders. For this purpose, the Board is entitled to receive the same information and has the same rights of access to internal information and documents as do the statutory auditors of the Company. The Board must present at the annual shareholders' general meeting a report on the financial statements, indicating any irregularities or inaccuracies, if any, in these financial statements.

1 The Group also includes Centre de Congrès Newport S.N.C., a consolidated special purpose financing company. For more information, see note 1.3. "Financing of Disneyland® Paris" of the consolidated financial statements for the Fiscal Year.
2 Available on the corporate website of the Company (http://corporate.disneylandparis.com).
3 In accordance with the French Law n°2013-504 dated June 14, 2013, it is the Supervisory Board of Euro Disney Associés S.C.A., the operating company of Disneyland® Paris which comprises a member who is an employee representative. This member was named by the Workers' Council for a period equivalent to that of the mandate of the Workers' Council, pursuant to the company's bylaws.

The Board must approve all agreements between the *Gérant* and the Company, as well as all related party contracts within the meaning of Article L. 226-10 of the French Commercial Code ("*Code de Commerce*") and any amendments thereto (which from now on are subject to an annual review by the Board), and must report on such agreements, contracts and amendments at the next shareholders' general meeting. In addition, the Company's bylaws also provide for Board approval covering material agreements or amendments thereto on behalf of the Company with The Walt Disney Company ("TWDC") or any subsidiary thereof. The bylaws of the Company also provide that the management and employees of the *Gérant,* or of any affiliated companies of the *Gérant,* who are also members of the Board cannot vote on such agreements or any amendments thereto.

The Board may call a shareholders' ordinary or extraordinary general meeting at any time after providing written notice to the *Gérant* and complying with all notice formalities prescribed by law.

Finally, the Board must prepare a report on any capital increase and any capital reduction proposed by the *Gérant* to the shareholders' general meetings.

Board Meetings

The Board may be convened as frequently as necessary for any purpose related to the Company's interests, either by the Chairman of the Board, the *Gérant,* the Company's general partner or one-half of the Board members.

A valid action by the Board requires the vote of a majority of its members present who are entitled to vote, or by the vote of two members if only two members are present, provided that at least half of the members are present. In the event of a tie, the Chairman of the Board has the deciding vote.

The Board met four times during the Fiscal Year, with an attendance rate of 91.2% compared to seven times during the prior fiscal year with an attendance rate of 81.4% given notably the Group's recapitalization plan.

At the meetings held during the Fiscal Year, the Board received various presentations from management on the Group's business activities, the implementation of its investments program in the quality of the guest experience, the financial results, the follow-up of the liquidity level and the cost evolution, the security, the follow-up of the procedures lodged by a shareholder of the Company[1], as well as the review of the work carried out by the audit committee.

Special-Purpose Committees

During its meetings of November 12, 1997, and November 8, 2002, respectively, the Board decided to implement special-purpose committees and has created the audit committee and the nomination committee, referred to as the "Committees"[2].

Each Committee is governed by internal regulations (see sub-section "Internal Regulations of the Special-Purpose Committees" below).

Detailed information on the Committee members is available in the Management Report.

Audit Committee

The audit committee acts under the exclusive and collective supervision of the members of the supervisory board and in accordance with the missions defined by the laws and regulations in force[3], its internal regulations and, more generally, the applicable related corporate governance recommendations (see sub-section "Internal Regulations of the Special-Purpose Committees" below).

1 The fund Charity Investments Merger Arbitrage ("CIMA"), which is a Company's shareholder, filed an appeal against the clearance decision of the AMF on the mandatory tender offer (the "Offer"), which was rejected by the Court of Appeal of Paris (*Cour d'appel de Paris*) in its decision dated September 8, 2015. CIMA appealed against this decision of the Court of Appeal of Paris before the French Supreme Court (*Cour de cassation*), it being specified that this appeal has no effect on the Offer which was closed on September 24, 2015. In addition, CIMA lodged a complaint (*plainte contre X*) before the French financial prosecutor (*parquet national financier*) on the basis of allegations which are similar to those developed by CIMA before the Court of Appeal of Paris (*Cour d'appel de Paris*). CIMA also filed a new complaint with "civil party petition" (*constitution de partie civile*) to name one investigating judge. This second complaint is based on the similar allegations previously developed by CIMA before the Court of Appeal of Paris. Finally CIMA summoned several subsidiaries of TWDC (including those being shareholders of the Company) before the Commercial Court of Meaux (*Tribunal de commerce de Meaux*) on the basis of arguments reiterating part of the allegations developed by CIMA within the framework of its previous legal procedures. A stay of proceedings has been rendered by the Commercial Court of Meaux in November 2016.

2 Concerning the compensation committee, see sub-section "Corporate governance procedures".

3 Articles L. 823-19 and seq. of the French Commercial Code.

For the Fiscal Year, the audit committee was composed of three Board members. On November 9, 2016, Ms. Catherine Pariset was named member of the audit committee, by virtue of her competence in accounting and financial areas, given her background and professional experience. On February 9, 2017, the Board acted the resignation of Ms. Valérie Bernis from her membership within the audit committee.

Audit committee meetings are attended by these committee members, representatives from the Company's financial, legal and internal audit functions, as well as the statutory auditors. Any other person belonging to the Company also could be invited and attend to the audit committee meetings regarding his/her expertise.

If the audit committee comprises three members or more, the proportion of independent members shall equal at least two-thirds. Currently, the Chairman of the audit committee and the other members of the audit committee are considered as independent (see sub-section "Independence of the Board members").

Audit committee members are required to collectively have a thorough expertise of or an experience in financial, accounting or tax matters, which is relevant in comparison with the Group's activities. The Board appointed Mr. Philippe Geslin, currently Chairman of the audit committee, as its financial expert[1].

The audit committee assists the Board mainly in the review of:

- financial information prior to public disclosure;
- significant accounting principles, methods or issues and related disclosures;
- internal control procedures and internal and external audit functions;
- financial and liquidity risk; and
- in assisting the Board in preparing its reports to the shareholders' general meetings.

The audit committee also assists the Board in reviewing the Company's compliance with:

- the rules on the independence and objectivity of statutory auditors. It reviews proposals for their appointment or renewal and their fees. The audit committee also reviews their audit plans, conclusions, recommendations and any follow-ups thereon, and
- applicable stock exchange regulations.

For the conduct of its mission and within the limit of its role, the audit committee may request and collect any appropriate or useful information from the Chief Financial Officer, the Chief Accounting Officer, the General Counsel or the Director of Management Audit.

The audit committee meetings give rise to minutes and the Chairman of the audit committee reports to the Board on the audit committee activities through a summary of its deliberations at the next meeting of the Board.

The audit committee met six times during the Fiscal Year, with an attendance rate of 83.3% compared to eight times during the prior fiscal year with an attendance rate of 87.45%.

The audit committee meetings held during the Fiscal Year were mainly devoted to the review of the financial situation of the Group for the Fiscal Year, the follow-up of the cash and cash equivalents level and the three-year plan as well as the review of the enterprise risk assessment and the internal audit plan, as well as the follow-up of the litigation portfolio, the security and the investment plan in information technology. The audit committee asked that independent experts perform a review of costs incurred for the renovation of parks and hotels and a review of transactions between TWDC's entities and the Group. The audit committee was satisfied with the conclusions of these reviews.

Nomination Committee

The nomination committee is composed of two members chosen within the Board. Its role is to assist the Board in searching for and selecting new Board members.

On November 9, 2016, the Board acted the resignation of Mr. Philippe Labro from his membership within the nomination committee and appointed Mr. Axel Duroux in replacement.

[1] For further information on the background of Mr. Geslin and the list of his current positions and functions, see the information booklet dated February 21, 2007, available on the corporate website of the Company (http://corporate.disneylandparis.com) and the aforementioned Management Report, respectively.

During its meeting held on February 9, 2017, the Board acknowledged the resignations of Ms. Virginie Calmels and Ms. Valérie Bernis and, after having noted the recommendations of the nomination committee, resolved on the ways and means to reorganize the Board.

There is no replacement of Ms Bernis whose term of office was to come to expire on the date of the next shareholders general meeting. Ms. Calmels being replaced by Mr. Axel Duroux as Chairman of the Board, her term of office will not be renewed and the number of the members of the Board is now comprised of 10 members of whose 7 are independent.

The renewal of terms of office of Mr. Philippe Labro and Mr. Anthony Martin Robinson, which expire at the close of the shareholders ordinary general meeting, is proposed to the vote of the next shareholders general meeting, for a three (3) year term, *i.e.* until the close of the shareholders ordinary general meeting that will deliberate upon the financial statements of the fiscal year ended September 30, 2019. The appointment of Ms. Hélène Etzi is also proposed to replace Mr. Karl L. Holz, who gave notice of his decision not to renew his term of office, which will come to an end on the date of the shareholders general meeting, for a three (3) year term, *i.e.* until the close of the shareholders ordinary general meeting that will deliberate upon the financial statements of the fiscal year ended September 30, 2019. Ms. Etzi is currently General Manager, Disney Channels EMEA & France within The Walt Disney Company EMEA & France[1].

