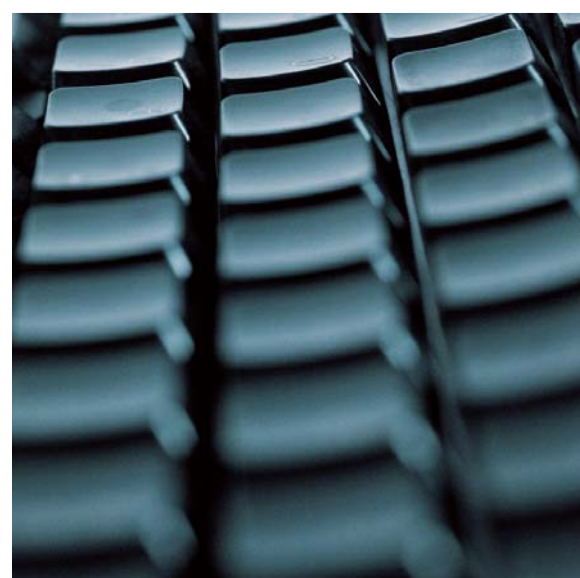
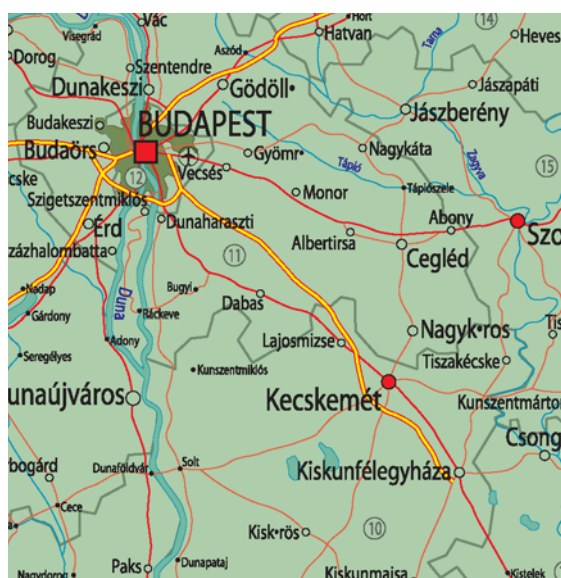


emmis
communications

Outperform

Emmis Communications 2004 Annual Report



about emmis

Emmis Communications (NASDAQ: EMMS) owns 23 FM and 4 AM domestic radio stations serving the nation's largest markets of New York, Los Angeles and Chicago as well as Phoenix, St. Louis, Austin, Indianapolis and Terre Haute, Ind. In addition, Emmis owns 16 television stations, award-winning regional and specialty magazines, a radio network, international radio interests, and ancillary businesses in broadcast sales and publishing.

Emmis was founded in 1980, and the company launched its first radio station, WENS-FM, in July 1981. As Emmis (the Hebrew word for "truth") acquired more radio stations across the nation, it established a reputation for sound operations and emerged as a radio industry leader and innovator. Emmis was the first broadcast company to own top-rated radio stations in both L.A. and New York, and it pioneered such concepts as the all-sports format.

The company launched its magazine division in 1988 with the purchase of *Indianapolis Monthly*, and moved into the world of international radio in 1997, when it was awarded a license to operate a national radio network in Hungary. In 1998, Emmis expanded into television by buying six television stations in markets throughout the United States. In the last six years, the company has added properties in each of its divisions.

With its emphasis on solid operations, integrity, community involvement and fun, the company's culture has been repeatedly lauded by both its employees and its peers. Trade publications have regularly cited the company's leaders as being among the best in the business.

Emmis became a public company in 1994. It maintains its worldwide headquarters in Indianapolis, where the company was founded.

