

WORLD WRESTLING ENTERTAINMENT INC

FORM 10-K (Annual Report)

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Industry	Recreational Activities
Sector	Services
Fiscal Year	04/30

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-K

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15 (d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the fiscal year ended April 30, 2003

or

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15 (d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the transition period from _____ to _____

Commission file number 0-27639

WORLD WRESTLING ENTERTAINMENT, INC.
(Exact name of Registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

04-2693383
(I.R.S. Employer
Identification No.)

1241 East Main Street
Stamford, CT 06902
(203) 352-8600
(Address, including zip code, and telephone number, including area code,
of Registrant's principal executive offices)

SECURITIES REGISTERED PURSUANT TO SECTION 12(b) OF THE ACT

Class A Common Stock, \$.01 par value per share

New York Stock Exchange

(Title of each class)

(Name of each exchange on which registered)

SECURITIES REGISTERED PURSUANT TO SECTION 12(g) OF THE ACT

None

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15 (d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports) and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of Registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.

Indicate by check mark whether the registrant is an accelerated filer (as defined in the Exchange Act Rule 12b-2). Yes No

Aggregate market value of the voting stock held by non-affiliates of the Registrant at June 13, 2003 was approximately \$128,272,325.

As of June 13, 2003, the number of shares outstanding of the Registrant's Class A common stock, par value \$.01 per share, was 13,602,216 and the number of shares outstanding of the Registrant's Class B common stock, par value \$.01 per share, was 54,780,207 shares.

Portions of the Registrant's definitive proxy statement for the 2003 Annual Meeting of Stockholders are incorporated by reference in Part III of this Form 10-K

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PART I

Item 1. Business

We are an integrated media and entertainment company, principally engaged in the development, production and marketing of television programming, live events and the licensing and sale of branded consumer products featuring our World Wrestling Entertainment brand. We have been involved in the sports entertainment business for over 20 years, and have developed World Wrestling Entertainment into one of the most popular forms of entertainment today.

The key economic drivers of our business, television ratings, average attendance at our live events and pay-per-view buys, remain down from historical levels. In fiscal 2003, we created two distinct television brands, Raw and SmackDown!, each with its own story lines and talent. This allowed us to create two touring companies and increase the number of live events we hold globally and provides the potential to increase our share of the entertainment business. We believe that this strategy is beginning to take hold, but needs time to produce the intended marketplace results. We retain the distinction of consistently being the number one regularly scheduled program on cable with Raw which airs on TNN, and SmackDown! is the highest-rated show on UPN. In addition, this past television season SmackDown! was the third highest rated regularly scheduled program among male teens on Thursday nights.

In this Annual Report on Form 10-K, "WWE" refers to World Wrestling Entertainment, Inc. and its subsidiaries and its predecessors, unless the context otherwise requires. References to "we," "us," "our" and the "Company" refer to WWE and its subsidiaries. World Wrestling Entertainment and the stylized and highly distinctive World Wrestling Entertainment scratch logo are two of our marks. This Annual Report on Form 10-K also contains other WWE trademarks and trade names as well as those of other companies. All trademarks and trade names appearing in this report are the property of their respective holders.

Creative Development and Production

Our creative team, headed by Vincent McMahon, develops soap opera-like story lines employing the same techniques that are used by many successful television series. We create compelling and complex characters and weave them into interactive entertainment that combines social satire, action adventure, drama, mystery, athleticism and humor. The interactions among the characters reflect a wide variety of contemporary topics, often depicting exaggerated versions of real life situations and typically containing "good versus evil" or "settling the score" themes. Story lines are usually played out in the wrestling ring, our main stage, and typically unfold on our weekly television shows and monthly pay-per-view events. Woven into the story lines is the ongoing competition for the various World Wrestling Entertainment championship titles.

Our creative team also develops a character for each performer. Once a character's basic traits have been formulated, we work to define and emphasize those traits through various accessories, including costumes and entrance music. We own the rights to the majority of our characters, and we exclusively license the rights we do not own through agreements with our performers.

Our success is, in large part, due to the continuing popularity of our performers. We currently have exclusive contracts with approximately 140 performers, ranging from development contracts with prospective performers to long term guaranteed contracts with established performers. These contracts vary depending upon a number of factors, including the performer's popularity with our audience, and his or her skill level and prior experience. Our performers are independent contractors who are highly trained and motivated and portray popular characters such as The Rock, Stone Cold Steve Austin, The Undertaker, Triple H, Goldberg, Kane, Chris Jericho, Kurt Angle and Brock Lesnar. We constantly seek to identify, recruit and develop additional performers for our business. Once recruited, established performers are immediately incorporated into our story lines while less experienced performers participate in our own extensive developmental training programs.

