

**Tokyo Broadcasting System, Inc. and Its Subsidiaries**  
**Earning Summary for the Six Months Ended September 30, 2004**  
**(Unaudited)**

Note: The following results are direct translation of the flash reports issued in Japanese, which is in accordance with the provisions set forth in the Japanese Securities and Exchange Law and accounting principles and practices generally accepted in Japan. U.S. accounting standard is not applied. All figures in the following Statements have been rounded off, and thus, may not coincide with figures on Financial Statements that are in Japanese.

September 30, 2004

**(1) Consolidated Balance Sheets as of September 30, 2004**

	As of September 30, 2003		As of September 30, 2004		Year on year Change (Millions of yen)
	Amount (Millions of yen)	Ratio (%)	Amount (Millions of yen)	Ratio (%)	
<b>ASSETS</b>					
<b>I. Current assets</b>					
1. Cash on hand and in banks	68,529		55,532		12,997
2. Notes and accounts receivable—trade	62,540		61,595		945
3. Marketable securities	-		1,000		1,000
4. Other current assets	22,428		23,607		1,179
Allowance for doubtful accounts	131		132		1
<b>Total current assets</b>	153,366	31.6	141,602	31.0	11,764
<b>II. Fixed assets</b>					
1. Tangible fixed assets	173,604	35.8	179,384	39.2	5,780
2. Intangible fixed assets	4,329	0.9	5,967	1.3	1,638
3. Investments and other assets					
(1) Investment securities	140,056		118,172		21,884
(2) Other investments and assets	14,488		12,825		1,663
Allowance for doubtful accounts	615		600		15
<b>Total investments and other assets</b>	153,929	31.7	130,397	28.5	23,532
<b>Total fixed assets</b>	331,862	68.4	315,750	69.0	16,112
<b>Total assets</b>	485,229	100.0	457,352	100.0	27,877

	Amount (Millions of yen)	Ratio (%)	Amount (Millions of yen)	Ratio (%)	Change (Millions of yen)
<b>LIABILITIES</b>					
<b>I. Current liabilities</b>					
1. Notes and accounts payable—trade	28,118		26,372		1,746
2. Short-term borrowings	11,185		7,067		4,118
3. Current installments of long-term debt	5,472		72		5,400
4. Other current liabilities	29,872		30,758		886
Total current liabilities	74,647	15.4	64,269	14.1	10,378
<b>II. Long-term liabilities</b>					
1. Bonds	20,000		20,000		-
2. Long-term debt	10,221		10,148		73
3. Allowance for retirement and severance benefits	8,545		10,541		1,996
4. Other long-term liabilities	43,984		32,402		11,582
Total long-term liabilities	82,750	17.0	73,091	16.0	9,659
Total liabilities	157,398	32.4	137,360	30.1	20,038
<b>MINORITY INTERESTS</b>					
Minority interests	1,843	0.4	1,486	0.3	357
<b>SHAREHOLDERS' EQUITY</b>					
<b>I. Common stock</b>					
I. Common stock	44,163	9.1	44,163	9.6	-
<b>II. Additional paid-in capital</b>					
II. Additional paid-in capital	42,561	8.8	42,561	9.3	-
<b>III. Retained earnings</b>					
III. Retained earnings	173,320	35.7	181,489	39.7	8,169
<b>IV. Net unrealized gain on securities</b>					
IV. Net unrealized gain on securities	66,364	13.7	50,720	11.1	15,644
<b>V. Foreign currency translation adjustments</b>					
V. Foreign currency translation adjustments	15	0.0	15	0.0	-
<b>VI. Treasury stock at cost</b>					
VI. Treasury stock at cost	407	0.1	414	0.1	7
Total shareholders' equity	325,986	67.2	318,505	69.6	7,481
Total liabilities, minority interests and shareholders' equity	485,229	100.0	457,352	100.0	27,877

**(2) Consolidated Statements of Income for the Six Months Ended September 30, 2004**

	Six months ended September 30, 2003		Six months ended September 30, 2004		Year on year
	Amount (Millions of yen)	Ratio (%)	Amount (Millions of yen)	Ratio (%)	Change (Millions of yen)
I. Net sales	146,600	100.0	148,546	100.0	1,946
II. Cost of sales	100,638	68.6	103,378	69.6	2,740
Gross profit	45,962	31.4	45,167	30.4	795
III. Selling, general and administrative expenses	33,942	23.2	34,146	23.0	204
Operating income	12,019	8.2	11,021	7.4	998
IV. Non-operating income	574	0.4	1,524	1.0	950
V. Non-operating expenses	1,320	0.9	1,201	0.8	119
Ordinary income	11,273	7.7	11,344	7.6	71
VI. Extraordinary gain	980	0.7	2,873	2.0	1,893
VII. Extraordinary loss	7,989	5.5	746	0.5	7,243
Income before income taxes and minority interests	4,263	2.9	13,471	9.1	9,208
Income taxes and enterprise taxes	5,165		5,824		659
Deferred income taxes	2,460		313		2,773
Minority interests	14	0.0	313	0.2	327
Net income	1,544	1.1	7,647	5.1	6,103