This annual report contains certain non-GAAP measures. For a presentation of the directly comparable GAAP measure and a reconciliation of the non-GAAP measures to the GAAP measures, see the attachment to the back of our Form 10-K in this Annual Report.

$$V_{DC\alpha} = V_{DC0} \cos \alpha - V_X$$



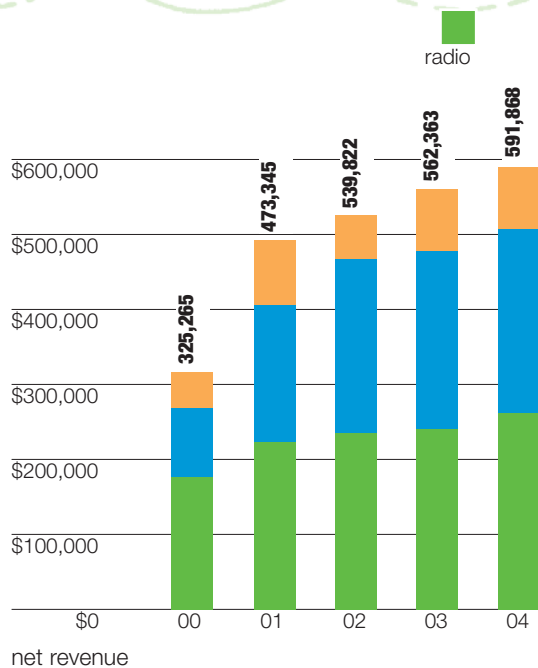
Outperform.

emmis communications 2004 abbreviated financial highlights

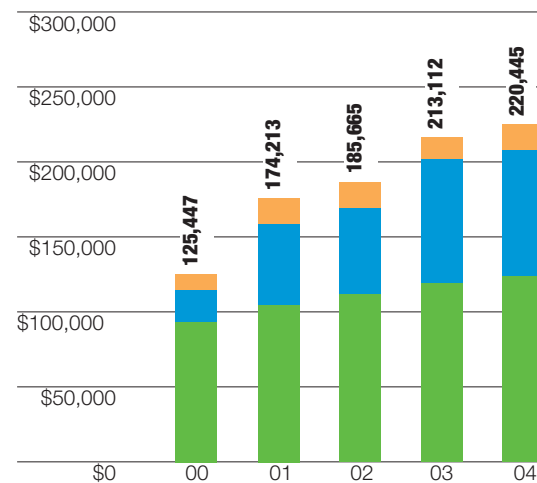
in thousands except where noted

<i>year ended Feb. 28 (29)</i>	'00	'01	'02	'03	'04
net revenues	325,265	473,345	539,822	562,363	591,868
station operating income*	125,477	174,213	185,665	213,112	220,445
station op income margin	38.6%	36.8%	34.4%	37.9%	37.2%
leverage	2.5x	6.8x	9.3x	6.5x	6.7x

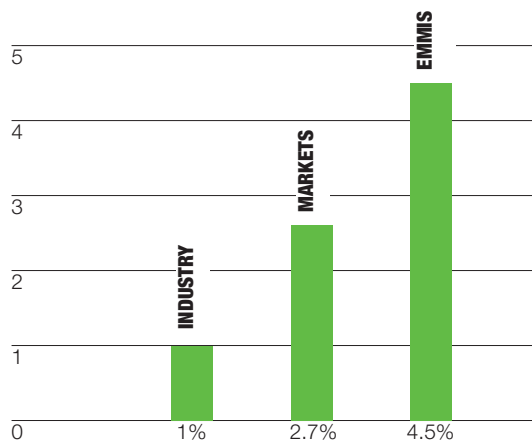
**excluding noncash compensation*



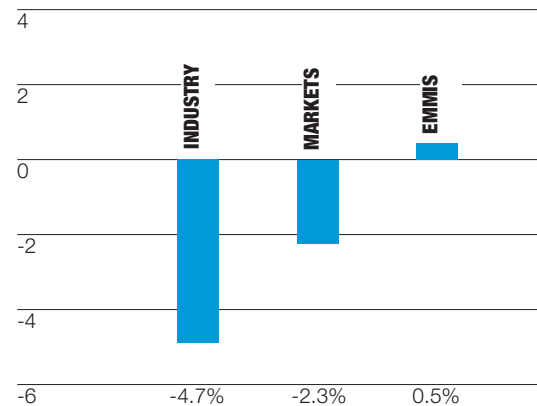
net revenue



station operating income,
excluding noncash compensation

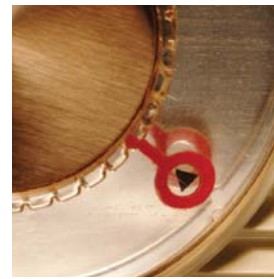
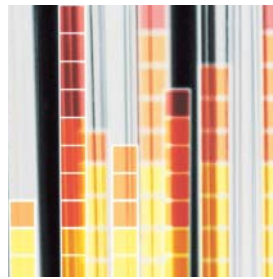
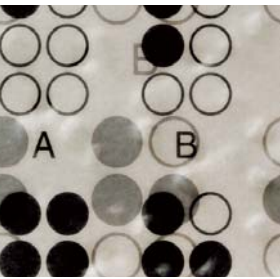


