Consolidated Financial Section
Results and Analysis of Financial Statements

CONTENTS

Management's Discussion and Analysis

Overview

Operations Fully Under Way at State-of-the-Art Head Office

On February 29, 2004, NTV fully commenced operations at the NTV Tower, its new head office building. From this state-of-the-art broadcasting facility replete with the latest technology, the NTV Group is making a concerted effort to produce quality content. Following the start of digital terrestrial broadcasting in December 2003, NTV has commenced high-definition and data broadcasting services. Plans also call for initiating broadcasting services that play to the strengths of digitalization, such as multi-channel broadcasting and television broadcasts to mobile handsets, with the view to making NTV even more competitive.

Earnings Growth Driven by Subsidiaries

During the year ended March 31, 2004, NTV subsidiaries and associated companies achieved significant growth, offsetting a slowing performance at the parent company. Notably, Nippon Television Music Corporation and Forecast Communications Inc. achieved steady growth in businesses that support the reuse of program content and multimedia content distribution. VAP Inc. expanded earnings on the back of brisk sales of the DVD release of the popular Korean television drama series *Winter Sonata*, contributing to group-wide operating performance. Results also improved at Nippon Television Work 24 Corporation, which is contracted to perform facility management services at buildings in Shiodome, and at NTV Services Inc., which grew merchandise sales at *Nittele Plaza*.

Risk Factors

The risk factors outlined below could affect the future results of NTV and investment decisions, depending on changes in the Company's operating environment.

First, because NTV competes with other Tokyo-based broadcasters for revenues from advertising spaces in the terrestrial broadcasting business, the loss of NTV's comparative advantage in viewer ratings may affect its ability to successfully generate advertising revenues.

Second, satellite broadcasting services, such as those offered via digital BS and CS, as well as cable television and other television broadcasting media are becoming increasingly competitive. The Internet is also being broadly embraced by the household sector. If rapid growth in these forms of media proceeds to the extent that terrestrial broadcasting diminishes in significance, this could have an impact on NTV's business results.

Third, since its inception, digital BS broadcasting has been adopted at a slower-than-expected pace, resulting in lackluster growth in advertising revenues at various digital BS broadcasters. BS Nippon Corporation, in which NTV is the principal shareholder, has posted consecutive operating losses since its establishment. BS Nippon Corporation is forecast to remain in the red until penetration rates of digital BS broadcasting service increase. Because BS Nippon Corporation is an associated company accounted for by the equity method, its results are recorded in equity in losses of unconsolidated subsidiaries and associated companies under other income (expenses) on the statements of income. BS Nippon Corporation may, therefore, continue to affect NTV's consolidated business results.

Operational Review

The NTV Group has three business segments: television broadcasting, cultural activities and other. Business activities and performance in each segment are as follows:

Television Broadcasting

NTV's primary sources of sales in the television broadcasting segment are the sale of broadcasting time to advertisers (broadcasting sales) and the sale of programs to network affiliates, through the production and broadcasting of television programs. Broadcasting sales consist of two components: the sale of broadcasting time during specific programs (time sales); and the sale of advertising spots between programs (spot sales). The main consolidated subsidiaries involved in the production and broadcasting of television programs in this segment are NTV Eizo Center Corporation, NTV Video Corporation, NTV Enterprises Co., Ltd. and Nippon Television Art Corp. In addition, there are two consolidated subsidiaries, two non-consolidated subsidiaries and nine associated companies primarily engaged in this segment.

During the year ended March 31, 2004, total television broadcasting sales declined ¥9,502 million, or 3.2%, to ¥285,016 million (all segment sales include inter-segment transactions). Operating income decreased ¥13,240 million, or 29.8%, to ¥31,146 million. NTV continued to achieve high viewer ratings, winning the quadruple crown title for the tenth straight year. However, soft advertising demand due to Japan's weak economy hampered growth in sales and operating income.

Japan's Advertising Expenditures and Gross Domestic Product (GDP)

Year	GDP		Nominal Gross Domestic Product		Advertising Year Expenditures Relative to GDP (%)
	(Billions of Yen)	Year-on-year Change (%)	(Billions of Yen)	Year-on-year Change (%)	
1989	5,071.5	114.8	408,534.7	107.7	1.24
1990	5,564.8	109.7	440,124.8	107.7	1.26
1991	5,726.1	102.9	468,234.4	106.4	1.22
1992	5,461.1	95.4	480,492.1	102.6	1.14
1993	5,127.3	93.9	484,233.8	100.8	1.06
1994	5,168.2	100.8	490,005.3	101.2	1.05
1995	5,426.3	105.0	496,922.2	101.4	1.09
1996	5,771.5	106.4	509,984.0	102.6	1.13
1997	5,996.1	103.9	520,937.3	102.1	1.15
1998	5,771.1	96.2	514,595.4	98.8	1.12
1999	5,699.6	98.8	507,224.3	98.6	1.12
2000	6,110.2	107.2	511,462.4	100.8	1.19
2001	6,058.0	99.1	505,847.4	98.9	1.20
2002	5,703.2	94.1	498,102.0	98.5	1.14
2003	**5,684.1**	**99.7**	**499,052.7**	**100.2**	**1.14**

Source: Advertising Expenditures 2003, Dentsu Inc.

Time sales fell sharply in the first half of the year ended March 31, 2004, coming off strong advertising demand stemming from the FIFA World Cup soccer tournament held in the first half of the previous fiscal year. However, second-half time sales remained flat. Nonetheless, time sales for the fiscal year at the parent company decreased 3.5% to ¥148,921 million. Time sales represented 56.0% of total broadcasting sales.

On the other hand, spot sales in the first half of the year ended March 31, 2004 were down from the same period in the last fiscal year, reflecting a slow recovery in the advertising market. Second-half spot sales were unable to offset this decline. The result was a 4.1% decline in spot sales for the fiscal year to ¥117,045 million. Demand slackened among prominent clients in the food and beverage, services and financial industries. Meanwhile, despite signs of an upturn in demand for advertisements for electric appliances, particularly digital home electric appliances, the overall recovery in corporate performances failed to translate into stronger demand. Sales of advertising spots represented 44.0% of total broadcasting sales.

The television broadcasting segment represented 84.9% of net sales for the year ended March 31, 2004. The percent of sales is calculated using figures that include inter-segment transactions.

Cultural Activities

The main undertakings in the cultural activities segment are concerts and art exhibits, film investments and production, sports events, and book publishing. VAP Inc. plans, produces, records and sells CDs, videotapes and DVDs, while Nippon Television Music Corporation plans and produces recorded music, including CDs, and represents music copyrights and manages merchandising rights. Two unconsolidated subsidiaries and two associated companies are also primarily engaged in cultural activities.

Total segment sales increased ¥1,213 million, or 3.2%, to ¥38,859 million, while operating income rose ¥1,917 million, or 96.1% to ¥3,912 million. In the year ended March 31, 2004, we held two art exhibitions: *La Dignité des Humbles: Jean-François Millet et le Naturalisme en Europe* and *The Marmottan Monet Museum Exhibition Japan 2004*. These two exhibitions attracted large crowds of art enthusiasts. Meanwhile, annual events, such as the musical *Annie* also met with considerable success. However, the events business on the whole did not make a very large contribution to earnings. In the content business, despite the lack of a major film release, such as *Neko no Ongaeshi (The Cat Returns)*, brisk sales of video and DVD releases of Korean dramas and NTV content made a significant contribution to sales and earnings growth. Notably, VAP Inc. doubled earnings in the year ended March 31, 2004 on strong sales of the DVD release of *Winter Sonata*, which proved highly popular during the fiscal year.

