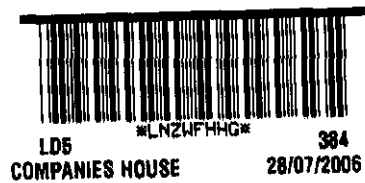


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Jetix Consumer Products UK Limited

Report and accounts for the year ended 30 September 2005

Registered No: 3036727



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Directors, Company Secretary and Auditors
For the year ended 30 September 2005

Directors

Dene Stratton
Oliver Fryer
Olivier Spiner

Secretary

Oliver Fryer

Auditors

PricewaterhouseCoopers LLP
1 Embankment Place
London
WC2N 6RH

Bankers

Barclays Bank PLC
27 Soho Square
London W1A 4WA

Registered Office

3 Queen Caroline Street
Hammersmith
London W6 9PE

Directors' Report

For the year ended 30 September 2005

The directors present their report together with the accounts and auditors' report for the year ended 30 September 2005.

Principal activity and business review

The company's principal activity was that of a sales agent of consumer products. The company's consumer product activities include merchandising and home entertainment sales marketed in several European countries. The company's portfolio has a wide variety of traditional, lifestyle and new technology brands.

The directors expect the general level of activity to continue for the foreseeable future.

Results and dividends

The profit for the year after taxation was £290,514, (2004 – £228,241). The directors do not recommend the payment of a dividend in respect of the year ended 30 September 2005 (2004 - £nil).

Directors and their interests

The directors who held office during the year were as follows:

Olivier Spiner

Dene Stratton (appointed 01 January 2005)

Martin Weigold (resigned 17 December 2004)

Oliver Fryer

Ronnie Cook (resigned 28 February 2005)

The directors had no interest during the period in the share capital of the company or of any other group undertaking which required disclosure under the Companies Act 1985.

Supplier Payment Policy and Practice

It is the company's policy that payments to suppliers are made in accordance with those terms and conditions agreed between the company and its suppliers, provided that all trading terms and conditions have been complied with.

Employment

The Company continues to involve staff in the decision making process and communicates regularly with them during the year. The aim for all members of staff and applicants for employment is to fit the qualifications, aptitude and ability of each individual to the appropriate job, and to provide equal opportunity, regardless of sex, religion or ethnic origin

Directors' Report

For the year ended 30 September 2005

Directors' responsibilities

Company law requires the directors to prepare financial statements for each financial year, that give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that year. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the accounts comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

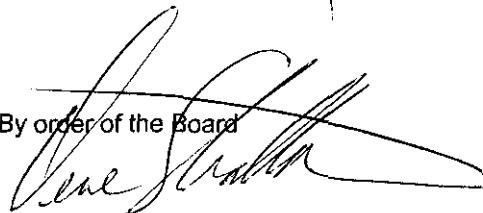
The Directors confirm that suitable accounting policies have been used and applied consistently. They also confirm that reasonable and prudent judgements and estimates have been made in preparing the financial statements for the year ended 30 September 2005 and that applicable Accounting Standards have been followed.

Auditors

Pricewaterhousecoopers LLP have indicated their willingness to continue in office and a resolution proposing their re-appointment will be submitted at the forthcoming Annual General Meeting.

3 Queen Caroline Street
Hammersmith
London W6 9PE

By order of the Board



Dene Stratton, Director

25 July 2006

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF JETIX CONSUMER PRODUCTS UK LIMITED

We have audited the financial statements which comprise the profit and loss account, the balance sheet and the related notes. These financial statements have been prepared under the historical cost convention and the accounting policies set out in the statement of accounting policies.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the annual report and the financial statements in accordance with applicable United Kingdom law and accounting standards are set out in the statement of directors' responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom auditing standards issued by the Auditing Practices Board. This report, including the opinion, has been prepared for and only for the company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions is not disclosed.

Basis of audit opinion

We conducted our audit in accordance with auditing standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs at 30 September 2005 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

PricewaterhouseCoopers LLP

PricewaterhouseCoopers LLP

Chartered Accountants and Registered Auditors.

