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For Immediate Release

4Kids Entertainment Breaks \$100 Million In Revenues For 2003

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Diluted EPS More Than Doubles From \$0.51 In 2002 to \$1.05 In 2003

NEW YORK, March 15, 2004 – 4Kids Entertainment, Inc. (NYSE: KDE), today announced results for the fourth quarter and year ended December 31, 2003.

For fiscal year 2003, 4Kids Entertainment net revenues increased 92% to \$102.1 million from \$53.1 million in 2002. Net income for the year was \$14.8 million, or \$1.05 per diluted share, versus \$7.0 million, or \$0.51 per diluted share, reported in the prior fiscal year.

The diluted weighted average common shares outstanding for the year ended December 31, 2003 were 14,156,291 shares compared with 13,726,642 shares for the prior year.

Net revenues in the fourth quarter ended December 31, 2003, were \$32.4 million compared to \$25.9 million in the year-earlier period. Fourth quarter net income was \$5.3 million, or \$0.36 per diluted share, compared to \$2.2 million, or \$0.16 per diluted share, in the same period from the previous year.

Commenting on the results, Al Kahn, Chairman and Chief Executive Officer, said, “our annual revenues grew to over \$100 million for the first time in the company’s history enabling us to more than double net income and earnings per share for the year”.

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The Company noted that revenues were driven by strong consumer demand for Yu-Gi-Oh!TM and Teenage Mutant Ninja TurtlesTM licensed merchandise which grew steadily throughout the year and into the holiday season. Additionally, business initiatives recently launched in 2002, such as the Fox Box which generated ad sales, and 4Kids Home Video, were contributors to higher revenues.

“FoxBoxTM, 4Kids’ four hours of programming on Saturday mornings on the Fox Network, continues to be an important component of our content distribution strategy,” Kahn added. “The new 2003-2004 FoxBoxTM line-up, launched in September, has given our properties greater overall exposure to our primary target audience of boys age 6-11. We anticipate that ad sales and FoxBoxTM related merchandise licensing revenues will increase from 2003 levels.”

Looking ahead, we are excited about our prospects for the upcoming year. The first Yu-Gi-Oh! TM feature film is set to premiere in August and we are seeing sustained retail demand for Yu-Gi-Oh! TM and Teenage Mutant Ninja TurtlesTM licensed merchandise thus far in 2004. We are planning the introduction of new licensed merchandise for these properties as well as the launch of a new licensing program for Shaman KingTM. In addition, we are planning the mid-year launch of Winx ClubTM, our first property targeting the girls market, on the FoxBoxTM.

Over the last several years, we have diversified our revenue streams through the acquisition of new children’s properties and by entering complimentary business lines. Going forward, we will remain focused on identifying new and innovative kids content and bringing it broad exposure. Given our strong balance sheet and track record, we believe we are well positioned to grow our portfolio of kids properties," concluded Kahn.

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About 4Kids Entertainment: Headquartered in New York City with international offices in London, 4Kids Entertainment, Inc. (NYSE: KDE) is a global provider of children's entertainment and merchandise licensing. 4Kids, through its wholly owned subsidiaries, provides domestic and international merchandise licensing; product development; television, film, music and home video production and distribution; media buying and planning; and Web site development. For further information, please visit the company's Web site at www.4KidsEntertainment.com.

The information contained in this press release, other than historical information, consists of forward-looking statements within the meaning of Section 27A of the Securities Act and Section 21E of the Exchange Act. These statements may involve risks and uncertainties that could cause actual results to differ materially from those described in such statements. Although the Company believes that the expectations reflected in such forward-looking statements are reasonable, it can give no assurance that such expectations will prove to have been correct. Important factors beyond the Company's control, including general economic conditions, consumer spending levels, competition from toy companies, motion picture studios and other licensing companies, the uncertainty of public response to the Company's properties and other factors could cause actual results to differ materially from the Company's expectations.

This release and prior releases are available on the Company's Worldwide Web site at www.4KidsEntertainment.com

You may register to receive 4Kids Entertainment's future press releases or to download a complete Digital Investor Kit™ including press releases, regulatory filings and corporate materials by clicking on the "Digital Investor Kit™" icon at www.kcsa.com.