2) Company's Internal Control Organization and Relevant Procedures

The Company's internal control organization and procedures as well as the results of any findings are presented to the audit committee.

The Group adheres to the Committee of Sponsoring Organizations of the Treadway Commission ("COSO")'s definition of internal control. The COSO, a U.S. private sector organization formed in 1985, has issued guidance on internal controls, which was first published in France in 1992. The COSO's framework is consistent with the AMF's reference framework.

This framework serves as the reference for the Group's internal control processes (the "Processes"). It aims at providing reasonable assurance that the following objectives are achieved: optimal functioning of internal controls, reliability of the financial information, compliance with current laws and regulations and safeguarding of the Group's assets.

In achieving the above objectives, the Processes have been designed to reduce and manage the risks inherent to the Group's business to acceptable levels and to prevent errors or fraud, including the areas concerned with the safeguarding of assets and in the financial and accounting functions. However, as with any control system, there are limitations and as such the Group's internal control system cannot provide a 100% guarantee that these risks will be eliminated.

The risk factors applicable to the Group are presented in the Management Report.

Risk Assessment and Risk Control Policy

The Group has risk identification process in place covering both financial and non-financial risks that may impact the Group. This process is based on a mapping of risks to their corresponding controls. In this process, risks are evaluated according to their potential financial impact on the Group and their likelihood of occurring. This risk assessment forms the basis of the internal audit annual assignment program.

Strategic risks are more specifically addressed by the Group's strategic planning department. Environmental and safety risks are evaluated in further detail by the Group's safety department. Risks related to financial statements processing and production are more specifically addressed by the internal audit and by the team in charge of compliance with the Sarbanes Oxley Act of 2002 ("SOX", see sub-section "French Financial Security Law and SOX compliance" below).

The Group has implemented a business continuity plan. A business continuity plan is a set of policies and procedures that the Group could implement to address certain risks that it faces, including global health risks, industrial or environmental risks, and to maintain its operations in the context of a significant disruption.

[1] Her biography will be made available in the general meeting resolution booklet.

Group Organization and Internal Control Management

Group Organization

The Group's activities and management are located in Marne-la-Vallée, France. The Group is divided into two operating segments (Resort and Real Estate development) and its management reflects this division. The operating segments of the Group are further divided into reporting units, each with a dedicated executive. Furthermore, general administrative divisions, including finance, legal, human resources and information technology in addition to marketing and sales each have their own dedicated executive.

Management defines and guides the Group's strategy. It sets priorities through objectives by operating segment and division. The Group devotes significant resources to the monitoring of compliance with the Processes.

Internal Control Management

The departments or functions with primary responsibility for internal control management are the following: the internal audit; the finance support operations department, the business planning department; and the corporate controllership department.

- The Group's internal audit department undertakes specific financial and non-financial audit assignments to ensure that the Processes are operating effectively and efficiently and, amongst other objectives, in order to detect potential fraud. Ernst & Young assists the Group in performing specific internal audit assignments when the internal audit function does not have the required technical expertise. The Group's audit committee reviews and approves the internal audit annual assignment program and is informed of the conclusions and recommendations issued as part of these audit assignments (see sub-section "Audit Committee" above).

- The finance support operations department is responsible for monitoring the daily compliance with the Group's operational procedures to control transactions at all points of sale and the safeguarding of cash and inventory at the Resort. In addition, it is in charge of the safeguarding and control of theme parks ticket stock, coupons and vouchers used by guests.

- The business planning department is responsible for, amongst other things, the establishment of the annual budget and monthly forecasts and coordination of the long term plan together with the strategic planning department. Objectives are set annually by management as part of the budgetary process. Business planning is responsible for compiling the budget by profit and cost center, monitoring variances between actual figures and budgets on a monthly basis and issuing a revised forecast based upon this analysis. The department also reviews contracts and investment decisions, and prepares analyses to support certain periodic adjustments to the accounts for accruals and other items.

- The corporate controllership department is responsible for centralizing the Group's documentation and annual evaluation of financial and accounting internal controls. It also serves as the Group's technical support for IFRS[1] interpretations and reviews contracts to ascertain their accounting and disclosure implications. This activity also enables the Group to ensure that it complies with the provisions of the SOX compliance program (see sub-section "French Financial Security Law and SOX compliance" below).

Internal Control Procedures

A certain number of procedures have been implemented to achieve the Group's internal control objectives.

Code of Business Conduct

The *Présidente* of the *Gérant* and the Chief Financial Officer are subject to the standards of business conduct set up by TWDC. These standards include guidelines on both ethical and legal business conduct. A copy of this document can be found on TWDC website at http://corporate.disney.go.com/.

[1] The term "IFRS" refers collectively to International Accounting Standards ("IAS"), International Financial Reporting Standards ("IFRS"), Standing Interpretations Committee ("SIC") interpretations and International Financial Reporting Interpretations Committee ("IFRIC") interpretations issued by the International Accounting Standards Board ("IASB").

The Group formalized a Code of Business Conduct (the "Code"), which was made available to all employees on October 1, 2007[1]. This Code draws its inspiration from the Group's fundamental values of integrity, honesty, trust, respect, fair play and teamwork. This Code is intended to serve as a reference for the business practices of each employee of the Group and consists of a list of ethical standards as well as a reminder of the applicable legal standards in France. It lists a certain number of fundamental principles concerning the Group's relations with its guests, with its employees, with its shareholders, with its partners, suppliers or sub-contractors and with the community at large. This Code was prepared under the recommendations of the French CNIL and in conjunction with the usual consultation process of the employees' representatives.

French Financial Security Law and SOX compliance

In compliance with the French Financial Security Law ("*Loi de Sécurité Financière*", the "LSF") and SOX, the Group implemented certain processes. The processes are designed to reinforce the quality of the financial statement preparation process. In addition, the processes are reviewed and tested by the Group each year to ensure that they are operating effectively and as designed. Deloitte assists the Group in documenting and testing these processes. The Group, as a consolidated subsidiary of TWDC, must comply with the provisions of SOX compliance program.

Internal Control Procedures Concerning Accounting and Financial Information Processing and Production

Organization of the Finance Function

The Group prepares its consolidated financial statements under IFRS, as endorsed by the European Union. The Group also prepares its consolidated financial reporting under generally accepted accounting principles in the United States for the purpose of consolidation specific to TWDC. Finally, the statutory accounts of each entity are prepared under French generally accepted accounted principles.

The corporate controllership department, within the Group's finance division, in addition to internal audit and finance support functions described above, includes separate departments dedicated to the preparation and review of external financial press releases, internal and external financial reporting, corporate accounting and transactional accounting. This department, together with the legal department, ensures that changes in laws and rules applicable to financial reporting are evaluated and implemented as required.

The Group's financial and operational reporting systems allow management to monitor the activities on a daily, weekly, monthly, quarterly and annual basis in comparison to the budget and prior year amounts. For certain types of operational information, management has access to real time data.

Financial Disclosure Internal Control Procedures

The Company is required to disclose financial information to its shareholders and, more generally, to the financial markets and the public. Management is responsible for the publication of fair and reliable financial and accounting information. The corporate controllership department implements control procedures to comply with these obligations.

All financial communications are drafted by the corporate controllership department of the finance division after reviewing the applicable rules or regulations related to specific document filings or disclosure. Financial communication documents, including press releases, management reports and financial statements are reviewed by a cross-section of management including the *Présidente*, Chief Financial Officer, Chief Accounting Officer, General Counsel and the Investor Relations and Corporate Communications departments and also by the audit committee (see "Audit Committee" above).

Compliance of the Processes Impacting the Reliability of Financial Information

For a discussion of LSF and SOX compliance, refer to the sub-section "French Financial Security Law and SOX compliance" above.

[1] This code was updated during fiscal year 2012 further to the French Deliberation n°2010-369 dated October 14, 2010, *Commission Nationale de l'Informatique et des Libertés'* ("CNIL") and the French Law n°2013-316 and its decree dated March 11, 2014, and the CNIL Deliberation n°2014-042 of January 30, 2014, respectively.

3) Corporate Governance Information

Legal Structure of the Company

The Company is a French limited partnership ("*société en commandite par actions*"). This legal structure provides for a clear distribution and distinction of responsibilities between the *Gérant* and the Board. The *Gérant* is responsible for managing and directing the Company. The Board is responsible for monitoring general affairs of the Company in its best interests and in those of its shareholders; as well as reviewing transparency and quality of the information communicated to the shareholders (refer to the sub-section "Board Role and Obligations" above).

The other two major elements of the Company's legal structure are the general partner and the limited partners (or shareholders).