The cultural activities segment represented 11.6% of net sales for the year ended March 31, 2004.

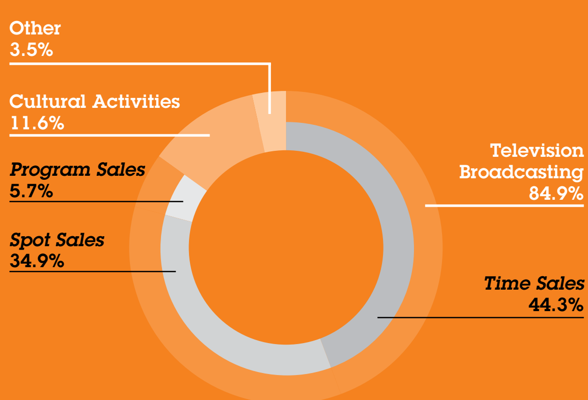
Other

In the other segment, the major consolidated subsidiaries are NTV Services Inc., which is involved in housing, insurance sales and sales of novelty goods at various events; Nippon Television Work 24 Corporation, which is engaged in general facility management services, including property; Nippon Television Football Club Co., Ltd., which manages a professional soccer team; and Forecast Communications Inc., which offers Internet-related services. There are five additional associated companies involved in this segment.

Total sales in this segment in the year ended March 31, 2004 were ¥11,911 million, up ¥2,008 million, or 20.3%. Operating income decreased ¥198 million, or 17.9%, to ¥911 million. NTV Services Inc. recorded much higher sales due to firm sales of program-related merchandise at the *Nittele-ya* store on the premises of *Nittele Plaza*, which opened in the year ended March 31, 2004. However, earnings at NTV Services Inc. declined owing to the effects of the reversal of deferred tax assets. Nippon Television Work 24 Corporation won contracts to provide facility management services for the NTV Tower and various other buildings in the Shiodome district, driving growth in both sales and earnings.

The other segment represented 3.5% of net sales for the year ended March 31, 2004.

A Breakdown of NTV's Net Sales by Operations
Year Ended March 31, 2004



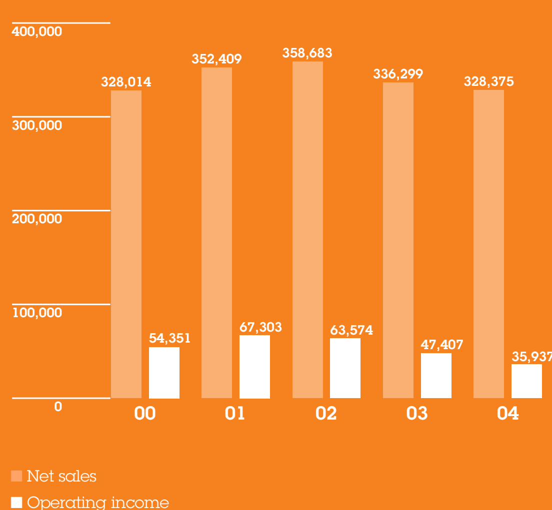
Financial Review

Net Sales

In the first half of the year ended March 31, 2004, many industries and companies in Japan held back on advertising spending against the background of issues such as military action in Iraq, the SARS outbreak and financial instability. In the latter half, however, there were signs of an upturn in demand mainly for advertisements for digital home electric appliances and the IT industry, catalyzed by the start of digital terrestrial broadcasting in some parts of Japan. Total advertising expenditures in Japan in 2003 were ¥5,684.1 billion, down 0.3% according to Dentsu Inc. Television advertising expenditures rose 0.7% to ¥1,948.0 billion, representing 34.3% of the total advertising expenditures, increasing for the first time in three years.

In this climate, consolidated net sales decreased ¥7,924 million, or 2.4%, to ¥328,375 million. This was mainly due to a sharp decrease in broadcasting sales, coming off a surge in sales of advertisements for large one-time events, such as the FIFA World Cup in the previous fiscal year. Sales in the cultural activities segment increased mainly due to higher sales of video products at consolidated subsidiaries and licensing fees from merchandising rights. In the other segment, the major contributing factors to higher sales in the year ended March 31, 2004 included the leasing business targeting commercial tenants and sales of merchandise by consolidated subsidiaries, which were initiated at the Shiodome head office in the fiscal year under review.

Net Sales and Operating Income
(Millions of Yen)
Years Ended March 31



Operating Income

Program production expenses at the parent company, which represent a large percentage of operating expenses, decreased 1.9% to ¥110,160 million (parent company basis). This mainly reflected large outlays in the year ended March 31, 2003 associated with the FIFA World Cup and a drive in the year ended March 31, 2004 to improve cost efficiency, which targeted program production expenses, chiefly those for regularly scheduled programs. Depreciation expenses also increased following the start of operations at the new head office.

Consequently, the cost of sales rose ¥2,664 million, or 1.2%, to ¥217,844 million. Selling, general and administrative (SG&A) expenses climbed ¥882 million, or 1.2%, to ¥74,594 million, mainly the result of higher running costs, such as utility bills, following the completion of the Shiodome head office. This was partially offset by a decrease in agency fees and other expenses.

As a result of the above, operating income decreased ¥11,470 million, or 24.2%, to ¥35,937 million.

Net Income

One-time head office relocation expenses in the year ended March 31, 2004 included the following components recorded as other expenses: a ¥673 million moving expense related to the new head office building and a ¥771 million 50th anniversary expense of broadcasting service. There was a large decrease in the loss on devaluation of investment securities, the largest component of other expenses in the previous fiscal year. Another positive factor in the year ended March 31, 2004 was the absence of expenses related to the excavation of archaeological ruins that were discovered when the site of NTV's former building in Shinjuku was leveled. Consequently, other expenses—net decreased ¥8,057 million to ¥1,384 million, compared with ¥9,441 million in the previous fiscal year. In the year ended March 31, 2004, NTV also booked a gain of ¥935 million on the sales of property and equipment, partly reflecting the sale of NTV's landholdings in Sapporo, as other income. As a result of the above, net income decreased ¥937 million, or 4.6%, to ¥19,359 million. Net income per share fell to ¥771.74, from ¥801.99 in the previous fiscal year.

Liquidity and Financial Resources

Financial Position

Total assets were ¥513,430 million as of March 31, 2004, up 7.7% over a year earlier.

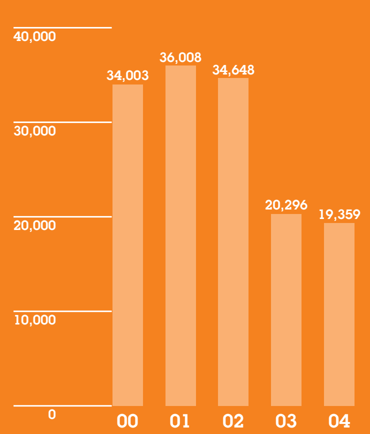
Total current assets decreased 9.0% to ¥188,717 million. This mainly reflected declines of ¥8,925 million in marketable securities and ¥6,956 million in other receivables, which outweighed increases of ¥3,915 million in program rights. The main components of the decrease in marketable securities were the redemption of commercial paper and Japanese government bonds.

