The Courtyard of the Castle
To celebrate the Prince’s birthday the townsfolk and children of the village arrive at the castle with garlands of flowers. Acrobats and jugglers prepare to entertain the guests. The tutor announces Prince Siegfried’s arrival and the ladies and gentlemen of the court dance for the Prince.

The Queen arrives at the celebrations and gives her son a magnificent crossbow for his birthday. Taking him aside she tells him that as he has now come of age, he must consider marriage. When the Queen departs the celebrations continue. The tutor decides to entertain the Prince and he dances with a young peasant girl.

The celebrations come to an end and Prince Siegfried is left alone with his thoughts. He sees a flock of swans flying overhead and armed with his new crossbow he sets out to hunt in the forest.

The Lakeside
Rothbart, the evil magician, half man, half bird, appears from beneath the lake. The Prince arrives and sees a flock of beautiful swans – they are girls that have been transformed into swans by the wicked magician. Odette, Queen of the Swans appears. Siegfried is captivated by her beauty and Odette begins to trust the Prince.