An extensive description of these different components is available in section C.1. "The Company's Corporate Governance Bodies" of the 2015 reference document (the "Reference Document")[1].

Change in control of the Company

Any change in control of the Company would require a change in the composition of both above-mentioned categories of partner. As the Company is listed on the stock exchange, it would be possible for a third party to take control of the capital and associated voting rights through a public takeover bid. However, it would not be possible for this third-party to take control of the general partner of the Company and consequently, this third-party could not single-handedly modify the Company's bylaws. In addition, it would not be possible for this third-party to appoint a new *gérant* as the *gérant* must be appointed with the consent of the general partner.

Further details of those elements that are important to consider in the case of a public takeover bid are presented in the Management Report and in sections C.1. "The Company's Corporate Governance Bodies" and D.1.4. "Markets for the Securities of the Company" of the Reference Document.

Corporate Governance Procedures

Certain corporate governance procedures are included in the French Commercial Code ("*Code de commerce*"), available on Internet: www.legifrance.gouv.fr, or in the AMF's General Regulations (available on Internet: www.amf-france.org). The Company is compliant with these procedures.

The Company also adheres to certain recommendations such as the AMF report on corporate governance and executive compensation and the AMF report on audit committees (available on Internet: www.amf-france.org); the AFEP/MEDEF corporate governance code of listed corporations (available on Internet: www.medef.com); the European Commission recommendation dated February 15, 2005, related to the role of non-executive directors and supervisory board members (available on Internet: http://europa.eu); and more generally stock market best practice, where applicable.

These recommendations have been issued for French corporations ("*sociétés anonymes*"). Since the Company is a limited partnership ("*société en commandite par actions*"), with a management company as *gérant,* it applies these recommendations to the extent that they can be applied or be adapted in a relevant and practical manner. The exceptions to these recommendations are mentioned hereinafter the sub-sections "Statutory Management Compensation" and "Independence of the Board Members".

Statutory Management Compensation

In compliance with applicable laws and regulations, detailed information of the *Gérant* and Board members' compensation is available in the Management Report.

The Company's *Gérant* is Euro Disney S.A.S., a French simplified corporation and is an indirect wholly-owned subsidiary of TWDC. The compensation of the Company's *Gérant* is defined under Article IV of the Company's bylaws. In compliance with applicable laws and regulations, any compensation of the *Gérant* other than the above mentioned, must be approved by the shareholders' general meeting and the general partner of the Company before being granted to the *Gérant*.

1 The Group's 2015 reference document that was registered with the AMF on January 21, 2016, under the number D.16-0038 and that is available on the Company's website (http://corporate.disneylandparis.com) and the AMF website (www.amf-france.org).

The Company's *Gérant* "say on pay" consultative resolution is an example of the recommendations that, as of today, have not been adapted given the legal structure of the Company, as described above. The Company's *Gérant* receives an annual fixed fee of € 25,000 and the *Présidente* of the *Gérant* receives no compensation from the Company.

Having said that, in a transparency approach, the Company discloses the compensation and benefits allocated to the *Présidente* of the *Gérant*, according to the standardized tables resulting from the AFEP/MEDEF corporate governance code of listed corporations. Such information will be available in section C.1.3. "The *Gérant* (Euro Disney S.A.S.)" of the 2016 reference document[1]. The Company also discloses in the Reference Document the compensation paid by the operating company of Disneyland® Paris, Euro Disney Associés S.C.A., to Euro Disney S.A.S.

The Company will review the scope of application of the mandatory "say on pay" resolution mechanism to the French limited partnerships, as recently enacted by the French law n°2016-1691 dated December 9, 2016 (Sapin II) and entering into force for fiscal years 2017 and 2018.

The Board members compensation is composed of an aggregate fee approved by the shareholders at the general meeting, in accordance with applicable laws and regulations and the Company's bylaws.

The Board allocates this aggregate fee to its members by way of a variable fee ("*jeton de présence*") based on attendance at four meetings per Fiscal Year. A double *jeton de présence* is allocated to the Chairman of the Board and no *jeton de présence* is allocated to the Board members representing TWDC.

The Company does not grant any stock-options to its Board members.

An additional *jeton de présence* is payable to the audit committee members in proportion to their attendance to the audit committee meetings within a limit of three meetings per Fiscal Year. No *jeton de présence* will be allocated to an audit committee member if he/she is a representative of TWDC. A higher *jeton de présence* is allocated to the Chairman of the audit committee.

The members of the nomination committee do not receive any specific *jeton de présence* for their performance.

Detailed information on the compensation paid to each of the Board members is available in the Management Report.

The implementation of a compensation committee is an example of the recommendations that, as of today, have not been adapted given the legal structure of the Company, as described above. In fact, the Company informed the Board during its meeting held on February 18, 2010, of a draft French bill pursuant to which the creation of a compensation committee would become mandatory for all French listed corporations ("*sociétés anonymes*"). The Board is still waiting for any legislative evolution and intends to review this issue when appropriate (for further information on the compensation of the *Gérant* and the Board members, see the Management Report).

Internal Regulations of the Board

In accordance with the corporate governance principles for listed companies, the Board adopted a Board members charter (the "Charter") during its September 23, 1996 meeting. This Charter dictates the fundamental duties of Board members, and notably the requirement for each Board member to own a minimum number of shares.

During its November 7, 2007 meeting, the Board modified its Charter in order to adjust the minimum number of shares each member must individually own from 1,000 old shares to 250 new shares. This change was made within the context of the Company's reverse stock split that occurred on December 3, 2007.

During its November 6, 2013 meeting, the Board decided to proceed with an update of its Charter in order to take into consideration all the deliberations of the Board adopted in accordance with the corporate governance principles over the last years. During its November 4, 2014 meeting, the Board adopted the revised version of its Charter, from now on called "internal regulations", which formalizes in a single document the role, composition and liability of the Board, the obligations and duties of the Board, as well as the procedure of the Board and the implementation of the special-purpose committees within the Board. The main provisions of these internal regulations are described within this report.

[1] The *Présidente* of the *Gérant* does not receive any specific compensation for her corporate position as *Présidente* of the *Gérant*. She is employed by a subsidiary of TWDC.

During its May 28, 2015 meeting, the Board decided to increase to 2,500 shares in pure registered form the minimum number of shares to be held by the Board members, given the fact that in the framework of the recapitalization plan, they exercised the preferential subscription rights attached to their Company' shares held in pure registered form in accordance with the internal regulations, and therefore approved the update of the said regulations.

During its November 9, 2016 meeting, the Board acted the update of its internal regulations in connection with the entry into force of the European regulation on Market Abuse and the correlative modification of Article 223-23 of the General Regulations of the AMF. Each Board member is required to notify directly to the AMF and within three business days (instead of five trading days previously) following the completion of the transaction, transactions related to the Company's securities as well as, if the case may be, transactions on financial instruments linked to them, conducted by herself/himself, or by any person related to her/him and exceeding € 20,000 per calendar year (instead of € 5,000 previously).

Internal Regulations of the Special-Purpose Committees

During its November 7, 2007 meeting, the Board adopted internal regulations for each of its Committees in order to formalize and update their role, organization and operations.

These internal regulations are part of a transparency approach in conformity with listed companies' corporate governance principles as well as the French Management Institute ("*Institut français des administrateurs*") recommendations (available on Internet: www.ifa-asso.com).

These internal regulations also lay out rules for the Committees members' independence and compensation as well as the audit committee members' qualifications (see sub-section "Audit Committee" above).

Background, Diversity and Gender Parity

The Board members have, collectively a thorough expertise of or an experience in the tourism and leisure industry, in financial or accounting areas, communication, media and large-scale distribution which are relevant to the Group's activities.

In terms of balanced representation of female and male on boards of directors and supervisory boards, the Company complies with the provisions of the French Law pursuant to which the proportion of women cannot be less than 40% of women as the close of the first ordinary general meeting following January 1, 2017. The appointment of Ms. Hélène Etzi is submitted for the shareholders' vote at the general meeting that will deliberate upon the financial statements of the Fiscal Year, in replacement of Mr. Holz who has expressed his wish to not be renewed and whose the term of office will expire at the close of this general meeting.

Pursuant to French law, during its meeting of November 9, 2016, the Board deliberated on the Group's policy regarding professional and wage equality, and welcomed the company's commitment on this area, underlying that it is a true culture within the company.

For the Fiscal Year, the Board members came from various nationalities: seven French citizens, three American citizens, one British citizen and one French and Swiss citizen.

Ms. Hélène Etzi whose appointment will be submitted for the shareholders' vote at the general meeting that will deliberate upon the financial statements of the Fiscal Year is a French citizen.

For the Fiscal Year, the average age of the Board members was 62.4.

Detailed information on each Board member (age, nationality, positions or functions held) is available in the Management Report.

Training Program

The Company provides each new member of the Board with a training and integration program on the organization, the particularities and the activities of the company.