Under property and equipment, the completion of the new Shiodome head office was accompanied by increases in both buildings and structures, and machinery, vehicles and equipment, to ¥90,468 million and ¥99,778 million, respectively. However, a portion of these increases reflected transfers from construction in progress from the previous fiscal year. Total investments and other assets rose ¥23,316 million to ¥93,343 million, mainly due to an increase in investment securities.

Total current liabilities rose ¥5,304 million to ¥118,020 million, primarily due to a ¥10,138 million increase in short-term bank loans to ¥45,903 million accompanying the construction of the new head office, partially offset by a decrease of ¥9,936 million in income taxes payable. In the year ended March 31, 2004, NTV recorded deferred tax liabilities of ¥4,546 million, an account that was not booked in the previous fiscal year. As a result, total liabilities were ¥156,119 million, up ¥8,861 million from a year earlier.

Total shareholders' equity rose 8.2% to ¥354,046 million. This was mainly the result of an increase in ¥16,941 million in retained earnings. Another factor was the unrealized gain on available-for-sale securities increased ¥10,060 million in step with rising prices for investment securities. The shareholders' equity ratio improved 0.4 of a percentage point to 69.0%.

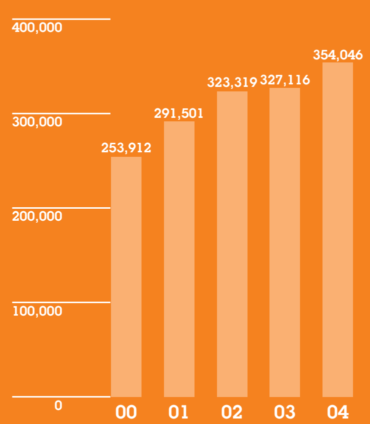
Net Income
(Millions of Yen)
Years Ended March 31



Cash Flows

As of March 31, 2004, cash and cash equivalents were ¥77,930 million, down ¥4,014 million from a year earlier. This was mainly the result of continued purchases of property and equipment, which outweighed cash inflows from funds raised through short-term borrowings and higher net cash provided by operating activities than in the previous fiscal year.

Shareholders' Equity
(Millions of Yen)
Years Ended March 31



Operating Activities

Net cash provided by operating activities was ¥30,520 million, mainly due to depreciation and amortization of ¥12,676 million a non-cash item, which outweighed lower income before income taxes and minority interests of ¥34,553 million.

Investing Activities

Net cash used in investing activities was ¥41,596 million. This was mainly due to the payment of construction expenses for the new head office building, reflected in a large payment of ¥51,326 million for the purchase of property and equipment. Other major components included proceeds of ¥9,243 million from sales of marketable securities and ¥12,118 million from sales of property and equipment, as well as a payment of ¥8,419 million for purchases of investment securities.

Financing Activities

Net cash provided by financing activities was ¥7,131 million. The main component was a change in short-term bank loans of ¥10,138 million.

Outlook

Following the completion of the NTV Tower, our new head office in Shiodome, NTV had finished moving personnel, equipment and other items into the new building from its former head office in Kojimachi as of February 29, 2004. The new head office has fully commenced broadcasting services, and places NTV at the forefront of digitalization.

Looking ahead, NTV expects business conditions to remain difficult, due to an increase in depreciation and amortization following the start of full-scale operations at the NTV Tower, compounded by no clear sign of improvement in the advertising market. As of May 2004, NTV projects growth in net sales but a decrease in earnings for the year ending March 31, 2005, partly reflecting a peak in depreciation and amortization. However, NTV's proactive investment in the new head office, replete with state-of-the-art terrestrial digital broadcasting equipment, is expected to make a significant contribution to our businesses in the coming years.

Projected Capital Expenditures and Depreciation and Amortization

(Billions of Yen; Parent Company Basis)

Years Ending March 31	Capital expenditures	Depreciation and amortization
2005	6.7	20.5
2006	6.5	17.0
2007	6.8	14.0
2008	5.0	12.0
2009	6.7	11.0

Consolidated Financial Statements
Consolidated Balance Sheets

Nippon Television Network Corporation and Consolidated Subsidiaries
March 31, 2004 and 2003

	Millions of Yen		Thousands of U.S. Dollars (Note 1)
ASSETS	**2004**	2003	**2004**
CURRENT ASSETS:			
Cash and cash equivalents	**¥ 77,930**	¥ 81,944	**$ 744,317**
Time deposits	**100**	1,063	**955**
Marketable securities (Note 3)	**329**	9,254	**3,142**
Receivables:			
Trade notes	**6,339**	8,450	**60,545**
Trade accounts	**76,232**	75,455	**728,099**
Other	**5,582**	12,538	**53,315**
Allowance for doubtful accounts	**(346)**	(194)	**(3,305)**
Program rights	**11,525**	7,610	**110,076**
Deferred tax assets (Note 8)	**5,981**	7,300	**57,125**
Prepaid expenses and other	**5,445**	4,722	**52,006**
Allowance for doubtful accounts	**(400)**	(698)	**(3,820)**
Total current assets	**188,717**	207,444	**1,802,455**
PROPERTY AND EQUIPMENT—At cost (Notes 4 and 9):			
Land	**115,120**	115,113	**1,099,522**
Buildings and structures	**90,468**	32,847	**864,069**
Machinery, vehicles and equipment	**99,778**	65,232	**952,989**
Construction in progress	**268**	59,748	**2,560**
Total	**305,634**	272,940	**2,919,140**
Accumulated depreciation	**(74,264)**	(73,777)	**(709,302)**
Net property and equipment	**231,370**	199,163	**2,209,838**
INVESTMENTS AND OTHER ASSETS:			
Investment securities (Note 3)	**72,219**	47,151	**689,771**
Investment in unconsolidated subsidiaries and associated companies	**7,132**	8,623	**68,118**
Deferred tax assets (Note 8)	**312**	6,292	**2,980**
Other assets	**13,849**	8,208	**132,272**
Allowance for doubtful accounts	**(169)**	(247)	**(1,614)**
Total investments and other assets	**93,343**	70,027	**891,527**
TOTAL	**¥ 513,430**	¥ 476,634	**$ 4,903,820**

See notes to consolidated financial statements.

LIABILITIES AND SHAREHOLDERS' EQUITY	Millions of Yen 2004	2003	Thousands of U.S. Dollars (Note 1) 2004
CURRENT LIABILITIES:			
Short-term bank loans (Note 5)	**¥ 45,903**	¥ 35,765	**$ 438,424**
Payables:			
Trade notes	**2,838**	2,615	**27,106**
Trade accounts	**53,720**	49,517	**513,085**
Other	**2,852**	5,827	**27,240**
Income taxes payable	**2,256**	12,192	**21,547**
Accrued expenses and other	**10,451**	6,800	**99,819**
Total current liabilities	**118,020**	112,716	**1,127,221**
NON-CURRENT LIABILITIES:			
Liabilities for retirement benefits (Note 6)	**13,507**	15,193	**129,007**
Guarantee deposits received (Note 4)	**20,046**	19,344	**191,461**
Deferred tax liabilities (Note 8)	**4,546**		**43,419**
Other		5	
Total non-current liabilities	**38,099**	34,542	**363,887**
MINORITY INTERESTS	**3,265**	2,260	**31,184**
COMMITMENTS AND CONTINGENT LIABILITIES (Notes 9 and 10)			
SHAREHOLDERS' EQUITY (Notes 7 and 11):			
Common stock, no par value — authorized, 50,000,000 shares; issued, 25,364,548 shares in 2004 and 2003	**18,576**	18,576	**177,421**
Additional paid-in capital	**17,928**	17,928	**171,232**
Retained earnings	**316,418**	299,477	**3,022,139**
Unrealized gain on available-for-sale securities	**10,835**	775	**103,486**
Foreign currency translation adjustments	**(179)**	(110)	**(1,709)**
Total	**363,578**	336,646	**3,472,569**
Treasury stock — at cost, 408,930 shares in 2004 and 408,820 shares in 2003	**(9,532)**	(9,530)	**(91,041)**
Total shareholders' equity	**354,046**	327,116	**3,381,528**
TOTAL	**¥ 513,430**	¥ 476,634	**$ 4,903,820**

