

Disney Mobile UK Limited
(Formerly "Buena Vista Media Tracking Europe Limited")

(Registered Number: 3492315)

Directors' Report and Financial Statements
For the period ended 1 October 2005



Disney Mobile UK Limited

Directors' Report for the Period Ended 1 October 2005

The directors present their annual report and audited financial statements of the company for the period ended 1 October 2005.

Principal activities, review of business and future developments

The principal activity of the company was the provision of revenue sharing data to distributors or pre-recorded video cassettes. In December 2002 the trade and associated asset of the Company were sold as a going concern to SCE Acquisition Company Ltd. The company has not traded in 2005. In 2006 the company was renamed Disney Mobile UK Ltd and its future principal activity will be the provision of mobile communication services.

Results and dividends

The profit for ordinary activities after taxation for the financial year is £629,748 which arose on the forgiveness of an intercompany loan payable during the year by a sister company (2004: £(13,450)). The Directors do not recommend the payment of a dividend (2004: £nil).

Directors

The directors who held office during the year and up to the date of this report are as follows:

N Cook	
B Ellis	(resigned 03 January 2006)
C Rose	(appointed 03 January 2006)

None of the directors have a beneficial interest in the shares of the company.

Statement of Directors' responsibilities

Company law requires the directors to prepare financial statements for each financial period 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 period. The Directors are required to prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the Company will continue in business.

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 1 October 2005 and that applicable accounting standards have been followed.

The Directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements 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.

Auditors

An elective resolution has been passed to dispense with the obligation to annually reappoint the auditors, and therefore PricewaterhouseCoopers LLP are deemed to be reappointed for the next financial year.

By order of the Board on 26 July 2006

Director



Independent Auditors' Report to the Members of Disney Mobile UK Limited (formerly "Buena Vista Media Tracking Europe Limited")

We have audited the financial statements, which comprise the profit and loss account, balance sheet and related notes 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 in to 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.

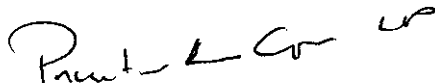
Basis of audit opinion

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 1 October 2005 and of its profit for the period then ended and have been properly prepared in accordance with the Companies Act 1985.



PricewaterhouseCoopers LLP
Chartered Accountants and Registered Auditors
London

26 July 2006

Disney Mobile UK Limited
Profit and Loss for the period ended 1 October 2005

	<u>Note</u>	Period Ended 1 October 2005	Year Ended 30 September 2004
		£	£
Turnover		-	-
Administrative expenses		-	(14,049)
Operating profit / (loss)		-	(14,049)
Bank interest payable		-	(41)
Bank interest receivable		-	640
Gain on debt forgiveness	11	629,748	-
Profit /(Loss) on ordinary activities before taxation		629,748	(13,450)
Tax on profit/ (loss) on ordinary activities	2	-	-
PROFIT/(LOSS) FOR THE FINANCIAL PERIOD		629,748	(13,450)

There were no recognised gains and losses for the period other than those included in the profit and loss account above and therefore no separate statement of total recognised gains and losses has been presented.

There is no difference between the profit on ordinary activities before taxation and the retained profit for the period and their historical cost equivalents. Turnover and profit on ordinary activities before taxation is wholly attributable to discontinued operations.

The notes on pages 5 to 8 form part of these accounts.

Disney Mobile UK Limited
Balance Sheet as at 1 October 2005

	<u>Notes</u>	1 October 2005	30 September <u>2004</u>
CREDITORS (amounts falling due within one year)	3	-	(629,748)
NET CURRENT LIABILITIES		-	(629,748)
NET ASSETS / LIABILITIES		-	(629,748)
EQUITY CAPITAL AND RESERVES			
Shareholder's funds:			
Called up share capital	4	1	1
Profit and loss account	7	(1)	(629,749)
EQUITY SHAREHOLDER'S FUNDS	8	0	(629,748)

The financial statement on pages 3 – 8 were approved by the Board of Directors on 26 July 2006 and were signed on its behalf by:

Director



The notes on pages 5 to 8 form part of these accounts.

Disney Mobile UK Limited

Notes to the Financial Statements

1 Accounting Policies

The accounts have been prepared under the historical cost convention, on a going concern basis and in accordance with applicable accounting standards in the United Kingdom which have been applied consistently.

(1) Going Concern

The company has received assurances from its ultimate parent undertaking that it will be provided with the funds necessary to meet its liabilities as they fall due. For that reason, the directors have continued to adopt the going concern basis in preparing the financial statements.