Independence of the Board Members

During its meeting held on February 11, 2009, the Board approved an annual review of the independence of the Chairman of the Board and all the other members of the Board.

Annually, each Board member is required to update the list of his/her corporate functions and positions held and to send this list to the Secretary of the Board. This is required to occur prior mid-October. The independence of the Board members is reviewed at the Board meeting for the fiscal year-end.

The criteria of independence are those that stem from the principles of corporate governance, except for the one regarding the limitation of a term of office to a maximum of 12 years.

The Board reviewed the independence of its members during its meeting held on November 9, 2016. As indicated in the Management Report, amongst the twelve members of the Board for the Fiscal Year, Ms. Bernis, Ms.Calmels (the Chairman of the Board) and Ms. Pariset as well as Messrs. Bouché, Corbière, Labro, Geslin, Duroux and Robinson were considered as independent. Mr. Holz, Ms. McCarthy and Ms. Wilber as senior executive officers of TWDC are not considered as independent: neither can they be counted in the quorum nor they take part in the vote during the Board meetings which deliberate on the approval of any related-party agreement in accordance with the French law or any important agreement entered into between the Company and the *Gérant* or any other company affiliated to the *Gérant* in accordance with the provisions of the Company's bylaws. Ms. Etzi whose appointment will be submitted for the shareholders' vote at the general meeting that will deliberate upon the financial statements of the Fiscal Year is not considered as independent given her position within TWDC group.

No agreement was signed during the Fiscal Year between a Board member and the Company, or has remained in effect during the Fiscal Year.

Except as mentioned above, to the Board's knowledge, no potential conflicts of interest exist between any duties of the Board to the Group and their private interests and/or duties. In accordance with the internal regulations, any Board member must inform the Board of any conflict of interest or likely to affect his/her independence as Board member.

In light of the role of the Board as compared to a board of directors in French corporations ("*sociétés anonymes*"), the very limited historical situations of conflict of interests involving Board members, and the level of scrutiny applied by the Board, the Board members themselves and management on potential conflict of interest situations, the Board has concluded that the length of Board tenure was not *per se* a factor materially increasing the risk of potential conflicts of interest between a Board member and the Company, thus the Board decided it is not a relevant criteria in the determination of a Board member's independence.

Situations of Conflict of Interest

In accordance with the internal regulations of the Board, Board members must inform the Board of any situation of conflict of interest or likely to affect their independence as Board member.

In order to avoid any situation of potential conflict of interest as well as any problem of confidentiality, the concerned Board member commits to:

- abstain about talking or discussing any matter regarding the Company or the Group inside the bodies of corporate governance of companies or others in which she/he holds a corporate position or function, in particular by abstaining to vote or retiring from the debates, in the case in which a matter or topic regarding the Company or the Group could be included in the agenda of said bodies of governance and, furthermore, to inform the secretary of said bodies of governance of the afore said,
- not request nor communicate any document in any way possible which could be related to the subject concerned.

Evaluation of the Board

During fiscal year 2009, the Company decided to proceed with a formal self-evaluation process for the Board as well as an annual review of the independence of the Board members. During its meeting held on November 9, 2010, the Board resolved that in light of market practice and the role of the Board as compared to a board of directors in French corporations (*sociétés anonymes*), the formal self-evaluation of the Board's activities shall take place every three years. During its meeting held on September 17, 2013, the Board decided to maintain a three-year self-evaluation which complies with the corporate governance recommendations in force. The Board can also deliberate about its operation at any time and as needed during one of its meeting.

The formal self-evaluation (the "Evaluation") is carried out by the members of the Board themselves via a questionnaire on the following items: composition and operation of the Board, role and mission of the Board, committees of the Board, and relations with management, the statutory auditors and the shareholders.

The Secretary of the Board reviews the results of the questionnaire (received by mail in a personal and confidential envelope) and transmits a summary to the Chairman of the Board. The Chairman of the Board then informs the other members of the results of this Evaluation during the Board's meeting for the fiscal year-end.

The Evaluation of the Board took place for the Fiscal Year and was carried out by the members of the Board themselves via this questionnaire.

The results of the Evaluation of the Board's activities during the Fiscal Year were presented to the Board during its meeting held on November 9, 2016. All the Board members filled out the questionnaire.

Globally, most Board members have indicated to be very satisfied or satisfied with the composition and operation of the Board, the role and attributions of the Board, the committees of the Board, and their relationships with management, statutory auditors and shareholders. Also the Board members have unanimously expressed a very positive appreciation about the audit committee. Some Board members have expressed the wish to improve communication on the events that concern the Company. Some Board members have expressed the wish to have greater interaction with the management team and the wish to facilitate meetings with external and internal auditors during the year, without the presence of the management team, being specified that a Board member has especially stressed these points.

In response to the first point, it was reminded that a systematic mailing of the press releases and the statements in the case of events as well as the media coverage follow-up has been put in place. Efforts in such area will be pursued in order to provide the Board members with all relevant and useful information, as soon as possible and according to the most appropriate way.

In response to the second point, it was reminded that the Board Chairman and the Audit Committee Chairman are the main contacts ("*référents*") and interact with the management on a regular and constructive basis. The review of internal and external audits reports to the Audit Committee, which makes a report to the Board. It was also indicated that if certain members of the Board expressed the wish to meet with representatives of the management or the statutory auditors, meetings may be specially prepared for this purpose.

Information on the Management Committee

In the framework of its corporate governance process, the Company put into place a Management Committee, composed of the *Présidente*'s direct reports.

Three specialized committees are in place:

- the *Steering Committee*, which focuses on the management of the overall income statement and decision-making on strategic issues;
- the *Operations Committee*, which focuses on operational problem solving and quality, safety and cost management;
- the *Revenue Committee*, which focuses on marketing, sales and revenue management, across the core business;

The members of the Management Committee participate in one or several of the aforementioned three specialized committees.

The Management Committee composition, the aggregate compensation paid to its members, the total amount of shares they own and the total number of stock options that have been granted to its members by the Company are disclosed in the Management Report.

As is the case for the members of the Board, the Management Committee members must now individually own a minimum of 2,500 shares of the Company.

4) Terms and Conditions related to Shareholders' Attendance at Shareholders' General Meeting

The terms and conditions related to shareholders' attendance at general meetings are described in Article 8 of the Company's bylaws as well as in section D.3. "Additional Corporate Information on the Company" of the Reference Document.

Chessy, February 9, 2017.

Axel Duroux
Chairman of the Supervisory Board

C.3. Report of the Statutory Auditors on the report prepared by the Chairman of the Supervisory Board

This is a free translation into English of the statutory auditors' report issued in the French language and is provided solely for the convenience of English speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

PricewaterhouseCoopers Audit
63, rue de Villiers
92208 Neuilly-sur-Seine Cedex

Caderas Martin
43, rue de Liège
75008 Paris

STATUTORY AUDITORS' REPORT, PREPARED IN ACCORDANCE WITH ARTICLE L.226-10-1 OF THE FRENCH COMMERCIAL CODE ON THE REPORT PREPARED BY THE CHAIRMAN OF THE SUPERVISORY BOARD OF EURO DISNEY S.C.A.

Year ended September 30, 2016

To the Shareholders
EURO DISNEY S.C.A.
1, rue de la Galmy
77700 Chessy

In our capacity as statutory auditors of Euro Disney S.C.A., and in accordance with article L.226-10-1 of the French Commercial Code *(code de commerce)*, we hereby report to you on the report prepared by the Chairman of the Supervisory Board of your company in accordance with article L.226-10-1 of the French Commercial Code for the year ended September 30, 2016.

It is the Chairman's responsibility to prepare, and submit to the Supervisory Board for approval, a report describing the internal control and risk management procedures implemented by the company and providing the other information required by article L.226-10-1 of the French Commercial Code in particular relating to corporate governance.

It is our responsibility:

- to report to you on the information set out in the Chairman's report on internal control and risk management procedures relating to the preparation and processing of financial and accounting information, and
- to attest that the report sets out the other information required by article L.226-10-1 of the French Commercial Code, it being specified that it is not our responsibility to assess the fairness of this information.

We conducted our work in accordance with professional standards applicable in France.

Information concerning the internal control and risk management procedures relating to the preparation and processing of financial and accounting information

The professional standards require that we perform procedures to assess the fairness of the information on internal control and risk management procedures relating to the preparation and processing of financial and accounting information set out in the Chairman's report. These procedures mainly consisted of:

- obtaining an understanding of the internal control and risk management procedures relating to the preparation and processing of financial and accounting information on which the information presented in the Chairman's report is based, and of the existing documentation;

- obtaining an understanding of the work performed to support the information given in the report and of the existing documentation;
- determining if any material weaknesses in the internal control procedures relating to the preparation and processing of financial and accounting information that we may have identified in the course of our work are properly described in the Chairman's report.