**(3) Consolidated Statements of Cash Flows for the Six Months Ended September 30, 2004**

	Six months ended September 30, 2003	Six months ended September 30, 2004
	Amount (Millions of yen)	Amount (Millions of yen)
<b>I. Cash flows from operating activities</b>		
1. Income before income taxes and minority interests	4,263	13,471
2. Depreciation and amortization	4,941	5,945
3. Amortization of long-term prepaid expenses	1,023	963
4. Amortization of consolidated differences	121	155
5. Retirement and severance benefit expenses	3,352	2,717
6. Increase ( decrease) in allowance for doubtful accounts	100	61
7. Interest income and dividend income	247	927
8. Interest expenses	100	75
9. Equity in losses of affiliated companies	1,072	839
10. Gain on sale of investment securities	904	279
11. Devaluation of investment securities	604	400
12. Loss on disposal of fixed assets	2,015	556
13. ( Increase) decrease in notes and accounts receivable—trade	1,412	1,392
14. ( Increase) decrease in inventories	1,274	401
15. Increase ( decrease) in notes and accounts payable	298	358
16. Others	4,963	618
<b>Subtotal</b>	<b>18,178</b>	<b>18,927</b>
17. Interest and dividends received	282	936
18. Interest paid	114	98
19. Income taxes paid	7,051	4,135
<b>Net cash provided by operating activities</b>	<b>11,295</b>	<b>15,630</b>
<b>II. Cash flows from investing activities</b>		
1. Net proceeds from sale of marketable securities	2,381	-
2. Payment for purchase of tangible fixed assets	6,100	7,906
3. Proceeds from sale of tangible fixed assets	29	6
4. Payment for purchase of intangible fixed assets	548	1,124
5. Payment for purchase of investment securities	60	969
6. Proceeds from sale of investment securities	916	471
7. Others	1,588	37
<b>Net cash used in investing activities</b>	<b>4,968</b>	<b>9,560</b>
<b>III. Cash flows from financing activities</b>		
1. Proceeds from short-term borrowings	200	428
2. Net repayment of short-term borrowings	2,783	2,452
3. Repayment of long-term borrowings	36	5,436
4. Proceeds from the issuance of stock	60	138
5. Payments for treasury stock	1	3
6. Dividends paid	882	882
7. Dividends paid to minority interest	3	16
8. Others	14	13
<b>Net cash used in financing activities</b>	<b>3,432</b>	<b>8,237</b>
<b>IV. Effect of exchange rate changes on cash and cash equivalents</b>	<b>7</b>	<b>38</b>
<b>V. Increase ( decrease) in cash and cash equivalents</b>	<b>2,902</b>	<b>2,129</b>
<b>VI. Cash and cash equivalents at beginning of year</b>	<b>65,495</b>	<b>57,530</b>
<b>VII. Cash and cash equivalents at end of term</b>	<b>68,398</b>	<b>55,401</b>

#### (4) Segment Information

Financial information by business segment for the first half ended September 30, 2004 is summarized as follows.

##### Six Months Ended September 30, 2004

	Broadcasting	Real estate	Others	Total	Elimination / Corporate	Consolidated
Operating revenues and operating income						
Operating revenues						
(1) Outside customers	130,911	1,312	16,321	148,546	-	148,546
(2) Inter-segment	1,654	2,397	4,687	8,740	8,740	-
Total operating revenues	132,566	3,710	21,009	157,287	8,740	148,546
Operating expenses	125,167	3,379	17,713	146,261	8,736	137,525
Operating income	7,398	331	3,296	11,026	4	11,021

##### Six Months Ended September 30, 2003

	Broadcasting	Real estate	Others	Total	Elimination / Corporate	Consolidated
Operating revenues and operating income						
Operating revenues						
(1) Outside customers	129,627	1,529	15,443	146,600	-	146,600
(2) Inter-segment	1,489	2,298	4,515	8,303	8,303	-
Total operating revenues	131,117	3,828	19,959	154,904	8,303	146,600
Operating expenses	122,621	3,572	16,833	143,027	8,446	134,581
Operating income	8,495	255	3,125	11,877	142	12,019

##### Major Businesses of Each Segment

Segment	Business
Broadcasting	Television and radio broadcasting and related businesses
Real estate	Leasing of land and buildings
Others	Planning and production of events and video software, management of a professional baseball club, etc.