1 Embankment Place

London

WC2N 6RH

25 July 2006

Profit and loss account

For the year ended 30 September 2005

	Notes	2005	2004
		£	£
Turnover	2	1,841,429	1,767,219
Administrative expenses		(1,543,710)	(1,410,818)
Operating profit	3	297,719	356,401
Interest payable		(7,040)	(27,557)
Profit on ordinary activities before taxation		290,679	328,844
Tax on profit on ordinary activities	5	(165)	(100,603)
Retained profit on ordinary activities for the period	10	290,514	228,241

There are no recognised gains or losses for the years other than the profit for the financial years above. Accordingly no statement of recognised gains and losses has been presented.

The movement on reserves is disclosed in note 10.

There are no material differences between the profit on ordinary activities before taxation and the retained profit for the year stated above and their historical cost equivalents.

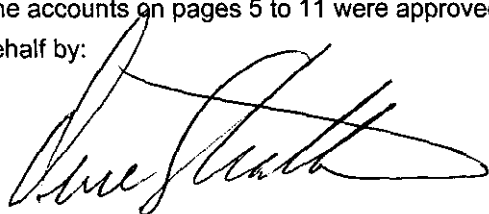
All these amounts stated above relate to continuing operations.

The notes on pages 7 to 11 form an integral part of the financial statements.

Balance sheet at 30 September 2005

	Notes	2005 £	2004 £
Current assets			
Debtors and prepayments	6	2,170,383	1,123,606
Cash		112,742	-
		<u>2,283,125</u>	<u>1,123,606</u>
Creditors: Amounts falling due within one year	7	(1,745,639)	(876,634)
Net current assets		<u>537,486</u>	<u>246,972</u>
Total assets less current liabilities		<u>537,486</u>	<u>246,972</u>
Net assets		<u>537,486</u>	<u>246,972</u>
Equity capital and reserves			
Called-up share capital	9	102	102
Capital reserve	10	299,487	299,487
Profit and loss account	10	237,897	(52,617)
Equity Shareholders' funds	10	<u>537,486</u>	<u>246,972</u>

The accounts on pages 5 to 11 were approved by the Board of Directors on 25 July 2006 and were signed on its behalf by:



Dene Stratton
Director
25 July 2006

The accompanying notes are an integral part of this balance sheet

Notes to accounts (continued)

at 30 September 2005

1 Principal accounting policies

The principal accounting policies are summarised below. They have all been consistently applied throughout the current and the preceding period, except where noted below.

a) Basis of accounting

The financial statements are prepared under the historical cost convention and in accordance with applicable accounting standards.

Under the provisions of Financial Reporting Standard No.1 (Revised), the company has not prepared a cash flow statement because Jetix Europe N.V., a company incorporated in the Netherlands, has prepared consolidated accounts which include the accounts of the company for the year and which contain a consolidated cash flow statement.

b) Revenue recognition

Revenues from home entertainment, licensing and merchandising agreements which provide for the receipt by the Company of non refundable guaranteed amounts, are recognised when the licence or distribution period begins, the payments are due under the terms of the contract, collectability is reasonably assured and all performance obligations of the Company have been fulfilled. Amounts in excess of minimum guarantees under these agreements are recognised when earned. Amounts received in advance of recognition of revenue are recorded as deferred revenue.

Revenue is recorded net of Value Added Tax (VAT).

c) Foreign currencies

Transactions in foreign currencies are translated at the rate of exchange on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rate of exchange prevailing on the balance sheet date. All resultant exchange differences are included in the profit and loss account for the year.

d) Pensions

The company operates a defined contribution pension scheme. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

e) Related party transactions

The company has taken advantage of the exemption conferred by FRS8 not to disclose details of transactions with other members of the Jetix Europe N.V. group or its investees since it is a wholly owned subsidiary undertaking of Jetix Europe N.V. whose consolidated accounts are available to the public.

f) Deferred tax

Deferred tax is provided in respect of all timing differences that have originated, but not reversed, by the balance sheet date. Deferred tax is measured on a non-discounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws substantively enacted at the balance sheet date.

Notes to accounts (continued)

at 30 September 2005

2 Turnover

Turnover represents amounts receivable in respect of commissions and group service charges earned during the year, stated net of value added tax.

It is the opinion of the directors that, in view of the company's business, the markets in which it operates do not differ substantially from each other and are therefore treated as one market for the purpose of disclosing particulars of turnover in these accounts.