Consolidated Statements of Income

Nippon Television Network Corporation and Consolidated Subsidiaries
Years Ended March 31, 2004 and 2003

	Millions of Yen		Thousands of U.S. Dollars (Note 1)
	2004	2003	2004
NET SALES	¥ 328,375	¥ 336,299	$ 3,136,342
COST OF SALES	217,844	215,180	2,080,650
Gross profit	110,531	121,119	1,055,692
SELLING, GENERAL AND ADMINISTRATIVE EXPENSES (Note 9)	74,594	73,712	712,454
Operating income	35,937	47,407	343,238
OTHER INCOME (EXPENSES):			
Interest and dividend income	709	678	6,770
Interest expense	(134)	(58)	(1,279)
Gain on sales of property and equipment	935	10	8,930
Loss on devaluation of investment securities	(558)	(6,680)	(5,329)
Equity in losses of unconsolidated subsidiaries and associated companies		(1,638)	
Loss on ruins investigation		(1,227)	
Moving expense related to new head office building	(673)		(6,428)
50th anniversary expense of broadcasting service	(771)		(7,364)
Other—net	(892)	(526)	(8,519)
Other expenses—net	(1,384)	(9,441)	(13,219)
INCOME BEFORE INCOME TAXES AND MINORITY INTERESTS	34,553	37,966	330,019
INCOME TAXES (Note 8):			
Current	9,247	20,714	88,319
Deferred	4,941	(3,588)	47,192
Total income taxes	14,188	17,126	135,511
INCOME BEFORE MINORITY INTERESTS	20,365	20,840	194,508
MINORITY INTERESTS IN NET INCOME	(1,006)	(544)	(9,608)
NET INCOME	¥ 19,359	¥ 20,296	$ 184,900

	Yen		U.S. Dollars
PER SHARE OF COMMON STOCK (Note 2.m):			
Net income	¥ 771.74	¥ 801.99	$ 7.37
Cash dividends applicable to the year	120.00	120.00	1.15

See notes to consolidated financial statements.

Consolidated Statements of Shareholders' Equity

Nippon Television Network Corporation and Consolidated Subsidiaries
Years Ended March 31, 2004 and 2003

	Thousands	Millions of Yen					
	Shares of Common Stock	Common Stock	Additional Paid-in Capital	Retained Earnings	Unrealized Gain on Available-for-sale Securities	Foreign Currency Translation Adjustments	Treasury Stock
BALANCE, APRIL 1, 2002	25,365	¥ 18,576	¥ 17,928	¥ 282,364	¥ 4,719	¥ (102)	¥ (166)
Net income				20,296			
Cash dividends, ¥95 per share				(2,409)			
Bonuses to directors				(140)			
Interim cash dividends, ¥25 per share				(626)			
Adjustment of retained earnings from the adoption of equity method for newly associated company				(8)			
Net decrease in unrealized gain on available-for-sale securities					(3,944)		
Foreign currency translation adjustments						(8)	
Increase in treasury stock—net							(9,364)
BALANCE, MARCH 31, 2003	25,365	18,576	17,928	299,477	775	(110)	(9,530)
Net income				**19,359**			
Cash dividends, ¥95 per share				**(2,372)**			
Bonuses to directors				**(140)**			
Interim cash dividends, ¥25 per share				**(623)**			
Adjustment of retained earnings from the exclusion of equity method of an associated company				**717**			
Net increase in unrealized gain on available-for-sale securities					**10,060**		
Foreign currency translation adjustments						**(69)**	
Increase in treasury stock—net							**(2)**
BALANCE, MARCH 31, 2004	**25,365**	**¥ 18,576**	**¥ 17,928**	**¥ 316,418**	**¥ 10,835**	**¥ (179)**	**¥ (9,532)**

	Thousands of U.S. Dollars (Note 1)					
	Common Stock	Additional Paid-in Capital	Retained Earnings	Unrealized Gain on Available-for-sale Securities	Foreign Currency Translation Adjustments	Treasury Stock
BALANCE, MARCH 31, 2003	$177,421	$171,232	$2,860,334	$ 7,402	$ (1,050)	$(91,022)
Net income			**184,900**			
Cash dividends, $0.91 per share			**(22,656)**			
Bonuses to directors			**(1,337)**			
Interim cash dividends, $0.24 per share			**(5,950)**			
Adjustment of retained earnings from the exclusion of equity method of an associated company			**6,848**			
Net increase in unrealized gain on available-for-sale securities				**96,084**		
Foreign currency translation adjustments					**(659)**	
Increase in treasury stock—net						**(19)**
BALANCE, MARCH 31, 2004	**$177,421**	**$171,232**	**$3,022,139**	**$ 103,486**	**$ (1,709)**	**$(91,041)**

See notes to consolidated financial statements.

Consolidated Statements of Cash Flows

Nippon Television Network Corporation and Consolidated Subsidiaries
Years Ended March 31, 2004 and 2003

	Millions of Yen		Thousands of U.S. Dollars (Note 1)
	2004	2003	**2004**
OPERATING ACTIVITIES:			
Income before income taxes and minority interests	**¥ 34,553**	¥ 37,966	**$ 330,019**
Adjustments for:			
Income taxes—paid	**(19,183)**	(21,381)	**(183,219)**
Depreciation and amortization	**12,676**	5,854	**121,070**
(Reversal of) provision for liabilities for retirement benefits	**(1,686)**	771	**(16,103)**
Gain on sales of property and equipment	**(935)**	(10)	**(8,930)**
Loss on devaluation of investment securities	**558**	6,680	**5,330**
Equity in losses of unconsolidated subsidiaries and associated companies	**430**	1,638	**4,107**
Loss on ruins investigation		1,227	
Changes in operating assets and liabilities:			
Decrease (increase) in trade notes and accounts receivables	**1,334**	(1,813)	**12,741**
Increase in program rights	**(3,915)**	(2,004)	**(37,393)**
Increase (decrease) in trade notes and accounts payables	**4,426**	(1,156)	**42,273**
Other—net	**2,262**	(1,791)	**21,605**
Total adjustments	**(4,033)**	(11,985)	**(38,519)**
Net cash provided by operating activities	**30,520**	25,981	**291,500**
INVESTING ACTIVITIES:			
Increase in long-term deposits		(220)	
Decrease in long-term deposits	**963**	250	**9,198**
Proceeds from sales of marketable securities	**9,243**	12,524	**88,281**
Purchases of property and equipment	**(51,326)**	(34,310)	**(490,220)**
Proceeds from sales of property and equipment	**12,118**	14	**115,740**
Purchases of intangible assets	**(3,280)**	(607)	**(31,328)**
Proceeds from sales of investment securities	**82**	639	**783**
Purchases of investment securities	**(8,419)**	(15,797)	**(80,411)**
Other—net	**(977)**	114	**(9,331)**
Net cash used in investing activities	**(41,596)**	(37,393)	**(397,288)**
FINANCING ACTIVITIES:			
Change in short-term bank loans—net	**10,138**	34,865	**96,830**
Dividends paid	**(2,995)**	(3,035)	**(28,606)**
Purchases of treasury stock	**(2)**	(9,364)	**(19)**
Other—net	**(10)**	(2)	**(96)**
Net cash provided by financing activities	**7,131**	22,464	**68,109**
FOREIGN CURRENCY TRANSLATION ADJUSTMENTS ON CASH AND CASH EQUIVALENTS	**(69)**	(59)	**(659)**
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	**(4,014)**	10,993	**(38,338)**
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	**81,944**	70,951	**782,655**
CASH AND CASH EQUIVALENTS, END OF YEAR	**¥ 77,930**	¥ 81,944	**$ 744,317**