Tables Follow:

4KIDS ENTERTAINMENT, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2003 AND 2002
(In thousands of dollars, except share data)

	<u>2003</u>	<u>2002</u>
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	\$95,136	\$78,712
Investments	<u>24,443</u>	<u>10,787</u>
Total cash and investments	119,579	89,499
Accounts receivable - net	37,143	38,847
Prepaid Fox broadcast fee, net of accumulated amortization of \$36,447 and \$9,444 in 2003 and 2002, respectively	8,688	9,857
Prepaid income taxes	2,670	1,635
Prepaid expenses and other current assets	<u>1,690</u>	<u>3,871</u>
Total current assets	169,770	143,709
 PROPERTY AND EQUIPMENT - NET	 3,350	 3,853
 ACCOUNTS RECEIVABLE - Noncurrent, net	 2,662	 5,733
 INVESTMENT IN EQUITY SECURITIES	 726	 726
 FILM AND TELEVISION COSTS - NET	 8,183	 5,653
 DEFERRED INCOME TAXES - Noncurrent	 2,575	 917
 OTHER ASSETS - NET	 <u>6,014</u>	 <u>2,248</u>
TOTAL ASSETS	<u>\$193,280</u>	<u>\$162,839</u>
 LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Due to licensors	\$11,835	\$ 9,063
Media payable	2,178	5,613
Accounts payable and accrued expenses	9,706	9,776
Deferred revenue	8,070	3,976
Deferred income taxes	<u>52</u>	<u>983</u>
Total current liabilities	31,841	29,411
 DEFERRED RENT	 <u>952</u>	 <u>757</u>
Total liabilities	<u>32,793</u>	<u>30,168</u>
 COMMITMENTS AND CONTINGENCIES		
 STOCKHOLDERS' EQUITY		
Preferred stock, \$.01 par value - authorized, 3,000,000 shares; none issued	—	—
Common stock, \$.01 par value - authorized, 40,000,000 shares; issued, 13,965,343 and 13,135,008 shares in 2003 and 2002, respectively	140	131
Additional paid-in capital	52,798	40,411
Accumulated other comprehensive income	693	72
Retained earnings	<u>106,856</u>	<u>92,057</u>
Total stockholders' equity	<u>160,487</u>	<u>132,671</u>
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	<u>\$193,280</u>	<u>\$162,839</u>

4KIDS ENTERTAINMENT, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME

(In thousands of dollars, except per share data)

	Quarter Ended		Year Ended	
	December 31,	December 31,	December 31,	December 31,
	<u>2003</u>	<u>2002</u>	<u>2003</u>	<u>2002</u>
	(UNAUDITED)	(UNAUDITED)		
NET REVENUES	\$ 32,398	\$ 25,902	\$ 102,079	\$ 53,140
COSTS AND EXPENSES:				
Selling, general and administrative	9,747	9,046	33,743	25,374
Production service costs	1,263	2,571	7,819	3,375
Amortization of television and film costs and Fox broadcast fee	<u>12,742</u>	<u>11,054</u>	<u>36,946</u>	<u>14,355</u>
Total costs and expenses	<u>23,752</u>	<u>22,671</u>	<u>78,508</u>	<u>43,104</u>
INCOME FROM OPERATIONS	8,646	3,231	23,571	10,036
INTEREST INCOME	<u>277</u>	<u>476</u>	<u>1,112</u>	<u>1,656</u>
INCOME BEFORE INCOME TAX PROVISION	8,923	3,707	24,683	11,692
INCOME TAX PROVISION	<u>3,606</u>	<u>1,461</u>	<u>9,884</u>	<u>4,702</u>
NET INCOME	<u>\$ 5,317</u>	<u>\$ 2,246</u>	<u>\$ 14,799</u>	<u>\$ 6,990</u>
PER SHARE AMOUNTS:				
Basic earnings per common share	<u>\$ 0.39</u>	<u>\$ 0.17</u>	<u>\$ 1.11</u>	<u>\$ 0.55</u>
Diluted earnings per common share	<u>\$ 0.36</u>	<u>\$ 0.16</u>	<u>\$ 1.05</u>	<u>\$ 0.51</u>
Weighted average common shares outstanding - basic	<u>13,649,050</u>	<u>12,847,922</u>	<u>13,292,852</u>	<u>12,653,102</u>
Weighted average common shares outstanding - diluted	<u>14,568,176</u>	<u>13,936,207</u>	<u>14,156,291</u>	<u>13,726,642</u>