3 Operating profit

Operating profit is stated after charging:

	2005 £	2004 £
Depreciation	-	56,590
Auditors' remuneration	6,000	5,000
Staff costs (see note 4)	850,933	616,127

4 Staff costs

	2005 £	2004 £
Wages and salaries	762,723	555,578
Social security costs	81,437	58,573
Other pension costs	6,773	1,976
	850,933	616,127

	2005 Number	2004 Number
Average monthly number of employees during the year:	18	14

The directors received no remuneration in respect of their services to the company during the year (2004 – nil).

Notes to accounts (continued)
at 30 September 2005

5 Tax on profit on ordinary activities

(a) Analysis of tax charge in period

	2005	2004
	£	£
Deferred tax	165	100,603
Tax charge on ordinary activities	<u>165</u>	<u>100,603</u>

(b) Factors affecting tax charge for the period

The tax assessed for the period is lower than the standard rate of corporation tax in the UK (30%). The differences are explained below:

	2005	2004
	£	£
Profit before taxation	290,679	328,844
Profit per ordinary activities multiplied by the standard rate (30%)	87,204	98,653
Expenses not deductible for tax	(36,985)	1,944
Accelerated capital allowances / other timing differences	(1,118)	142
Utilisation of tax losses	(1,498)	(100,739)
Group relief	(47,603)	-
Current tax charge for the period	<u>-</u>	<u>-</u>

Factors that may affect future tax charge

The company has tax losses carried forward of £nil (2004: £2,200) for which a deferred tax asset has been recognised on the basis that the losses should be utilised in the near future.

Notes to accounts (continued)
at 30 September 2005

6 Debtors and prepayments

	2005 £	2004 £
Trade debtors	122,725	4,882
Amounts owed by group undertakings	1,958,524	880,575
Taxation and social security	5,250	7,705
Deferred tax asset (see note 8)	3,353	3,518
Prepayments and accrued income	80,531	226,926
	<u>2,170,383</u>	<u>1,123,606</u>

7 Creditors: amounts falling due within one year

	2005 £	2004 £
Trade creditors	59,691	4,203
Bank overdrafts	-	190,553
Amounts due to group undertakings	1,675,548	594,544
Other creditors	-	9,649
Accruals and deferred income	10,400	77,685
	<u>1,745,639</u>	<u>876,634</u>

8 Deferred Tax Asset

	2005 £	2004 £
Capital allowances	3,353	2,854
Tax losses carried forward	<u>0</u>	<u>664</u>
	<u>3,353</u>	<u>3,518</u>
Deferred tax asset at the start of the period	3,518	104,121
Movement in the period	<u>(165)</u>	<u>(100,603)</u>
Deferred tax asset at the end of the period	<u>3,353</u>	<u>3,518</u>

Notes to accounts (continued)
at 30 September 2005

9 Share capital

	2005 £	2004 £
Authorised, allotted, called up and fully paid:		
102 ordinary shares of £1 each	<u>102</u>	<u>102</u>

10 Reconciliation of shareholders' funds and movements on reserves

	Capital reserve £	Share capital £	Profit and loss account £	Total £
At 30 September 2004	299,487	102	(52,617)	246,972
Profit for the year ended 30 September 2005	-	-	290,514	290,514
At 30 September 2005	<u>299,487</u>	<u>102</u>	<u>237,897</u>	<u>537,486</u>

11 Other financial commitments

Pensions commitments

The company operates a defined contribution scheme for certain employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

There are no unpaid contributions outstanding at the year end (2004 – None).

12 Ultimate parent company

The company is a subsidiary undertaking of Jetix Europe Properties S.a.r.l., a company incorporated in Luxembourg.

The ultimate parent company is The Walt Disney Company, Inc., a company incorporated in the United States of America.

The smallest group in which the company's financial statements are consolidated is that headed by Jetix Europe N.V., a company incorporated in the Netherlands. These financial statements are available to the public and can be obtained from Jetix Europe N.V., Bergweg 50 1217 SC, Hilversum, The Netherlands.

The largest group in which the company's financial statements are consolidated is that headed by The Walt Disney Company Inc.. These financial statements are available to the public and can be obtained from The Walt Disney Company Inc., 500 South Buena Vista Street, Burbank CA 91521, United States of America.

13 Related Parties

The company has taken advantage of the exemption conferred by FRS8 not to disclose details of transactions with other members of the Jetix Europe N.V. group since it is a wholly owned subsidiary undertaking of Jetix Europe N.V. whose consolidated accounts are available to the public.