With limited exceptions, we retain all rights in perpetuity to any intellectual property that we develop in connection with the characters portrayed by our performers. This includes the character and any associated costumes, names, props, story lines and merchandise. Our performers share in a portion of the revenues that we receive. We believe that our relationships with our performers are generally good.

Live and Televised Entertainment

Live events and television programming are our principal creative and production activities. The following chart reflects worldwide revenues from these activities for each of our five fiscal years ended April 30, 2003:

[THE FOLLOWING DATA WAS REPRESENTED AS A COLUMN CHART IN THE PRINTED MATERIAL]

Worldwide Live & Televised Entertainment Revenue
(\$ in millions)

	1999	2000	2001	2002	2003
	\$170.1	\$265.5	\$335.7	\$323.5	\$295.4
	\$150	\$200	\$250	\$300	\$350
					\$400

Live Events

Live events are the cornerstone of our business, providing the content for our television and pay-per-view programming. Each event is a highly theatrical production, which involves a significant degree of audience participation and employs various special effects, including lighting, pyrotechnics, powerful entrance music and a variety of props.

We promote our live events through a variety of media, including television, radio, print and the Internet. Our revenues from live events are primarily derived from ticket sales, with prices for the year averaging approximately \$39.00 per ticket. The operator of a venue at which our live event is held typically receives a fixed fee or a percentage of the revenues from ticket and merchandise sales.

In fiscal 2003, we held 327 live events in approximately 193 cities in North America, including 44 of the 50 largest metropolitan areas in the United States, as well as eighteen international locations. We have consistently held many of our live events at major arenas, such as Madison Square Garden in New York City, Arrowhead Pond of Anaheim, Allstate Arena in Chicago, First Union Center in Philadelphia, and the Fleet Center in Boston. We expect to hold approximately 320-330 live events in fiscal 2004. With two talent teams each aligned with a distinct brand, we are able to take advantage of international demand of our events and have planned approximately 30 international events in fiscal 2004, including tours in Europe, Asia and Australia.

The following chart reflects worldwide revenues from live events for each of our five fiscal years ended April 30, 2003:

[THE FOLLOWING DATA WAS REPRESENTED AS A COLUMN CHART IN THE PRINTED MATERIAL]

Worldwide Live Events Revenue (\$ in millions)				
1999	2000	2001	2002	2003
\$49.6	\$68.9	\$81.9	\$74.1	\$72.2
\$25		\$75		\$125

The following chart reflects worldwide attendance from live events for each of our five fiscal years ended April 30, 2003:

[THE FOLLOWING DATA WAS REPRESENTED AS A COLUMN CHART IN THE PRINTED MATERIAL]

Worldwide Live Events Attendance (in thousands)				
1999	2000	2001	2002	2003
2,274	2,485	2,450	2,033	1,815
1,000	1,500	2,000	2,500	3,000

o 199 Events in 1999	o 206 Events in 2000	o 212 Events in 2001		
o 237 Events in 2002	o 327 Events in 2003			

Television Programming

As an independent producer, relying primarily on our in-house production capabilities, we create seven television shows, consisting of nine hours of original programming, 52 weeks per year. Our nine hours of programming deliver approximately 19 million television impressions each week. In addition to our television programming, we produce 12 pay-per-view events.

Seven hours of our programming air domestically on cable and broadcast networks owned by Viacom Inc. and two hours air on syndicated television stations. Our programming lineup is as follows:

o Raw is our two-hour live production that airs on TNN in primetime and has consistently been the number one rated regularly scheduled cable television program.

o SmackDown! is a taped two-hour program that airs on United Paramount Network ("UPN") in primetime and is the highest rated program on UPN.

o Sunday Night Heat is primarily a taped one-hour live event program which has aired on TNN on Sunday evenings since April 2003, and Bottom Line is a post produced "magazine" type show which airs in syndication on Friday / Saturday nights. Both of these programs help further define our Raw brand. Prior to April 2003, Sunday Night Heat aired on MTV.

o Velocity is a taped one-hour live event program which airs on TNN on Saturday nights, and After Burn is a post produced "magazine" type show which airs in syndication on Saturday / Sunday nights. Both of these programs help further define our SmackDown! brand.

o Confidential is a taped one-hour magazine-style program which airs on TNN on Saturday nights. This program provides an up-close look at World Wrestling Entertainment and its past and present performers, both in and out of the ring.