On the basis of our work, we have no matters to report on the information given on internal control and risk management procedures relating to the preparation and processing of financial and accounting information, set out in the Chairman of the Supervisory Board's report, prepared in accordance with article L.226-10-1 of the French Commercial Code.

Other information

We attest that the Chairman's report sets out the other information required by article L.226-10-1 of the French Commercial Code.

Neuilly-sur-Seine and Paris, February 9, 2017

The statutory auditors

PricewaterhouseCoopers Audit	**Caderas Martin**
Bruno Tesnière	Fabrice Vidal

ADDITIONAL INFORMATION

D.1. Information Concerning the Share Capital of the Company

D.1.1. Amount and Changes to the Share Capital

As of September 30, 2016 and 2015 the Company's fully paid share capital was composed of 783,364,900 shares with a nominal value of €1.00 each, compared to 38,976,490 shares with a nominal value of €1.00 each as of September 30, 2014.

D.1.2. Liquidity Contracts

In accordance with the authorizations granted by the shareholders' general meetings of the Company, the *Gérant* has carried out share buyback programs since Fiscal Year 2008 through independent investment services providers acting under consecutive liquidity contracts, in compliance with the governance standards established by the French association of financial markets (*Association française des marchés financiers*) as approved by the French stock exchange authority (*Autorité des marchés financiers*).

The liquidity contract in place was signed with Oddo Corporate Finance on April 2, 2009 and has been renewed for a period of one year beginning April 1, 2010, with subsequent automatic annual renewals unless either party cancels the contract (subject to the extension of the share repurchase program). For additional information on the current share buyback program, as well as the liquidity contract and its renewal, see the notice and press releases available on the Company's website (http://corporate.disneylandparis.com).

The shareholders' general meeting of the Company held on February 17, 2016 extended the share repurchase program term from July 13, 2016 to August 17, 2017.

In the context of the Recapitalization Plan, the liquidity contract was suspended from December 8, 2014 to October 14, 2015.

Under the existing share buyback program, the Company cannot buy back more than 10% of the total number of shares which make up its share capital, and the Company cannot purchase shares at prices higher than €20 per share. An amount of €0.5 million in cash and 135,081 treasury shares were allocated to the liquidity account for purpose of implementing this contract on April 6, 2009. As of September 30, 2016, the Company owned 257,892 treasury shares acquired through the current liquidity contract at a combined acquisition cost of €0.3 million and had €0.3 million in cash allotted to the liquidity account. (See section B.3. "Consolidated Financial Statements", note 9.2. "Liquidity Contract" for further information).

D.1.3. Breakdown of the Share Capital and Voting Rights

Shareholders' Background and History

Shareholders' Agreements and Evolution

Prior to the 1994 Financial Restructuring, TWDC, through its subsidiary EDL Holding, held 49.0% of the Company's share capital. During the 1994 Financial Restructuring, TWDC undertook to hold at least 16.7% of the Company's share capital until 2016. In connection with the financing agreements related to the Walt Disney Studios® Park signed in 1999, TWDC further undertook to hold this minimum ownership until October 30, 2027.

In addition and also during the 1994 Financial Restructuring, TWDC and the Lenders entered into certain agreements whereby HRH Prince Alwaleed subscribed shares from the Company and purchased others from the CDC and EDL Holding, in order to own an initial 24.0% stake in the Company reducing TWDC's stake to 39.0%.

TWDC's holding of the Company's shares increased in 2004 from 39.0% to 40.6% after the exchange of shares for convertible bonds issued during the 1994 Financial Restructuring.

By virtue of the 2005 Restructuring capital increase, TWDC reduced its ownership of the Company to 39.8% and HRH Prince Alwaleed's interest in the Company was reduced to 10.0%.

After completion of the Recapitalization Plan in November 2015, TWDC's interest in the Company totaled 76.7% while HRH Prince Alwaleed's interest in the Company was maintained at 10.0% of the Company's share capital. For additional information, see sub-section "Shareholding Composition" hereafter.

Shareholders' Identification

In addition to the laws and regulations relating to shareholding threshold disclosure, any individual or legal entity that acquires 2% or more of the Company's share capital, and any incremental 2% interest thereon, must notify the Company, pursuant to its bylaws, of the total number of shares held, by registered letter, return receipt requested, addressed to the Company's registered office, within five trading days of attaining any of these thresholds. Failure to respect this requirement under the bylaws can result in those shares exceeding the percentage that should have been subject to a notification being deprived of voting rights for a period of two years. This deprivation can be applied at the request of one or more shareholders holding at least 2% of the Company's share capital as recorded in the minutes of a shareholders' general meeting.

This above notification requirement, which was written into the Company's bylaws pursuant to the shareholders' general meeting held on September 4, 1989, also applies each time that a shareholder's holding falls below any of these percentage thresholds.

The Company has access annually to the procedure known as "*Titres au Porteur Identifiable*" of Euroclear France to obtain information relating to the identity of its shareholders. The last request, dated October 14, 2016, revealed that there were approximately 34,500 retail shareholders residing in France compared to approximately 37,500 as of November 30, 2015, date of the prior request.

Shareholding Composition

To the knowledge of the Company, the number of the Company's share capital and voting rights as of September 30, 2016, 2015 and 2014 was as follows:

	September 30, 2016		September 30, 2015		September 30, 2014	
Shareholders	**Number of shares (in thousands)**	**Ownership %**	**Number of shares (in thousands)**	**Ownership %**	**Number of shares (in thousands)**	**Ownership %**
EDL Holding Company LLC[1]	*249,898*	*31.9%*	*249,898*	*31.9%*	*15,504*	*39.8%*
EDL Corporation S.A.S.	*175,512*	*22.4%*	*196,800*	*25.1%*	-	-
Euro Disney Investments S.A.S.	*175,512*	*22.4%*	*196,800*	*25.1%*	-	-
Sub-total TWDC	**600,922**	**76.7%**	643,498	82.1%	15,504	39.8%
HRH Prince Alwaleed[2]	**78,337**	**10.0%**	38,976	5.0%	3,898	10.0%
AIMCO	**34,201**	**4.4%**	30,701	3.9%	-	-
Invesco Asset Management Ltd	**-**	**-**	-	-	2,343	6.0%
Other Public[3]	**69,905**	**8.9%**	70,190	9.0%	17,231	44.2%
Total	**783,365**	**100.0%**	783,365	100.0%	38,976	100.0%

(1) *Including 10 shares owned by EDL Participations S.A.S., a wholly owned subsidiary of EDL Holding.*
(2) *As of September 30, 2016, HRH Prince Alwaleed's interests in the Company were held through Kingdom 5-KR-222, Ltd, and Kingdom 5-KR-11,Ltd, companies owned by the Kingdom Holding Company group (a trust for benefit of the Prince and his family). As of September 30, 2015 and 2014, HRH Prince Alwaleed's interests in the Company were held through Kingdom 5-KR-134, Ltd, a company owned by the Kingdom Holding Company group.*
(3) *As of September 30, 2016, 2015 and 2014, these numbers include treasury shares held by the Company, which represented 0.03%, 0.03% and 0.6% of the Company's share capital, respectively, and had no significant impact on the percentage of voting rights.*

As of September 30, 2016, to the knowledge of the Company, and as indicated in the table above, only two shareholders (other than TWDC subsidiaries) held more than 2% of the Company's share capital: HRH Prince Alwaleed and Alberta Investment Management Corporation (AIMCO).

The Company does not own or control any of its shares except those treasury shares owned through the liquidity contract (see section D.1.2. "Liquidity Contracts" for more details). The Company does not know the aggregate number of shares held by its employees directly or through mutual funds.

As of September 30, 2016, to the Company's knowledge, the aggregate number of Company shares held by members of the Supervisory Board and the *Gérant*'s Management Committee was 90,924 shares for the same amount of voting rights.

To the Company's knowledge, the number of the share capital for shareholders holding more than 5% of the Company's share capital has not changed since September 30, 2016.

Rights Associated with Shares

Any person owning one or more shares shall be bound by the Company's bylaws and by all decisions made in accordance with these bylaws at any annual shareholders' general meeting.

In addition to voting rights, each share represents an interest in the net equity of the Company that is proportional to the portion of the Company's share capital represented by the nominal value of such share.

Pledge of Registered Shares

As of September 30, 2016, there is no pledge of the Company's registered shares.

D.1.4. Markets for the Securities of the Company

The Company's shares are traded exclusively on Euronext Paris. The Company's shares are included in the CAC MID & SMALL®, CAC SMALL®, CAC ALL-SHARE® and NEXT 150 indices.

Since May 26, 2010, the Company's shares are eligible for the "long-only" segment of the Deferred Settlement Service (SRD "long-only").

In 2016, for the sixth year in a row, the Company is one of the 70 stock values selected to compose the GAIA index. With the growing need to take non-financial elements into account for the analysis of companies, this index aims to measure the commitment of middle capitalization companies in terms of governance, environmental risks and social risks.