radio division revenue growth fiscal 2004



tv division revenue growth calendar 2003

you can count on emmis to continue to do



Dear Shareholders,

On our year-end conference call, I said that last year was the best in Emmis Communications' history. And while that might have sounded like the usual Wall Street hyperbole – like any other CEO bragging about his company's performance – the difference is, I believed it. And I still do.

But I've been in this business long enough to know two things for sure: What I believe is not as important as what I can prove, and what we did last year is only meaningful if it reflects on how we will do in the coming year. The good news is, Emmis does have the results to back up my high praise, and what we did to perform last year does directly relate to how we'll perform in the year ahead.

The best year

The bottom line is this: Emmis Communications turned in a remarkable performance last year. Again and again, and by a number of measures, we outperformed our peers, our markets and our own solid track record.

And we did this in a year that was challenging in just about every way. The economy was unstable, public companies came under continuing scrutiny, indecency issues hounded broadcasters, competition for tight ad dollars increased and technology continued to reshape the media world.

But our people refused to be slowed by those challenges. Instead, they worked through them. They innovated, hustled and focused. And they produced.

Our radio division's revenue growth led our markets and the industry – in our fiscal year, our group was up 4.5 percent while our markets were up 2.7 percent and the industry only 1 percent. Based on this kind of performance, we have consistently ranked among the nation's leaders in per-station revenue, and we continue to produce top-rated programming in markets across the nation.

Our TV performance was even more impressive. The Emmis television group's revenues were up 0.5 percent in calendar 2003, a year when our markets saw a 2.3 percent decrease in revenues, and the industry experienced a 4.7 percent revenue decline. This industry-leading result made us one of the few groups in the nation to post positive growth. In addition,

we gained revenue share at 11 of our 13 measured stations and held the line on expenses, giving us a 1.2 percent increase in fiscal-year cash flow.

Our publishing and international divisions also posted strong results. In a tough publishing market, our magazines boosted their division's revenues by 4.6 percent over last year and increased cash flow by 3.3 percent. Our international division turned in a revenue increase of 27 percent and a cash flow increase of 31 percent.

In addition to boosting performance in our divisions, we honed our corporate operations by continuing to build one of the most adept and hardest-working corporate groups in American media. With this team in place, we've brought our leverage and cost of capital down to more manageable levels, found ways to combat the continually increasing costs of health insurance and, in a truly top-notch effort, smoothly integrated our new Austin radio properties – in just under a year as a part of Emmis, the Austin properties are enjoying significant ratings and revenue increases.

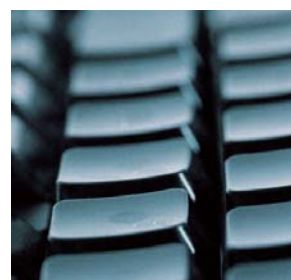
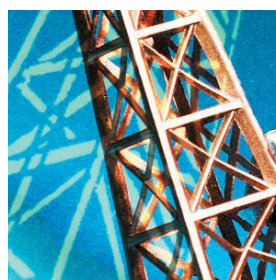
Of course, for you, the real bottom line on our performance is its impact on your investment. I'm proud to say that we saw a 27 percent increase in our share price over the course of the last fiscal year – we ended fiscal '03 at 19.79, and closed the book on fiscal '04 at 25.17.

How we did it

Operationally, we were on top of our game last year. However, as I said, I know that the past year's performance really only matters if it reflects on what we'll do in the coming year. The good news is, it does. We performed at these high levels not by doing something unusual, but by operating the way Emmis has always operated, and the way we always will.

First of all, we focus on assembling and maintaining the best teams in our markets. We have traditionally had the top salespeople, creative and technical professionals, news staffs, managers and support staff in every city where we operate. Their peers turn to them for industry leadership, honor them with awards and copy them at every opportunity. We invest in these people, giving them industry-leading benefits packages, great opportunities and the tools they need to succeed. This has always been a hallmark of Emmis, and it won't change.

what it has always done: outperform.