Currently TNN is available in approximately 85 million households and UPN is available in approximately 95 million households. Our two syndicated programs air on approximately 240 broadcast stations across the country.

In connection with our TNN programming, we receive a rights fee totaling approximately \$0.6 million per week. This agreement remains in effect through the Fall of 2005. In connection with our UPN programming, we will receive a rights fee of approximately \$0.3 million per week beginning in October 2003. This agreement remains in effect through the Fall of 2004, with UPN having two successive one year options thereafter.

In addition to the foregoing programming, we have co-produced a weekly half-hour reality-based program, Tough Enough, on MTV. MTV has not exercised its option for a fourth season and as a result, we are exploring other networks to carry the show.

The following chart reflects revenues from domestic television rights fees for each of our five fiscal years ended April 30, 2003:

[THE FOLLOWING DATA WAS REPRESENTED AS A COLUMN CHART IN THE PRINTED MATERIAL]

Domestic Television Rights Fees Revenue (\$ in millions)					
	1999	2000	2001	2002	2003
	\$5.0	\$7.0	\$20.9	\$35.0	\$38.8
\$0	\$10	\$20	\$30	\$40	\$50

In addition to rights fees, we generate revenues through the sale of a substantial portion of the advertising time on our TNN programming and Canadian television programs to over 110 major advertisers and sponsors. We advertise products from some of the leading companies in the food and beverage, video game, toy, movie and television studio and telecommunications industries, among others. In addition to the sale of our advertising time, we also package sponsorships to meet the needs of our advertisers. These sponsorships range from presenting the Slam Of The Week, a 25-35 second spot that airs within our television programs, to sponsoring our annual WrestleMania event. Through these sponsorships, we offer advertisers a full range of our promotional vehicles, including television, Internet and print advertising, arena signage, on-air announcements and special appearances by our performers. Additionally, as part of certain sponsorship packages, we produce commercials featuring our performers. Due to the density of certain demographics that our programming attracts, we believe that we are an efficient vehicle for our advertisers. Our programming is principally directed to audiences aged 12 to 34.

Advertising time and customized sponsorship programs are sold directly by our sales forces. Our arrangement with TNN provides that we pay the network a fixed percentage of our net advertising revenues less certain adjustments with a guaranteed minimum. With respect to SmackDown!, under our new agreement, which will be effective October 2003, UPN will sell all advertising inventory and sponsorship elements and pay us a rights fee.

The following chart reflects worldwide advertising revenues for each of our five fiscal years ended April 30, 2003:

[THE FOLLOWING DATA WAS REPRESENTED AS A COLUMN CHART IN THE PRINTED MATERIAL]

Worldwide Advertising Revenues, net (\$ in millions)					
	1999	2000	2001	2002	2003
	\$30.1	\$77.9	\$90.3	\$83.6	\$72.9
\$0		\$50		\$100	\$150

Our television and music recording studios and post-production operations, including producers, directors, editors, cameramen, audio engineers, graphic designers, English and Spanish-speaking announcers and an administrative staff that oversees the production schedule, are housed at our state-of-the-art facility in Stamford, Connecticut. Our staff is augmented by freelance technicians who assist in our remote television broadcasts.

Pay-Per-View Programming

On a monthly basis, our story lines either culminate or change direction at each pay-per-view event. We intensively market and promote the story lines that are associated with our upcoming pay-per-view event through our television shows, our Internet sites, and a variety of other promotional campaigns. We produce 12 domestic pay-per-view programs annually, which consistently rank among the highest selling pay-per-view programs. Pay-per-view buys of our domestic events were 5.4 million, 7.1 million and 8.0 million in fiscal 2003, 2002 and 2001, respectively. A substantial number of buys for an event and the related payment is determined and paid by the cable and satellite distributors within 120 days after the event. Final reconciliation is generally completed within one year. WrestleMania, which is our annual premier event, has a suggested retail price of \$39.95 and each of our other 11 domestic pay-per-view events has a suggested retail price of \$34.95. Consistent with industry practices, we share the revenues with the cable systems and satellite providers and pay service fees to inDemand.