D.1.5. Market Information

Information relating to changes in the price and trading volume of the Company's shares are given in the tables below for the last 12 months.

	Volume of shares traded in Euronext Paris (by month)			
	Share price *(in €)*		Amount *(€ in millions)*	Number of shares
	Highest	Lowest		
Fiscal Year 2016				
October 2015	1.26	1.19	8.39	6,812,300
November 2015	1.26	1.15	6.72	5,583,363
December 2015	1.29	1.11	2.55	2,152,792
January 2016	1.31	1.19	2.66	2,135,073
February 2016	1.31	1.25	1.34	1,049,186
March 2016	1.29	1.22	1.04	832,396
April 2016	1.27	1.20	3.55	1,671,889
May 2016	1.27	1.17	1.84	1,484,460
June 2016	1.26	1.15	1.26	1,030,980
July 2016	1.26	1.19	0.89	717,542
August 2016	1.26	1.20	0.87	707,373
September 2016	1.23	1.11	8.15	6,861,550

Source: Euronext Paris.

D.1.6. Dividends

No dividends were declared or paid in respect of Fiscal Years 1993 through 2016.

For more information, see section D.2. "Additional Corporate Information on the Company", sub-section "Allocation of Profits Pursuant to the Bylaws".

D.2. Additional Corporate Information on the Company

The Company was originally structured in 1985 as a French corporation. In 1989, the Company decided to modify its corporate form from a corporation to a limited partnership. That same year, the Company listed its common stock in France, the United Kingdom and Belgium under the name Euro Disneyland S.C.A. At the annual shareholders' general meeting held in 1991, the Company's present corporate name, Euro Disney S.C.A., was adopted.

As of September 30, 2016, TWDC's entities owned approximately 76.7% of the Company's share capital (see section D.1.3. "Breakdown of the Share Capital and Voting Rights", sub-section "Shareholding Composition" for more details).

The Company's *Gérant* is Euro Disney S.A.S.

Corporate Name and Registered Office

Corporate name: Euro Disney S.C.A.

As of September 30, 2016, the registered office of the Company was located at 1 rue de la Galmy, 77700 Chessy, France.

Post Box: BP 100, 77777 Marne-la-Vallée Cedex 04, France.

Phone number: 01.64.74.40.00

Applicable Law

The Company is a limited partnership governed by French law, in particular by Book II of the French Commercial Code.

Date of Formation and Term

The Company was structured and incorporated on December 17, 1985, to last for 99 years from the date of its registration with the Commercial and Companies Registry, i.e. until December 16, 2084, excluding the impact of any early termination or extension.

Commercial and Companies Registry

The Company is registered with the Commercial and Companies Registry of Meaux under number 334 173 887. Its Siret number is 334 173 887 00178 (registered office) and its NAF (previously named APE) code is 9321Z.

Corporate Purpose

According to Article 1.2 of its bylaws, the corporate purpose of the Company is:

"*(i) to engage, directly or indirectly, in design, development, construction, leasing, purchasing, sale, promotion, licensing, management and operation of:*

(a) one or more amusement parks and leisure and entertainment facilities, including the Disneyland® and the Walt Disney Studios® Theme Parks, located in Marne-la-Vallée, and all future extensions thereof; and also including, more generally, all other theme parks, restaurants, merchandise retailing facilities, leisure centers, nature parks, campgrounds, sports facilities, resorts and entertainment complexes located in Marne-la-Vallée or any other place;

(b) all other real estate operations, including, without limitation, undeveloped land, hotels, offices, housing, factories, schools, shopping centers, conference centers, parking lots located in Marne-la-Vallée or in any other place, including, without limitation, the buildings, plants and structures of the Euro Disneyland Project (the "EDL Project"), as defined in the agreement on the creation and the operation of Euro Disneyland in France (the "Main Agreement"), dated as of March 24, 1987, as amended; as well as all roads, plants, and other utilities, infrastructures and services relating thereto;

(ii) to invest, directly or indirectly, by establishing new companies, forming share partnerships or partnerships, subscribing to or purchasing shares, rights to shares or other securities, making contributions in kind, effecting mergers, or any other transaction relating to commercial, industrial or real estate activities which may be connected with or may permit the purposes cited in (i) above; and generally;

(iii) to engage in any commercial, financial, industrial, real estate and other operations directly or indirectly related to any of the purposes referred to in (i) and (ii) above".

Fiscal Year

The Group's Fiscal Year begins on October 1 of a given year and ends on September 30 of the following year.

Allocation of Profits Pursuant to the Bylaws

Pursuant to Article 9.3 of the Company's bylaws, a withdrawal of at least 5% is made from the profits of the Fiscal Year, if any, reduced by the cumulated prior years' losses, and this amount is allocated to a reserve account required by law pursuant to Article L. 232-10 of the French Commercial Code. This withdrawal shall cease to be required when these reserves have reached one-tenth of the Company's share capital. As of September 30, 2016, the amount of the reserve was €17 million.

If applicable, the distributable profit consists of the profit for the Fiscal Year, reduced by the cumulated prior years' losses together with the amounts that are to be allocated to the reserves, as required by law or the bylaws, and increased by any cumulated profits carried forward.

The *Gérant* may propose at the shareholders' general meeting, prior to the distribution of dividends to shareholders, the allocation of all or part of the profits of a Fiscal Year to other reserve accounts, to the extent and under the conditions determined by prevailing law. After any allocation to reserves, distributable profits shall be allocated pro rata to the shareholders in proportion to their respective holdings of common stock shares.

Pursuant to Article 9.3 of the Company's bylaws, the payment of dividends is fixed at the time and place decided by the *Gérant* within nine months of the end of the Company's Fiscal Year, unless such term is extended by a court decision. Dividends are payable to holders of shares of common stock outstanding at the time such dividends were approved for distribution by the shareholders. The shareholders' general meeting may grant to each shareholder an option to receive all or part of any dividends in either cash or shares. Pursuant to legal requirements, dividends not claimed within five years are forfeited to the French State, in accordance with Articles L.1126-1-1° and L.1126-2-1° of the French General Code of Public Entities Ownership (*Code général de la propriété des personnes publiques*).

EDL Participations S.A.S. (the "General Partner") will receive each year 0.5% of the Company's profits, when applicable.

As of September 30, 2016, the Company does not have any distributable profit.

General Meetings

Convening Meetings

General shareholders' meetings, either ordinary or extraordinary, are held at least annually and may be called by the *Gérant*, the Supervisory Board or any other persons empowered to do so pursuant to applicable prevailing law or the bylaws of the Company. In addition to an agenda, notices of general shareholders' meetings shall specify the date, time and place of the meeting and shall be provided to the shareholders and the *Gérant* in accordance with the timing and other requirements of applicable law. The general shareholders' meetings shall be held at the Company's registered office or at any other place located in France, according to the decision made by the author of the notice.

Admission to Meetings

Every shareholder, irrespective of the size of his or her shareholding, has the right to attend and participate in meetings and to vote in person or by postal ballot.

In order to do so:

- holders of registered shares must be registered in the Company's share account by, at the very latest, two working days at midnight, Paris time, prior to the date on which the relevant meeting is due to be held; and
- holders of bearer shares must, by the same deadline, confirm their identity and evidence of their shareholding by a certificate delivered via their share account broker.

Any shareholder unable to attend the meeting in person may choose one of the three following alternatives, in accordance with the requirements of applicable prevailing law and regulations:

- designate as proxy any individual or legal entity of his/her choice;
- vote by mail; or
- give a proxy to the Company without voting instructions.

If any proxy submitted by a shareholder does not specify who should vote the proxy, then the chairman of the general shareholders' meeting shall use this proxy to vote in favor of all resolutions proposed or approved by the *Gérant*, and against all other proposed resolutions. Any shareholder wishing to vote otherwise by proxy must designate a person who agrees to vote in accordance with that shareholder's instructions.

Exercise of Voting Rights

In accordance with French law, each shareholder participating in the shareholders' general meetings is entitled to as many votes as the number of shares which he or she holds or represents by proxy on the second business day prior to the date of the shareholders' general meeting. There is no clause providing for double or multiple voting rights in favor of certain shareholders of the Company.

D.3. Documents Available to the Public

D.3.1. Accessible Information and Information Related to the Company

The Company's statutory documents, and regulated information required by article 221-1 of the *Règlement général* of the AMF, are available on the Company's website (http://corporate.disneylandparis.com). Paper copies of these documents can also be consulted during office hours at the Investor Relations division at the Company's registered office (1 rue de la Galmy, 77700 Chessy, France).

The documents which are available on the Company's website and which can also be consulted at the Company's registered office are the following:

- the Company's updated bylaws ;
- all of the reports and other documents, or historical financial information for which a portion has been included or referred to in this Reference Document; and
- the Group's historical published financial documents for each of the two Fiscal Years preceding this Reference Document.