In addition, we commit ourselves to creating the best content in our markets. Our magazines routinely dominate their industry awards ceremonies – last year, *Texas Monthly* won a coveted National Magazine Award, and Emmis publications claimed more than half of the awards at the City and Regional Magazine competition. Our radio stations feature some of the industry's most popular personalities – in 2003, Emmis people and stations were awarded three Marconi Radio Awards. And our television operations are regularly honored by journalism organizations for their news gathering and community service. In short, we provide our markets with reliable, high-quality content – content that helps us assemble the audiences our advertisers want to reach.

We then generate revenue by overallocating to sales. We give our teams well-developed strategies, clearly defined brands and solid products. We build bigger, better sales forces and put a greater emphasis on local dollars than our competitors. We hire aggressive managers, set ambitious goals and then watch our people work harder and smarter than anyone else.

We also seize the right opportunities and make the most of them. As the cost of buying radio properties has gone through the roof, we have been careful about buying. However, when we had a chance to acquire the LBJ stations in Austin, we knew it was the right fit: good stations, a tremendous heritage and a great culture, all with an opportunity for growth. And we've already built on that group's track record – since we bought them, we've reformatted one station and quickly sent it to No. 1 in the market, and we've pushed revenues up 9 percent for the entire group.

Finally, we innovate. Why has Emmis, traditionally a radio company, become the company to emulate in TV? Because we approached TV in a way it's never been approached before. Why do we operate leading hip-hop stations in markets across the nation? Because we pioneered the concept. Why have we created a new "Music with Class" format in St. Louis' Red 104.1? Because we believe we see a new opportunity. We know that successful companies don't follow the pack. They lead it, and that's what we'll always do.

The year ahead

That last point – innovation – is an important one, especially for the future of Emmis, because we are planning something

that could change the face of American TV and once again demonstrate that Emmis is a company that leads the way.

Forty years ago, Americans began taking down their TV antennas and severing broadcasters' direct link to television audiences. Since then, the cable companies—the middlemen who replaced us—have created more than \$300 billion of value for themselves. However, changes in technology have given broadcasters the ability to provide the American public with the most popular TV channels, without the middlemen and at a more reasonable price.

We are developing an innovative model that will leverage that technology to get broadcast companies back into the game. I believe it has the potential to revolutionize the television industry. I also believe it will add substantial value to your investment.

We unveiled this concept at the National Association of Broadcasters meeting in April. I am proud to say that 11 other television companies joined us at that meeting to express their support for what we're calling the Broadcasters' Initiative, and more are signing on each week. Once again, Emmis has leveraged innovation to take a leading role in our industries.

We'll continue to use innovation to push us forward. Meanwhile, we'll also build and maintain the best teams, produce the best media content, outthrust and outsell our competitors, seize the best opportunities and operate this company better than any other.

In other words, you can count on Emmis to continue to do what it has always done: Outperform.

Thank you for your belief and investment in Emmis.



Jeffrey H. Smulyan
chairman & ceo emmis communications

Corporate Office

One Emmis Plaza, 40 Monument Circle, Suite 700, Indianapolis, Indiana 46204, 317.266.0100.

Business

Emmis Communications (NASDAQ: EMMS) is a diversified media firm with award-winning radio broadcasting, television broadcasting and magazine publishing operations. Emmis' 23 FM and 4 AM domestic radio stations serve the nation's largest markets of New York, Los Angeles and Chicago as well as Phoenix, St. Louis, Austin, Indianapolis and Terre Haute, Ind. The company's 16 television stations are located in Albuquerque, N.M.; Fort Myers, Fla.; Green Bay, Wis.; Honolulu; Huntington, W.Va.; Mobile, Ala./Pensacola, Fla.; New Orleans; Omaha, Neb.; Orlando, Fla.; Portland, Ore.; Terre Haute, Ind.; Topeka, Kan.; Tucson, Ariz.; and Wichita, Kan. Emmis also publishes *Indianapolis Monthly*, *Texas Monthly*, *Cincinnati*, *Atlanta*, *Los Angeles* and *Country Sampler Group* magazines; has a 59.5% interest in Sláger Rádió, a national radio network in Hungary; operates nine FM radio stations serving more than 50 percent of the population in the Flanders region of Belgium; and has ancillary businesses in broadcast sales, publishing and interactive products.