See notes to consolidated financial statements.

Notes to Consolidated Financial Statements

Nippon Television Network Corporation and Consolidated Subsidiaries
Years Ended March 31, 2004 and 2003

Note 01 Basis of Presenting Consolidated Financial Statements

The accompanying consolidated financial statements have been prepared in accordance with the provisions set forth in the Japanese Securities and Exchange Law and its related accounting regulations, and in conformity with accounting principles generally accepted in Japan, which are different in certain respects as to application and disclosure requirements of International Financial Reporting Standards.

In preparing these consolidated financial statements, certain reclassifications and rearrangements have been made to the consolidated financial statements issued domestically in order to present them in a form which is more familiar to readers outside Japan. In addition, certain reclassifications have been made in the 2003 financial statements to conform to the classifications used in 2004.

The consolidated financial statements are stated in Japanese yen, the currency of the country in which Nippon Television Network Corporation (the "Company") is incorporated and operates. The translations of Japanese yen amounts into U.S. dollar amounts are included solely for the convenience of readers outside Japan and has been made at the rate of ¥104.7 to $1, the approximate rate of exchange at March 31, 2004. Such translations should not be construed as representations that the Japanese yen amounts could be converted into U.S. dollars at that or any other rate.

Note 02 Summary of Significant Accounting Policies

a. Consolidation — The consolidated financial statements as of March 31, 2004 and 2003 include the accounts of the Company and its 12 significant subsidiaries (together, the "Group").

Under the control or influence concept, those companies in which the Company, directly or indirectly, is able to exercise control over operations are fully consolidated, and those companies over which the Group has the ability to exercise significant influence are accounted for by the equity method.

Investments in 4 (4 in 2003) unconsolidated subsidiaries and 16 (17 in 2003) associated companies are accounted for by the equity method.

Investments in the remaining unconsolidated subsidiaries and associated companies are stated at cost.

All significant intercompany balances and transactions have been eliminated in consolidation. All material unrealized profit included in assets resulting from transactions within the Group is eliminated.

b. Cash Equivalents — Cash equivalents are short-term investments that are readily convertible into cash and that are exposed to insignificant risk of changes in value.

Cash equivalents include time deposits and mutual funds investing in bonds that represent short-term investments, all of which mature or become due within three months of the date of acquisition.

c. Program Rights — Costs incurred in connection with the production of programming and the purchase of rights to programs are capitalized and amortized as the respective programs are broadcast. Program rights are carried at cost, determined by the specific identification method.

d. Marketable and Investment Securities — Marketable and investment securities are classified as trading securities, held-to-maturity debt securities or available-for-sale securities depending on management's intent. The Group classifies securities as held-to-maturity debt securities and available-for-sale securities.

Held-to-maturity debt securities are stated at amortized cost.

Marketable available-for-sale securities are stated at fair value with unrealized gains and losses, net of applicable taxes, reported in a separate component of shareholders' equity. The cost of securities sold is determined based on the moving-average method.

Non-marketable available-for-sale securities are stated at cost determined by the moving-average method. For other than temporary declines in fair value, non-marketable available-for-sale securities are reduced to net realizable value by a charge to income.

e. Property and Equipment — Property and equipment are stated at cost. Depreciation is computed by the declining-balance method over the estimated useful lives of the assets, while the straight-line method is applied to buildings acquired after April 1, 2000. The range of useful lives is from 3 to 50 years for buildings and structures and from 2 to 20 years for machinery, vehicles and equipment.

f. Retirement and Pension Plan — The Company and subsidiaries have an unfunded lump-sum retirement benefits plan and a non-contributory funded pension plan.

Effective April 1, 2000, the Group adopted a new accounting standard for employees' retirement benefits and accounted for the liability for retirement benefits based on projected benefit obligations and plan assets at the balance sheet date.

The Company's transitional assets of ¥2,776 million ($19,730 thousand), determined at the beginning of the year, are being amortized over 10 years.

The annual provision for retirement benefits for directors and corporate auditors is calculated to state the liability at the amount that would be required if all directors and corporate auditors retired at each balance sheet date.

g. Leases — All leases are accounted for as operating leases. Under Japanese accounting standards for leases, finance leases that deem to transfer ownership of the leased property to the lessee are to be capitalized, while other finance leases are permitted to be accounted for as operating lease transactions if certain "as if capitalized" information is disclosed in the notes to the consolidated financial statements.

h. Income Taxes — The provision for income taxes is computed based on the pretax income included in the statements of income. The asset and liability approach is used to recognize deferred tax assets and liabilities for the expected future tax consequences of temporary differences between the carrying amounts and the tax bases of assets and liabilities. Deferred taxes are measured by applying currently enacted tax laws to the temporary differences.

i. Appropriations of Retained Earnings — Appropriations of retained earnings at each year end are reflected in the financial statements for the following year upon shareholders' approval.

j. Foreign Currency Translations — Receivables and payables denominated in foreign currencies are translated into Japanese yen at the exchange rates at the balance sheet date.

Foreign exchange gains and losses are recognized during the fiscal year in which they occur.

k. Foreign Currency Financial Statements — The balance sheet and revenue and expense accounts of the consolidated overseas subsidiaries are translated into yen at the current exchange rates as of the balance sheet date except for shareholders' equity, which is translated at the historical exchange rate.

Differences arising from such translation were shown as "Foreign currency translation adjustments" in a separate component of shareholders' equity.

l. Cash Dividends — Cash dividends charged to retained earnings are those actually paid during the year which represents year-end dividends for the preceding year and interim dividends for the current year.

m. Per Share Information — Basic net income per share is computed by dividing net income available to common shareholders by the weighted-average number of common shares outstanding for the period.

Diluted net income per share reflects the potential dilution that could occur if securities were exercised or converted into common stock. Diluted net income per share of common stock assumes full conversion of the outstanding convertible notes and bonds at the beginning of the year (or at the time of issuance) with an applicable adjustment for related interest expense, net of tax, and full exercise of outstanding warrants.

Cash dividends per share presented in the accompanying consolidated statements of income are dividends applicable to the respective years including dividends to be paid after the end of the year.