D.3.2. Shareholders' Club

Established in 1995, the Company's Shareholders Club (the "Club") aims at strengthening the Company's relationship with its shareholders.

All year long, the Club provides its members with relevant information on the Company, its financial performance, shareholders' meetings and the latest Disneyland® Paris news through the Club's e-newsletters. They are published at least twice per year and e-mailed or mailed to the members. The Club also sends its members all the necessary practical and legal information related to the shareholders' Annual Meeting of the Company.

Members can also take advantage of various offers, such as discounts and invitations to special events organized by the Club, upon limited availability.

D.3.2.1. Shareholders' Hotline

The Club representatives are available during office hours on weekdays to answer shareholder questions on the Company or the Club, via a dedicated toll-free number: 00 800 64 74 56 30[1] or by e-mail: eurodisney@clubactionnaires.com. Further information can be found on the Company's website, under the Shareholders Club section at: http://corporate.disneylandparis.com.

D.3.2.2. Shareholders' Events

As part of the services offered to its members, the Club organizes Group presentations and thematic conferences or events on various subjects, as well as informal questions and answers session with the management of the Company. In Fiscal Year 2016, the Club organized private rides of the *Star Tours* attraction in March 2016, before its closure for renovation, and private screenings of new Disney films at *CinéMagique* in the Walt Disney Studios® Park.

[1] From France, Germany, the United Kingdom, Belgium, the Netherlands, Spain and Italy from a land line, national operators only. From other countries, call at: + 33 1 64 74 56 30.

D.4. Responsibility for this Reference Document and Annual Financial Report

Responsibility for this Reference Document lies with the *Gérant*, Euro Disney S.A.S., a French simplified corporation with a share capital of €1,676,940 whose registered office is located at 1 rue de la Galmy, 77700 Chessy, France, represented by Ms. Powell.

D.4.1. Certification of the Person Responsible for this Reference Document and Annual Financial Report

"*I hereby certify, after having taken all reasonable measures to this effect, that the information contained in this registration document is, to the best of my knowledge, in accordance with the facts and makes no omission likely to affect its import.*

I certify, to the best of my knowledge, that (i) the accounts have been prepared in accordance with applicable accounting standards and give a fair view of the assets, liabilities and financial position and profit or loss of the Company and all the undertakings included in the consolidation, and that (ii) the Group and parent company management report in section B.2. presents a fair review of the development and performance of the business and financial position of the Company and all the undertakings included in the consolidation as well as a description of the main risks and uncertainties to which they are exposed.

I have received a completion letter from the auditors stating that they have audited the information contained in this registration document about the financial position and accounts and that they have read this Reference Document in its entirety."

February 9, 2017

The *Gérant*, Euro Disney S.A.S.
Represented by Ms. Catherine Powell,
Présidente

D.4.2. Person Responsible for the Information

Mr. Mark Stead
Senior Vice President and Chief Financial Officer
Euro Disney S.A.S.
1 rue de la Galmy,
77700 Chessy
Tel.: 33 (0) 1.64.74.55.77
Fax: 33 (0) 1.64.74.59.14

D.4.3. Statutory Auditors

The Titular Statutory Auditors

- **PricewaterhouseCoopers Audit,**
  Statutory auditors members of the *Compagnie Régionale des Commissaires aux comptes de Versailles* represented by Mr. Bruno Tesnière

  63, rue de Villiers – 92208 Neuilly-sur-Seine Cedex

Date of first term of office:	June 14, 1988
Length of first term of office:	6 years
Current term of office:	the current six-year term of office expires at the close of the annual general meeting of the shareholders which will deliberate upon the annual financial statements of the Fiscal Year ending September 30, 2017; and

- **Caderas Martin S.A.,**
  Statutory auditors members of the *Compagnie Régionale des Commissaires aux comptes de Paris* represented by Mr. Fabrice Vidal

  43, rue de Liège – 75008 Paris

Date of first term of office:	May 5, 2003[1]
Length of first term of office:	6 years
Current term of office:	the current six-year term of office expires at the close of the annual general meeting of the shareholders which will deliberate upon the annual financial statements of the Fiscal Year ending September 30, 2020.

The Substitute Statutory Auditors

- **Mr. Yves Nicolas,**
  a French national,

  63, rue de Villiers – 92208 Neuilly-sur-Seine Cedex

Date of first term of office:	February 17, 2012
Length of first term of office:	6 years
Current term of office:	the current six-year term of office expires at the close of the annual general meeting of the shareholders which will deliberate upon the annual financial statements of the Fiscal Year ending September 30, 2017; and

- **Mr. Jean-Lin Lefebvre,**
  a French national,

  43, rue de Liège – 75008 Paris

Date of first term of office:	February 11, 2009
Length of first term of office:	6 years
Current term of office:	the current six-year term of office expires at the close of the annual general meeting of the shareholders which will deliberate upon the annual financial statements of the Fiscal Year ending September 30, 2020.

[1] From March 14, 1994 until this date, the titular statutory auditor was Mr. François Martin.

Fees Payable to Statutory Auditors

Pursuant to Instruction 2006-10 of the AMF, fees incurred for the consolidated and statutory audits of the Group are presented below:

	PricewaterhouseCoopers Audit				Caderas Martin			
	Fiscal Year		Percentage		Fiscal Year		Percentage	
(€ in thousands, excl. VAT)	2016	2015	2016	2015	2016	2015	2016	2015
Audit								
Statutory audit, certification, consolidated and individual financial statements audit								
Euro Disney S.C.A.	**90**	177	**11%**	20%	**34**	68	**22%**	33%
Fully consolidated subsidiaries	**659**	656	**81%**	72%	**120**	120	**78%**	57%
Other work and services directly related to the statutory audit								
Euro Disney S.C.A.	**36**	68	**5%**	7%	**-**	20	**n/a**	10%
Fully consolidated subsidiaries	**26**	6	**3%**	1%	**-**	-	**n/a**	n/a
Total audit	**811**	907	**100%**	100%	**154**	208	**100%**	100%
Other services provided by the network to fully consolidated subsidiaries								
Legal, tax and social matters	**-**	-	**n/a**	n/a	**-**	-	**n/a**	n/a
Other	**-**	-	**n/a**	n/a	**-**	-	**n/a**	n/a
Total other services	**-**	-	**n/a**	n/a	**-**	-	**n/a**	n/a
Total	**811**	907	**100%**	100%	**154**	208	**100%**	100%

n/a: not applicable.

Audit fees for fully consolidated subsidiaries include fees related to the consolidated special-purpose financing company and the *Gérant* audits that are contractually re-invoiced to the Group. These fees amounted to €45 thousand for Fiscal Year 2016.

Fiscal Year 2015 audit fees of the Company included €120 thousand of non-recurring audit fees related to Recapitalization Plan.

Other work and services directly related to the statutory audit were driven by fees related to the review of the Group's corporate social responsibility report ("CSR"). In Fiscal Years 2015, they also comprised fees for non-recurring procedures agreed with the Company's audit committee.

Glossary

1994 Financial Restructuring	means the financial restructuring agreed and implemented in 1994 between the Company, TWDC, the Phase I Financing Companies and the Lenders;
2005 Restructuring	means the legal and financial restructuring in 2005 including all the operations and agreements signed regarding this restructuring;
2012 Refinancing	means the refinancing of the Group's financial debt by TWDC in September 2012;
AMF	means *Autorité des marchés financiers*, which is the financial institution supervising the French financial market;
BCP	means the business continuity plan ("BCP"), which is a set of policies and procedures that the Group could implement to address environmental, industrial, public security and global health risks, in order to maintain its operations in case of a significant disruption;
Board	means the Supervisory Board of Euro Disney S.C.A.;
Brexit	means the United Kingdom ("UK") withdrawal from the European Union approved by a non-binding referendum on the membership of the UK, in June 2016;
CDC	means the *Caisse des dépôts et consignations*;
CHSCT	means *Comité d'Hygiène et de Sécurité des Conditions de Travail,* which is the occupational health and safety committees;
CICE	means *Crédit d'Impôt pour la Compétitivité et l'Emploi,* which is a tax credit for competitiveness and employment;
Club	refers to Euro Disney Shareholders' Club;
CGU	means cash-generating units, which is the assets grouped at a level where cash flows from the assets are independent of cash flows from other assets;
Code	refers to the Group's code of business conduct;
Company / parent	means Euro Disney S.C.A.;
COSO	means Committee of Sponsoring Organizations of the Treadway Commission;
CSR	means the corporate social responsibility report;
DD LLC	means Disney Destination LLC;
DEI	means Disney Enterprises, Inc.;
Department	means the department of Seine-et-Marne;
Development Agreement	means the agreement dated February 28, 1989 between the Company and the *Gérant*, an indirect wholly-owned subsidiary of TWDC, whereby the *Gérant* provides and arranges for other subsidiaries of TWDC to provide EDA with a variety of technical and administrative services;
Development Plan	means the program (as defined in the 2005 Restructuring agreement) to develop new theme park attractions, maintain and improve the existing asset base for a total amount of €240 million. This program ended in Fiscal Year 2009;
Disneyland® Park	means the first theme park of Disneyland® Paris which opened on April 12, 1992;
EDA	means Euro Disney Associés S.C.A.;
EDI	means Euro Disney Investments S.A.S.
EDLC	means EDL Corporation S.A.S.
EDLH	means EDL Hôtels S.C.A.;
EDL Holding	means EDL Holding Company LLC;
EDLI	means Euro Disneyland Imagineering S.A.R.L.