Transfer Agent Register

Wachovia Bank N.A., Shareholder Services Group,
1525 West W.T. Harris Blvd., 3c3, Charlotte, North Carolina 28288-1153.

Annual Meeting

The Annual Meeting of shareholders will be held at 10 a.m. Central Time on Wednesday, June 30, 2004, at Emmis' Corporate office.

Form 10-K

A copy of the Annual Report on Form 10-K for the fiscal year ended February 29, 2004, which was filed with the Securities and Exchange Commission, will be sent to shareholders without charge upon written request to Kate Healey, Emmis Communications Corporation, One Emmis Plaza, 40 Monument Circle, Suite 700, Indianapolis, Indiana 46204, or ir@emmis.com.

Market and Dividend Information

The Company's Class A Common Stock is traded in the over-the-counter market and is quoted on the National Association of Securities Dealers Automated Quotation (NASDAQ) National Market System under the symbol EMMS.

The following table sets forth the high and low bid prices of the Class A Common Stock for the periods indicated. No dividends were paid during any such periods.

Quarter Ended	High	Low
May 2002	31.85	26.15
August 2002	30.15	11.65
November 2002	24.05	14.25
February 2003	24.86	17.82
May 2003	21.24	14.84
August 2003	23.87	18.68
November 2003	24.06	18.00
February 2004	28.65	22.74

On April 23, 2004, there were approximately 4,841 record holders of the Class A Common Stock and one record holder of the Class B Common Stock.

Emmis intends to retain future earnings for use in its business and does not anticipate paying any dividends on shares of its common stock in the foreseeable future.

Executive Officers

Jeffrey H. Smulyan
Chairman of the Board,
President and Chief Executive Officer

Walter Z. Berger
Executive Vice President,
Chief Financial Officer and Treasurer

Randall Bongarten
Television Division President

Richard F. Cummings
Radio Division President

Gary L. Kaseff
Executive Vice President,
General Counsel

Paul W. Fiddick
International Division President

Michael Levitan
Senior Vice President,
Human Resources

Gary Thoe
Publishing Division President

Board of Directors

Jeffrey H. Smulyan
Chairman of the Board,
President and Chief Executive Officer

Susan B. Bayh
Former Commissioner of the International Joint
Commission of the United States and Canada

Walter Z. Berger
Executive Vice President,
Chief Financial Officer and Treasurer

Gary L. Kaseff
Executive Vice President,
General Counsel

Richard A. Leventhal
President and Majority Owner,
LMCS, LLC

Peter A. Lund
Media consultant and former
President of CBS Inc.

Greg A. Nathanson
Media consultant and former
President of Fox Television Stations and
Emmis Television

Frank V. Sica
Senior Advisor
Soros Fund Management LLC

Lawrence B. Sorrel
Managing Partner and Co-CEO
Tailwind Capital Partners

emmis entities

RADIO

Austin

KDHT-FM (93.3), Rhythmic CHR
KEYI-FM (103.5), Oldies
KGSR-FM (107.1), Adult Alternative
KLBJ-AM (590), News/Talk
KLBJ-FM (93.7), Album Oriented Rock
KROX-FM (101.5), Alternative Rock

Chicago

WKQX-FM (101.1), Alternative Rock

Indianapolis

WENS-FM (97.1), Adult Contemporary
WIBC-AM (1070), News/Talk/Sports
WNOU-FM (93.1), CHR
WYXB-FM (105.7), Soft Adult Contemporary
Network Indiana, Statewide news network

Los Angeles

KPWR-FM (105.9), Hip-Hop/R&B
KZLA-FM (93.9), Country

New York

WQCD-FM (101.9), Smooth Jazz
WQHT-FM (97.7), Hip-Hop
WRKS-FM(98.7), Classic Soul/Today's R&B

Phoenix

KKFR-FM(92.3), Rhythmic CHR
KKLT-FM (98.7), Adult Contemporary
KMVP-AM (860), Sports
KTAR-AM (620), News/Talk/Sports

St. Louis

KFTK-FM (97.1), Talk
KIHT-FM (96.3), Classic Hits
KPNT-FM (105.7), Alternative Rock
KSHE-FM (94.7), Album Oriented Rock
WRDA-FM (104.1), New Standards