**(5) Non-consolidated Balance Sheets as of September 30, 2004**

	As of September 30, 2003		As of September 30, 2004		Year on year Change (Millions of yen)
	Amount (Millions of yen)	Ratio (%)	Amount (Millions of yen)	Ratio (%)	
<b>ASSETS</b>					
<b>I. Current assets</b>					
1. Cash on hand and in banks	65,664		53,017		12,647
2. Notes receivable	672		628		44
3. Accounts receivable	58,140		56,969		1,171
4. Marketable securities	-		1,000		1,000
5. Inventories	8,659		9,469		810
6. Other current assets	6,880		8,136		1,256
Allowance for doubtful accounts	23		29		6
<b>Total current assets</b>	<b>139,993</b>	<b>30.4</b>	<b>129,192</b>	<b>29.7</b>	<b>10,801</b>
<b>II. Fixed assets</b>					
1. Tangible fixed assets	169,176		174,523		5,347
2. Intangible fixed assets	3,633		5,091		1,458
3. Investments and other assets					
(1) Investment securities	121,143		103,021		18,122
(2) Other investments	33,795		31,967		1,818
Allowance for doubtful accounts	393		267		126
Valuation allowance for investments	7,035		8,367		1,332
<b>Total investments and other assets</b>	<b>147,510</b>		<b>126,354</b>		<b>21,156</b>
<b>Total fixed assets</b>	<b>320,320</b>	<b>69.6</b>	<b>305,969</b>	<b>70.3</b>	<b>14,351</b>
<b>Total assets</b>	<b>460,313</b>	<b>100.0</b>	<b>435,162</b>	<b>100.0</b>	<b>25,151</b>

	As of September 30, 2003		As of September 30, 2004		Year on year Change (Millions of yen)
	Amount (Millions of yen)	Ratio (%)	Amount (Millions of yen)	Ratio (%)	
<b>LIABILITIES</b>					
<b>I. Current liabilities</b>					
1. Trade accounts payable	25,968		24,036		1,932
2. Current installments of long-term debt	5,400		-		5,400
3. Short-term borrowings	27,446		25,455		1,991
4. Other current liabilities	227,739		22,970		204,769
<b>Total current liabilities</b>	<b>81,553</b>	<b>17.7</b>	<b>72,461</b>	<b>16.6</b>	<b>9,092</b>
<b>II. Long-term liabilities</b>					
1. Bonds	20,000		20,000		-
2. Long-term debt	10,000		10,000		-
3. Allowance for retirement and severance benefits	6,579		8,859		2,280
4. Other long-term liabilities	38,579		26,757		11,822
<b>Total long-term liabilities</b>	<b>75,158</b>	<b>16.3</b>	<b>65,616</b>	<b>15.1</b>	<b>9,542</b>
<b>Total liabilities</b>	<b>156,711</b>	<b>34.0</b>	<b>138,078</b>	<b>31.7</b>	<b>18,633</b>
<b>SHAREHOLDERS' EQUITY</b>					
I. Common stock	44,163	9.6	44,163	10.1	-
II. Additional paid-in capital	44,212	9.6	44,212	10.2	-
III. Retained earnings	157,672	34.3	165,782	38.1	8,110
IV. Net unrealized gain on securities	63,155	13.7	48,534	11.2	14,621
V. Treasury stock at cost	5,601	1.2	5,608	1.3	7
<b>Total shareholders' equity</b>	<b>303,602</b>	<b>66.0</b>	<b>297,083</b>	<b>68.3</b>	<b>6,519</b>
<b>Total liabilities and shareholders' equity</b>	<b>460,313</b>	<b>100.0</b>	<b>435,162</b>	<b>100.0</b>	<b>25,151</b>

**(6) Non-consolidated Statements of Income for the Six Months Ended September 30, 2004**

	Six months ended September 30, 2003		Six months ended September 30, 2004		Year on year
	Amount (Millions of yen)	Ratio (%)	Amount (Millions of yen)	Ratio (%)	Change (Millions of yen)
I. Operating revenues	127,971	100.0	130,409	100.0	2,438
II. Operating costs	88,881	69.4	91,627	70.3	2,746
III. Selling, general and administrative expenses	29,666	23.2	29,922	22.9	256
Operating income	9,423	7.4	8,858	6.8	565
IV. Non-operating income	1,958	1.5	2,093	1.6	135
V. Non-operating expenses	218	0.2	264	0.2	46
Ordinary income	11,162	8.7	10,688	8.2	474
VI. Extraordinary gain	289	0.2	2,870	2.2	2,581
VII. Extraordinary loss	8,672	6.7	1,232	0.9	7,440
Income before income taxes	2,779	2.2	12,326	9.5	9,547
Income taxes-current	3,800		4,370		570
Income taxes-deferred	2,917		124		3,041
Net income	1,896	1.5	7,832	6.0	5,936

**(7) Breakdown of Operating Revenues**

	Six months ended September 30, 2003	Six months ended September 30, 2004	Comparison	Change (%)
Television	115,822	117,311	1,489	1.3
Time sales and programming	60,141	59,253	888	1.5
Time sales	28,142	27,623	518	1.8
Programming	31,999	31,629	370	1.2
Spot sales	48,982	51,561	2,578	5.3
Others	6,697	6,496	201	3.0
Others	12,149	13,097	948	7.8
Operations( )	9,808	10,904	1,096	11.2
Real estate	2,341	2,193	147	6.3
Total	127,971	130,409	2,437	1.9

( )Operations:

Planning, production and sales of DVD & VHS videos, film investments, oversea and domestic sales of TV programs, internet-related businesses, TV shopping, management of art galleries & special events, etc.