Note 03 Marketable and Investment Securities

Marketable and investment securities as of March 31, 2004 and 2003 consisted of the following:

	Millions of Yen		Thousands of U.S. Dollars
	2004	2003	**2004**
Marketable securities — Government and corporate bonds	**¥ 329**	¥ 9,254	**$ 3,142**
Total	**¥ 329**	¥ 9,254	**$ 3,142**
Investment securities:			
Equity securities	**¥ 59,673**	¥ 39,383	**$ 569,943**
Government and corporate bonds	**8,265**	4,511	**78,940**
Trust fund investments and others	**4,281**	3,257	**40,888**
Total	**¥ 72,219**	¥ 47,151	**$ 689,771**

The carrying amounts and aggregate fair value of marketable securities and investment securities at March 31, 2004 and 2003 were as follows:

	Millions of Yen			
March 31, 2004	Cost	Unrealized Gains	Unrealized Losses	Fair Value
Securities classified as:				
Available-for-sale:				
Equity securities	**¥ 27,452**	**¥ 19,449**	**¥ 2,260**	**¥ 44,641**
Government and corporate bonds	**3,588**	**90**	**121**	**3,557**
Trust fund investments and others	**2,288**	**997**	**4**	**3,281**
Held-to-maturity	**5,037**	**21**		**5,058**
March 31, 2003				
Securities classified as available-for-sale:				
Equity securities	¥ 24,753	¥ 4,384	¥ 3,061	¥ 26,076
Government and corporate bonds	13,786	206	226	13,766
Trust fund investments and others	2,288		31	2,257

	Thousands of U.S. Dollars			
March 31, 2004	Cost	Unrealized Gains	Unrealized Losses	Fair Value
Securities classified as:				
Available-for-sale:				
Equity securities	**$262,197**	**$185,759**	**$ 21,585**	**$426,371**
Government and corporate bonds	**34,269**	**860**	**1,156**	**33,973**
Trust fund investments and others	**21,853**	**9,522**	**38**	**31,337**
Held-to-maturity	**48,109**	**200**		**48,309**

Available-for-sale securities whose fair value is not readily determinable as of March 31, 2004 and 2003 were as follows:

	Carrying Amount		
	Millions of Yen		Thousands of U.S. Dollars
	2004	2003	**2004**
Available-for-sale — Non-marketable securities	**¥ 16,032**	¥ 14,306	**$ 153,123**

Proceeds from sales of available-for-sale securities for the years ended March 31, 2004 and 2003 were ¥82 million ($783 thousand) and ¥639 million, respectively. Gross realized gains and losses on these sales, computed on the moving average cost basis, were ¥6 million ($57 thousand) and ¥4 million ($38 thousand), respectively, for the year ended March 31, 2004 and ¥2 million and ¥8 million, respectively, for the year ended March 31, 2003.

The carrying values of debt securities by contractual maturities for securities classified as available-for-sale at March 31, 2004 are as follows:

Available-for-sale	Millions of Yen	Thousands of U.S. Dollars
Due in one year or less	¥ 674	$ 6,437
Due after one year through five years	7,922	75,664
Due after ten years	140	1,337
Total	¥ 8,736	$ 83,438

Note 04 Collateralized Property

At March 31, 2004, land of ¥101,031 million ($964,957 thousand) was pledged as collateral for guarantee deposits received of ¥19,000 million ($181,471 thousand).

Note 05 Short-term Bank Loans

Short-term bank loans outstanding were generally represented by bank overdraft arrangements. The annual interest rates ranged from 0.23% to 1.56% and from 0.23% to 2.10% at March 31, 2004 and 2003, respectively.

Note 06 Retirement and Pension Benefits Plan

The Company and certain subsidiaries have severance payment plans for employees, directors and corporate auditors.

Retirement benefits for employees are determined on the basis of length of service, basic rate of pay at the time of termination and certain other factors. If the termination is involuntary, the employee is usually entitled to greater payment than those in the case of voluntary termination.

The liability for employees' retirement benefits at March 31, 2004 and 2003 consisted of the following:

	Millions of Yen		Thousands of U.S. Dollars
	2004	2003	**2004**
Projected benefit obligation	**¥ 24,804**	¥ 25,147	**$ 236,905**
Fair value of plan assets	**(14,164)**	(12,837)	**(135,282)**
Unrecognized pension assets	**195**		**1,862**
Unrecognized net transitional assets	**1,665**	1,943	**15,903**
Prepayment of pension cost	**41**		**392**
Net liability	**¥ 12,541**	¥ 14,253	**$ 119,780**

The components of net periodic benefit costs for the years ended March 31, 2004 and 2003 are as follows:

	Millions of Yen		Thousands of U.S. Dollars
	2004	2003	**2004**
Service cost	**¥ 1,191**	¥ 1,147	**$ 11,375**
Interest cost	**500**	471	**4,776**
Expected return on plan assets	**(60)**	(131)	**(573)**
Recognized actuarial loss	**(911)**	1,285	**(8,701)**
Recognized prior service cost	**104**		**993**
Amortization of net transitional assets	**(278)**	(278)	**(2,655)**
Net periodic benefit costs	**¥ 546**	¥ 2,494	**$ 5,215**

Assumptions used for the years ended March 31, 2004 and 2003 are set forth as follows:

	2004	2003
Discount rate	**2.3%**	2.3%
Expected rate of return on plan assets	**0.5%**	1.0%
Recognition period of actuarial gain/loss	**1 year**	1 year
Recognition period of prior service cost	**1 year**	
Amortization period of net transitional asset	**10 years**	10 years

Retirement benefits for directors and corporate auditors are paid subject to approval of the shareholders in accordance with the Japanese Commercial Code (the "Code"). Retirement benefits as of March 31, 2004 and 2003 included those for directors and corporate auditors in the amount of ¥966 million ($9,227 thousand) and ¥940 million, respectively.

Note 07 Shareholders' Equity

Japanese companies are subject to the Code to which certain amendments became effective from October 1, 2001.

Prior to October 1, 2001, the Code required at least 50% of the issue price of new shares, with a minimum of the par value thereof, to be designated as stated capital as determined by resolution of the Board of Directors. Proceeds in excess of amounts designated as stated capital were credited to additional paid-in capital. Effective October 1, 2001, the Code was revised and common stock par values were eliminated resulting in all shares being recorded with no par value.

Prior to October 1, 2001, the Code also provided that an amount at least equal to 10% of the aggregate amount of cash dividends and certain other cash payments which are made as an appropriation of retained earnings applicable to each fiscal period shall be appropriated and set aside as a legal reserve until such reserve equals 25% of stated capital. Effective October 1, 2001, the revised Code allows for such appropriations to be set aside as a legal reserve until the total additional paid-in capital and legal reserve equals 25% of stated capital. The amount of total additional paid-in capital and legal reserve which exceeds 25% of stated capital can be transferred to retained earnings by resolution of the shareholders, which may be available for dividends. The Company's legal reserve amount, which is included in retained earnings, totals ¥3,526 million ($33,677 thousand) as of March 31, 2004 and 2003. Under the Code, companies may issue new common shares to existing shareholders without consideration as a stock split pursuant to a resolution of the Board of Directors. Prior to October 1, 2001, the amount calculated by dividing the total amount of shareholders' equity by the number of outstanding shares after the stock split could not be less than ¥500. The revised Code eliminated this restriction.