Terre Haute

WTHI-FM (99.9), Country
WWVR-FM (105.5), Classic Rock

TELEVISION

Albuquerque, N.M., KRQE-TV (Channel 13),
CBS programming/local news
Fort Myers, Fla., WFTX-TV (Channel 4),
Fox programming/local news
Green Bay, Wis., WLUK-TV (Channel 11),
Fox programming/local news
Honolulu, KHON-TV (Channel 2),
Fox programming/local news
Honolulu, KGMB-TV (Channel 9),
CBS programming/local news
Huntington/Charleston, W.Va., WSAZ-TV (Channel 3),
NBC programming/local news
Mobile, Ala./Pensacola, Fla., WALA-TV (Channel 10),
Fox programming/local news
Mobile, Ala./Pensacola, Fla., WBPB-TV (Channel
55), WB programming
New Orleans, WVUE-TV (Channel 8),
Fox programming/local news
Omaha, Neb., KMTV-TV (Channel 3),
CBS programming/local news

Orlando, Fla., WKCF-TV (Channel 18),
WB programming
Portland, Ore., KOIN-TV (Channel 6),
CBS programming/local news
Terre Haute, Ind., WTHI-TV (Channel 10),
CBS programming/local news
Topeka, Kan., KSNT-TV (Channel 27),
NBC programming/local news
Tucson, Ariz., KGUN-TV (Channel 9),
ABC programming/local news
Wichita, Kan., KSNW-TV (Channel 3),
NBC programming/local news

PUBLISHING

Atlanta

Country Sampler
Cincinnati
Indianapolis Monthly
Los Angeles
Texas Monthly

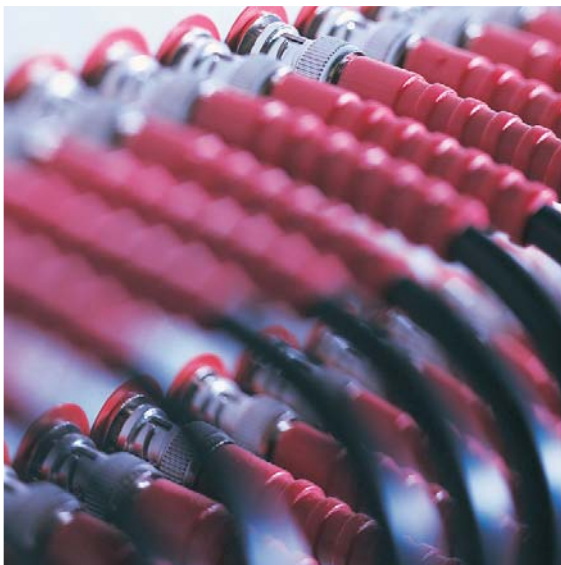
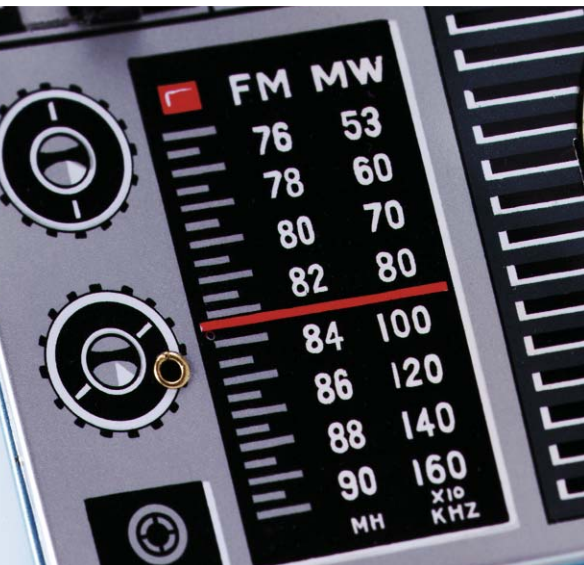
INTERNATIONAL

Hungary, Sláger Rádió, Classic Rock/local programming
Belgium, nine stations serving the Flanders region

RELATED BUSINESSES

Emmis Books
Emmis Interactive
RDS

greatmedia.greatpeople.greatservice.®



emmis communications
one emmis plaza
40 monument circle
indianapolis, indiana 46204