EDV	means Euro Disney Vacances S.A.S.;
EPA-France	means the Public Establishment for the Development of the fourth district (Secteur IV) of the new town of Marne-la-Vallée;
EU	means European Union (“EU”);
EURIBOR	means the Euro Interbank Offered Rate;
Financing Company	means Centre de Congrès Newport S.N.C., from which the Group leases the Newport Bay Club Convention Center;
Fiscal Year	means a fiscal period commencing on October 1 and terminating on September 30 each calendar year. For example, Fiscal Year 2016 ran from October 1, 2015 to September 30, 2016;
French GAAP	means the French generally accepted accounting principles;
General Partner	means EDL Participations S.A.S., an indirect wholly-owned subsidiary of TWDC;
Gérant	means Euro Disney S.A.S., an indirect wholly-owned subsidiary of TWDC, the management company of the Company, EDA and EDLH;
GHG	means greenhouse gases emissions;
Golf Courses	means the Golf Disneyland®;
Group	means the Company, its subsidiaries and the consolidated Financing Company;
Hotels	means the following hotels operated by the Group: the Disneyland® Hotel, Disney’s Hotel New York®, Disney’s Newport Bay Club® Hotel, Disney’s Sequoia Lodge®, Disney’s Cheyenne® Hotel, Disney’s Hotel Santa Fe® and Disney’s Davy Crockett Ranch;
IAS	means International Accounting Standards;
IASB	means International Accounting Standards Board;
IFRIC	means International Financial Reporting Interpretations Committee;
IFRS	means International Financial Reporting Standards and refers collectively to IAS, IFRS, SIC and IFRIC interpretations issued by the IASB;
Legally Controlled Group	means the Company and its owned and controlled subsidiaries;
Lenders	means each of the banks, financial institutions and creditor companies of EDA, EDLH or the Phase I Financing Companies, until the 2012 Refinancing;
License Agreement	means the agreement dated February 28, 1989 (as amended) between an affiliate of TWDC and the Company, which provides EDA the right to use TWDC intellectual and industrial property;
LSF	means *Loi de Sécurité Financière*, which is a law establishing new or enhanced standards for corporate governance;
Main Agreement	means the agreement on the creation and the operation of Euro Disneyland in France dated March 24, 1987 made between the French Republic, certain other French public authorities and TWDC, as amended on July 12, 1988, July 5, 1991, December 30, 1994, May 15, 1997, September 3, 1998, September 29, 1999, December 22, 2004 and September 14, 2010;
Newport Bay Club Convention Center	means the convention center located adjacent to Disney’s Newport Bay Club® Hotel;
Opening Day	means April 12, 1992, the opening day and commencement of operations of the Resort;
Phase I Financing Companies	means the Phase IA Financing Company and the Phase IB Financing Companies;
Phase IA Facilities	means the Disneyland® Park, the Disneyland® Hotel, the Davy Crockett Ranch, the Golf Courses, infrastructure and support facilities;

Phase IA Financing Company	means Euro Disneyland S.N.C., owner of most of the assets of the Disneyland Park and related lands on which it is situated, until the 2012 Refinancing; this company was deconsolidated and dissolved following the 2012 Refinancing;
Phase IB Facilities	means Disney's Hotel New York®, Disney's Sequoia Lodge®, Disney's Newport Bay Club®, Disney's Hotel Cheyenne®, Disney's Hotel Santa Fe® and the Disney Village®;
Phase IB Financing Companies	means the six special-purpose companies established for the financing of Phase IB: Hotel 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., Hotel Santa Fe Associés S.N.C. and Centre de Divertissements Associés S.N.C.; these companies were deconsolidated and dissolved following the 2012 Refinancing;
Processes	means all of the internal control processes implemented by the Group to comply with the LSF and SOX;
Public Parties	refers to the French Republic, the Region of Ile-de-France, the department of Seine-et-Marne, the EPA-France and RATP;
Recapitalization Plan	means the Group recapitalization and debt reduction plan implemented during Fiscal Year 2015;
Resort	means the Disneyland® Paris site located 32 km east of Paris where the Group currently operates the Disneyland® Park, the Walt Disney Studios® Park, seven themed hotels, two convention centers, the Disney Village® and the Golf Courses;
Revolving Credit Facility	means the consolidation, as part of the Recapitalization plan, of the existing credit lines into a single standby revolving credit facility of €350 million, maturing in December 2023;
SEC	means Securities and Exchange Commission, which is a United States government agency having primary responsibility for enforcing the federal securities laws and regulating the securities industry/stock market;
SIC	means Standing Interpretations Committee;
SOX	refers to the Sarbanes-Oxley Act of 2002, which is a United States federal securities law which established standards for all U.S. public company boards, management, and public accounting firms;
SRD	means the deferred settlement service for which the Company's shares are eligible;
Theme Parks	means the Disneyland® Park and the Walt Disney Studios® Park;
TWDC	means The Walt Disney Company;
Villages Nature	means an innovative eco-tourism project based on the concept of harmony between man and nature developed in partnership with Pierre & Vacances-Center Parcs group;
Walt Disney Studios® Park	means the second theme park of the Resort, which opened on March 16, 2002;
Walt Disney Studios Park Loans	means the subordinated loans granted on September 30, 1999 by CDC to the Company to finance part of the construction costs of the Walt Disney Studios Park; these loans were extinguished as part of the 2012 Refinancing;
WDPR	means the segment Walt Disney Parks and Resorts.

TABLES OF CORRESPONDENCE

This table sets out the cross-references between the headings provided by the Annex I of the European Regulation n°809/2004 and the section(s) of this Reference Document.

No	Headings of the European Regulation n°809/2004	Section(s) of the Registration Document	Page(s)
1	**Persons Responsible**		
1.1	All persons responsible for the information given in the Registration Document	D.4	199
1.2	A declaration by those responsible for the Registration Document	D.4.1	199
2	**Statutory Auditors**		
2.1	Names and addresses of the issuer's auditors	D.4.3	200
2.2	Auditors having resigned, been removed or not been re-appointed during the period covered by the historical financial information	Not applicable	
3	**Selected Financial Information**		
3.1	Selected historical financial information	A.1.1 B.1	5 27
3.2	Selected historical financial information for interim financial periods and comparative data from the same periods in the prior financial year	Not applicable	
4	**Risk Factors**	B.2	55 to 60
5	**Information about the Issuer**		
5.1	History and development of the issuer		
5.1.1	*The legal and commercial name of the issuer*	D.2	195
5.1.2	*The place of registration of the issuer and its registration number*	D.2	195
5.1.3	*The date of incorporation and length of life of the issuer*	D.2	195
5.1.4	*The domicile and legal form of the issuer, the legislation under which the issuer operates, its country of incorporation, and address and telephone number of the registered office*	D.2	195
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No	Headings of the European Regulation n°809/2004	Section(s) of the Registration Document	Page(s)
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13	**Profit Forecasts or Estimates**		
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13.2	A report prepared by independent accountants or auditors stating that, in the opinion of the independent accountants or auditors, the forecast or estimate has been properly compiled on the basis stated and that the basis of accounting used for the profit forecast or estimate is consistent with the accounting policies of the issuer	Not applicable	
13.3	Profit forecast or estimates has been prepared on a consistent basis compared with historical financial information	Not applicable	
13.4	Declaration that the profit forecast or estimates is still valid at the date of registration	Not applicable	

No	Headings of the European Regulation n°809/2004	Section(s) of the Registration Document	Page(s)
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17.3	Description of any arrangements for involving employees in the capital of the issuer	Not applicable	
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18.3	State whether the issuer is owned or controlled and by whom as well as the measures in place to ensure that such control is not abused	B.2 C.2 D.1.3	56 182 and 183 191 to 193
18.4	A description of any arrangements the operation of which may at a subsequent date result in a change in control of the issuer	Not applicable	

No	Headings of the European Regulation n°809/2004	Section(s) of the Registration Document	Page(s)
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21.2.6	*A brief description of any provision of the issuer's articles of association, statutes, charter or bylaws that would have an effect of delaying, deferring or preventing a change in control of the issuer*	C.2	182
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334 173 887 RCS MEAUX
Registered office: 1, rue de la Galmy, 77700 Chessy, France

http://corporate.disneylandparis.com

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