Prior to October 1, 2001, the Code imposed certain restrictions on the repurchase and use of treasury stock. Effective October 1, 2001, the Code eliminated these restrictions allowing companies to repurchase treasury stock by a resolution of the shareholders at the general shareholders' meeting and dispose of such treasury stock by resolution of the Board of Directors after March 31, 2002. The repurchased amount of treasury stock cannot exceed the amount available for future dividends plus the amount of stated capital, additional paid-in capital or legal reserve to be reduced in the case where such reduction was resolved at the general shareholders' meeting.

The Code permits companies to transfer a portion of additional paid-in capital and legal reserve to stated capital by resolution of the Board of Directors. The Code also permits companies to transfer a portion of unappropriated retained earnings, available for dividends, to stated capital by resolution of the shareholders.

Dividends are approved by the shareholders at a meeting held subsequent to the fiscal year to which the dividends are applicable. Semiannual interim dividends may also be paid upon resolution of the Board of Directors, subject to certain limitations imposed by the Code.

Under the Code, the amount available for dividends is based on retained earnings as recorded on the Company's books. At March 31, 2004, retained earnings recorded on the Company's books were ¥277,973 million ($2,412,483 thousand), which is available for future dividends subject to the approval of the shareholders and legal reserve requirements.

Note 08 Income Taxes

The Company and its domestic subsidiaries are subject to Japanese national and local income taxes which, in the aggregate, resulted in a normal effective statutory tax rate of approximately 42.1% for the years ended March 31, 2004 and 2003.

The tax effects of significant temporary differences and tax loss carryforwards which resulted in deferred tax assets and liabilities as of March 31, 2004 and 2003 are as follows:

	Millions of Yen		Thousands of U.S. Dollars
	2004	2003	**2004**
Current:			
Deferred tax assets:			
Devaluation of program rights	**¥ 4,065**	¥ 4,424	**$ 38,825**
Accrued enterprise taxes	**358**	1,489	**3,419**
Accrued bonuses	**966**	1,015	**9,226**
Other	**702**	535	**6,705**
Less valuation allowance	**(95)**	(158)	**(907)**
Total	**5,996**	7,305	**57,268**
Deferred tax liabilities—unrealized gain on available-for-sale securities	**(15)**	(5)	**(143)**
Net deferred tax assets	**¥ 5,981**	¥ 7,300	**$ 57,125**
Non-current:			
Deferred tax assets:			
Retirement benefits	**¥ 5,251**	¥ 6,000	**$ 50,153**
Devaluation of property and equipment	**491**	837	**4,690**
Devaluation of investment securities	**3,035**	4,565	**28,988**
Other	**1,037**	834	**9,905**
Less valuation allowance	**(464)**	(129)	**(4,432)**
Total	**9,350**	12,107	**89,304**
Offset with deferred tax liabilities	**(9,350)**	(5,815)	**(89,304)**
Net deferred tax assets		¥ 6,292	
Deferred tax liabilities:			
Tax benefit from deferred gain on sales of property and equipment	**¥ (5,974)**	¥ (5,303)	**$ (57,058)**
Unrealized gain on available-for-sale securities	**(7,377)**	(512)	**(70,458)**
Other	**(233)**		**(2,227)**
Total	**(13,584)**	(5,815)	**(129,743)**
Offset with deferred tax assets	**9,350**	5,815	**89,304**
Net deferred tax liabilities	**¥ (4,234)**		**$ (40,439)**

A reconciliation between the normal effective statutory tax rates and the actual effective tax rates reflected in the accompanying consolidated statements of income for the year ended March 31, 2003 is as follows:

	2003
Normal effective statutory tax rate	42.1%
Expenses not deductible for income tax purposes	1.4
Income not taxable for income tax purposes	(0.3)
Effect of tax rate reduction	1.1
Other—net	0.8
Actual effective tax rate	45.1%

For 2004, the difference between the statutory tax rate and effective tax rate is less than 5% of the statutory tax rate; therefore, tax rate reconciliation is not disclosed.

Note 09 Leases

a. Finance Lease Transactions

As lessee

Total rental expenses under finance leases were ¥298 million ($2,846 thousand) and ¥258 million for the years ended March 31, 2004 and 2003, respectively.

Pro forma information of leased property such as acquisition cost, accumulated depreciation, obligation under finance leases, depreciation expense and interest expense of finance leases that do not transfer ownership of the leased property to the lessee on an "as if capitalized" basis for the years ended March 31, 2004 and 2003 was as follows:

	Millions of Yen		Thousands of U.S. Dollars
Machinery, Vehicles and Equipment	**2004**	2003	**2004**
Acquisition cost	**¥ 1,624**	¥ 814	**$ 15,511**
Accumulated depreciation	**520**	499	**4,967**
Net book value	**¥ 1,104**	¥ 315	**$ 10,544**
Obligations under Finance Leases			
Due within one year	**¥ 400**	¥ 246	**$ 3,820**
Due after one year	**820**	263	**7,832**
Total	**1,220**	509	**11,652**
Less—Sublease	**(116)**	(194)	**(1,108)**
Total	**¥ 1,104**	¥ 315	**$ 10,544**

Obligations under finance leases including obligations on sublease were ¥116 million ($1,108 thousand) and ¥194 million at March 31, 2004 and 2003, respectively.

Depreciation expense, which is not reflected in the accompanying consolidated statements of income, is computed by the straight-line method and was ¥298 million ($2,846 thousand) and ¥258 million for the years ended March 31, 2004 and 2003, respectively.

The amounts of obligations, acquisition cost and depreciation under finance leases include the imputed interest expense portion.

As lessor

Total lease receipts were ¥173 million ($1,652 thousand) and ¥145 million for the years ended March 31, 2004 and 2003, respectively.

Pro forma information of leased property such as acquisition cost, accumulated depreciation, receivables under finance leases, depreciation expense and interest income of finance leases that do not transfer ownership of the leased property to the lessee on an "as if capitalized" basis for the years ended March 31, 2004 and 2003 was as follows:

	Millions of Yen		Thousands of U.S. Dollars
Machinery and Equipment	2004	2003	2004
Acquisition cost	¥ 1,814	¥ 1,041	$ 17,326
Accumulated depreciation	549	291	5,244
Net book value	¥ 1,265	¥ 750	$ 12,082
Receivables under Finance Leases			
Due within one year	¥ 237	¥ 153	$ 2,264
Due after one year	1,303	718	12,445
Total	¥ 1,540	¥ 871	$ 14,709

Depreciation expense was ¥257 million ($2,454 thousand) and ¥269 million for the years ended March 31, 2004 and 2003, respectively. The amounts of receivables under finance leases include the imputed interest income portion.

b. Operating Lease Transactions

The minimum rental commitments under noncancelable operating leases at March 31, 2004 and 2003 were as follows:

	Millions of Yen		Thousands of U.S. Dollars
As Lessee	2004	2003	2004
Due within one year	¥ 53	¥ 78	$ 506
Due after one year	20	77	191
Total	¥ 73	¥ 155	$ 697
As Lessor			
Due within one year	¥ 130	¥ 119	$ 1,242
Due after one year	6,250	6,381	59,694
Total	¥ 6,380	¥ 6,500	$ 60,936

Note 10 Contingent Liabilities

The Group's contingent liabilities as of March 31, 2004 as guarantors of indebtedness were as follows:

	Millions of Yen	Thousands of U.S. Dollars
Employees	¥ 835	$ 7,975
Broadcasting Satellite System Corporation	2,098	20,038
Total	¥ 2,933	$ 28,013