(2) Foreign currencies

Assets and liabilities in foreign currencies are expressed in sterling at the appropriate rates ruling at the balance sheet date. All foreign exchange gains and losses are taken to the profit and loss account.

(3) Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation. The cost of tangible fixed assets is purchase costs together with any incidental costs of acquisition.

Depreciation is provided on all tangible fixed assets to write off the cost of each asset, less any estimated residual value, on a straight line basis over their estimated useful lives as follows:

Office equipment, furniture, fixtures and fittings	2 to 3 years
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(4) Cash flow statement

The cash flows of the Company are included in the consolidated group cash flow statement of the Walt Disney Company, the ultimate parent undertaking. Consequently the Company is exempt under the provisions of Financial Reporting Standard 1 from publishing a cash flow statement.

(5) Pension Costs

Contributions are made to a defined contribution scheme and are charged to the profit and loss account when they fall due.

(6) Deferred Taxation

Deferred tax assets are recognised only when, on the basis of all available evidence, it is regarded as more likely than not that there will be suitable taxable profits against which to recover carried forward tax losses and from which the future reversal of underlying timing differences can be deducted.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing difference are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

Disney Mobile UK Limited **Notes to the Financial Statements**

2 Taxation

The charge for taxation is based upon the taxable profit/(loss) for the period.

	Period Ended 1 October 2005 £	Year Ended 30 September 2004 £
The tax assessed for the period is lower than the standard rate of corporation tax in the UK (30%). The differences are explained below:		
Profit (Loss) on ordinary activities before tax	629,748	(13,450)
Expected tax / (tax credit) at 30%	188,924	(4,035)
Effects of:		
Losses created and surrendered as group relief	-	4,035
Utilisation of group losses	188,924	-
Current tax charge for period	-	-

3 Creditors (amounts falling due within one year)

	1 October 2005 £	30 September 2004 £
Amounts due to fellow subsidiary undertakings	-	629,748
	-	629,748

The amounts due to fellow subsidiary undertakings are unsecured, non-interest bearing and have no fixed repayment terms.

4 Called up share capital

	1 October 2005 £	30 September 2004 £
Authorised: 1,000 Ordinary Shares of £1 each	1,000	1,000
Allotted and fully paid: 1 Ordinary Share of £1	1	1

Disney Mobile UK Limited **Notes to the Financial Statements**

5 Directors' emoluments

During the period, amounts paid to Directors for services to the Company were £nil (2004: £nil). No retirement benefits are accruing to Directors (2004: nil). No Directors exercised share options in the period (2004: nil).

6 Employee Information

The average number of persons employed by the company during the year was nil (2004: nil).

7 Reserves

	£
Profit and Loss account	
Balance at 1 October 2004	(629,749)
Retained profit/(loss) for the financial period	<u>629,748</u>
Balance at 1 October 2005	<u>(1)</u>

8 Reconciliation of movements in shareholder's funds

	1 October 2005 £	30 September 2004 £
Profit / (Loss) for the period	<u>629,748</u>	<u>(13,450)</u>
Net decrease / (increase) in shareholder's funds	629,748	(13,450)
Shareholder's funds as at beginning of the period	<u>(629,748)</u>	<u>(616,298)</u>
Shareholder's equity (deficit) at the end of the period	<u>-</u>	<u>(629,748)</u>

Disney Mobile UK Limited

Notes to the Financial Statements

9 Ultimate parent undertaking and financial support

a) Ultimate Parent

The ultimate parent is The Walt Disney Company incorporated in The United States of America.

b) Parent Undertaking

The largest and smallest group for which accounts are prepared and of which the company is a member are as follows:

Name	Largest The Walt Disney Company	Smallest Walt Disney International Limited
Country of Incorporation	United States of America	England and Wales
Address from where copies of the group accounts can be obtained.	500 South Buena Vista St. Burbank California, 91521	3 Queen Caroline Street Hammersmith London W6 9PE

10 Related Party Transactions

The Company is a wholly owned subsidiary of The Walt Disney Company Limited whose ultimate parent company is located in the United States of America and utilises the exemption contained in Financial Reporting Standard 8, 'Related Party Disclosures', not to disclose any transactions with entities that are included in the consolidated financial statements of the ultimate parent company. The address at which the consolidated financial statements of the ultimate parent company are publicly available is included in note 9.

11 Operating Profit

The income derived in the period of £629,748 relates to the gain made on the write off of a loan due to a fellow group undertaking.