Note 11 Subsequent Event

The following appropriations of retained earnings at March 31, 2004 were approved at the Company's shareholders' meeting held on June 29, 2004:

	Millions of Yen	Thousands of U.S. Dollars
Year-end cash dividends, ¥95 ($0.91) per share	¥ 2,370	$ 22,636
Bonuses to directors	100	955

Note 12 Segment Information

Information about industry segments, geographic segments and sales to foreign customers for the years ended March 31, 2004 and 2003 was as follows:

(1) Industry Segments

2004

a. Sales and operating income

	Millions of Yen				
	Television Broadcasting	Cultural Activities	Other	Elimination/ Corporate	Consolidated
Sales to outside customers	¥ 284,520	¥ 37,863	¥ 5,992		¥ 328,375
Intersegment sales/transfers	496	996	5,919	¥ (7,411)	
Total sales	285,016	38,859	11,911	(7,411)	328,375
Operating expenses	253,870	34,947	11,000	(7,379)	292,438
Operating income	¥ 31,146	¥ 3,912	¥ 911	¥ (32)	¥ 35,937

	Thousands of U.S. Dollars				
	Television Broadcasting	Cultural Activities	Other	Elimination/ Corporate	Consolidated
Sales to outside customers	$2,717,479	$ 361,633	$ 57,230		$3,136,342
Intersegment sales/transfers	4,737	9,513	56,533	$ (70,783)	
Total sales	2,722,216	371,146	113,763	(70,783)	3,136,342
Operating expenses	2,424,737	333,782	105,062	(70,477)	2,793,104
Operating income	$ 297,479	$ 37,364	$ 8,701	$ (306)	$ 343,238

b. Assets, depreciation and capital expenditures

	Millions of Yen				
	Television Broadcasting	Cultural Activities	Other	Elimination/ Corporate	Consolidated
Assets	**¥ 341,557**	**¥ 22,566**	**¥ 41,312**	**¥ 107,995**	**¥ 513,430**
Depreciation	**11,026**	**131**	**1,426**	**93**	**12,676**
Capital expenditures	**43,698**	**310**	**5,292**	**461**	**49,761**

	Thousands of U.S. Dollars				
	Television Broadcasting	Cultural Activities	Other	Elimination/ Corporate	Consolidated
Assets	**$3,262,245**	**$ 215,530**	**$ 394,575**	**$1,031,470**	**$4,903,820**
Depreciation	**105,311**	**1,251**	**13,620**	**888**	**121,070**
Capital expenditures	**417,364**	**2,961**	**50,544**	**4,403**	**475,272**

2003

a. Sales and operating income

	Millions of Yen				
	Television Broadcasting	Cultural Activities	Other	Elimination/ Corporate	Consolidated
Sales to outside customers	¥ 291,976	¥ 39,759	¥ 4,564		¥ 336,299
Intersegment sales/transfers	319	849	5,059	¥ (6,227)	
Total sales	292,295	40,608	9,623	(6,227)	336,299
Operating expenses	246,800	39,501	8,740	(6,149)	288,892
Operating income	¥ 45,495	¥ 1,107	¥ 883	¥ (78)	¥ 47,407

b. Assets, depreciation and capital expenditures

	Millions of Yen				
	Television Broadcasting	Cultural Activities	Other	Elimination/ Corporate	Consolidated
Assets	¥ 174,853	¥ 18,377	¥ 8,263	¥ 275,141	¥ 476,634
Depreciation	5,698	97	42	17	5,854
Capital expenditures	17,575	12	38	12,419	30,044

Notes: 1. The Group is engaged in three segments, television broadcasting, cultural activities and other. The three segments consist of the following activities:

Television broadcasting:	Sales of advertising time and programs
Cultural activities:	Sponsoring movies, music concerts, art exhibitions and sports events, and sales of publications
Other:	Land leasing for model homes, sales of novelty items and professional soccer activities

2. Corporate assets mainly consist of cash and cash equivalents, marketable securities, investment securities, long-term deposits, land and construction in progress relating to construction of the headquarters building and administrative assets amounted to ¥114,128 million ($1,090,047 thousand) and ¥269,579 million as of March 31, 2004 and 2003, respectively.
3. From this current fiscal year, the BS-CS digital broadcasting enterprise of Nippon Television Network, conventionally classified into "Cultural Activities" was included in "Television Broadcasting," with the tenant lease enterprise included in "Other."

   The Group changed the classification of the BS-CS digital broadcasting enterprise from "Cultural Activities" to "Television Broadcasting" because of the similarity between the BS-CS digital broadcasting and digital broadcasting started from December 2003.

   In addition, in order to clarify each enterprise domain as the Group, tenant income, which was included in "Cultural Activities," was transferred to "Other." This reclassification was made due to the increased tenant income from the new head office building.

In addition, if the segment information for the year ended March 31, 2003 was prepared using the new segmentation, such information would be as follows:

2003

a. Sales and operating income

	Millions of Yen				
	Television Broadcasting	Cultural Activities	Other	Elimination/ Corporate	Consolidated
Sales to outside customers	¥ 294,199	¥ 37,256	¥ 4,844		¥ 336,299
Intersegment sales/transfers	319	390	5,059	¥ (5,768)	
Total sales	294,518	37,646	9,903	(5,768)	336,299
Operating expenses	250,132	35,651	8,794	(5,685)	288,892
Operating income	¥ 44,386	¥ 1,995	¥ 1,109	¥ (83)	¥ 47,407

b. Assets, depreciation and capital expenditures

	Millions of Yen				
	Television Broadcasting	Cultural Activities	Other	Elimination/ Corporate	Consolidated
Assets	¥ 170,727	¥ 18,377	¥ 12,042	¥ 275,488	¥ 476,634
Depreciation	5,378	97	363	17	5,855
Capital expenditures	17,575	12	38	12,419	30,044

(2) Geographic Segments

Sales and total assets of the Company and its domestic subsidiaries for the years ended March 31, 2004 and 2003 represented more than 90% of the consolidated sales and total assets of the respective years. Accordingly, geographic segments were not disclosed.

(3) Sales to Foreign Customers

Sales to foreign customers for the years ended March 31, 2004 and 2003 represented less than 10% of consolidated sales of the respective years. Accordingly, sales to foreign customers were not disclosed.

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors and Shareholders of
Nippon Television Network Corporation:

We have audited the accompanying consolidated balance sheets of Nippon Television Network Corporation and consolidated subsidiaries as of March 31, 2004 and 2003, and the related consolidated statements of income, shareholders' equity, and cash flows for the years then ended, all expressed in Japanese yen. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in Japan. 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 includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Nippon Television Network Corporation and consolidated subsidiaries as of March 31, 2004 and 2003, and the consolidated results of their operations and their cash flows for the years then ended in conformity with accounting principles generally accepted in Japan.

As described in Note 12 to the consolidated financial statements, the Company changed the BS-CS digital broadcasting and tenant lease enterprise of Nippon Television Network Corporation which were classified in the "Cultural Activities" into "Television Broadcasting" and "Other," respectively.

Our audits also comprehended the translation of Japanese yen amounts into U.S. dollar amounts and, in our opinion, such translation has been made in conformity with the basis stated in Note 1. Such U.S. dollar amounts are presented solely for the convenience of readers outside Japan.

Deloitte Touche Tohmatsu

June 29, 2004

Member of
Deloitte Touche Tohmatsu