The following chart reflects worldwide revenues from our pay-per-view programming for each of our five fiscal years ended April 30, 2003:

[THE FOLLOWING DATA WAS REPRESENTED AS A COLUMN CHART IN THE PRINTED MATERIAL]

	1999	2000	2001	2002	2003
	\$81.0	\$106.4	\$128.2	\$112.0	\$91.1
\$0		\$50		\$100	
					\$150

Television Rights Fees Revenues Outside of North America

Our television programming is currently broadcast in over 100 countries and 12 different languages. We have expanded our distribution throughout Asia, Europe, Latin America, Australia and Africa and have secured new television distribution agreements on terrestrial, cable and satellite platforms throughout those locations. Most notably we have recently signed distribution agreements with broadcasters in Germany, Japan and Singapore.

The following chart reflects television rights fees revenues outside of North America for each of our five fiscal years ended April 30, 2003:

[THE FOLLOWING DATA WAS REPRESENTED AS A COLUMN CHART IN THE PRINTED MATERIAL]

Television Rights Fees Revenues outside of North America (\$ in millions)					
	1999	2000	2001	2002	2003
	\$4.1	\$5.1	\$14.3	\$18.3	\$19.7
\$0		\$10	\$20	\$30	\$40

Branded Merchandise

We offer a wide variety of branded merchandise through a licensing program and an integrated direct sales effort. The following chart reflects worldwide revenues from the sale of our branded merchandise for each of our five fiscal years ended April 30, 2003:

[THE FOLLOWING DATA WAS REPRESENTED AS A COLUMN CHART IN THE PRINTED MATERIAL]

Worldwide Branded Merchandise Revenues (\$ in millions)					
	1999	2000	2001	2002	2003
	\$80.2	\$112.4	\$102.5	\$86.1	\$78.9
\$0		\$50	\$100		\$150

Licensing and Direct Sales

We have an established worldwide licensing program using our World Wrestling Entertainment marks and logos, copyrighted works and characters on thousands of retail products, including toys, video games, apparel, books and a wide assortment of other items. In all of our licensing agreements, we retain creative approval over the design, packaging, advertising and promotional material associated with licensed products to maintain the distinctive style, look and quality of our intellectual property and brand. Our licensing agreements provide that we receive a percentage of the wholesale revenues as a royalty and require minimum guarantees.

Our direct merchandise operations consist of the design, sourcing, marketing and distribution of various products, such as T-shirts, caps and other items, all of which feature our characters and/or our scratch logo. All of these products are designed by our in-house creative staff and manufactured by third parties. The merchandise is sold at our live events under arrangements with the arenas, which receive a percentage of the revenues. Our merchandise is also sold through our wweshopzone.com web site, our internally developed catalogs and our television shows.

Home Video

We own and continue to amass a video library containing thousands of hours of programming from our pay-per-view events and our television shows dating back to the 1970s. Beginning in the mid-1980s, this library was used in the production and sale of home videos by a licensee. In 1998, we began to produce and market home videos in-house and in 1999, we added DVD's. In addition to producing videos and DVD's from our library of footage, we also utilize original footage produced specifically for this purpose. We create master tapes and contract with third parties to create our DVD master and to duplicate our videos and DVD's. In August 2001, we entered into an agreement with Sony Music Video, under which Sony is responsible for the domestic retail distribution of our home video products. Our videos are typically sold at retail sales prices of \$14.95 to \$19.95 for VHS and \$24.95 for our DVD's. In fiscal 2003, we sold approximately 1.4 million units which consisted of 24 new titles as well as other titles from our catalog.

The injunction issued by the English High Court in legal proceedings instituted against us by World Wide Fund for Nature affects the Company's use, repackaging and sales of our historical video library due to legal constraints against using our former logo and verbal references to the "WWF." See Note 11 to Notes to Consolidated Financial Statements.

SmackDown! Records

Music is an integral part of the entertainment experience at our live events and on our television programs. We compose and record theme songs tailored to our characters in our recording studio in Stamford, Connecticut. We and a third-party music publisher own the musical composition rights to music produced prior to January 1, 2003, and we own all of the sound recording rights to our master recordings and all of the musical composition rights to music produced since January 1, 2003. Third parties manufacture, market and distribute CDs of our music to retailers nationwide, such as MusicLand, K-Mart, Wal-Mart, Best Buy and Transworld.

Publishing

Our publishing operations consist primarily of two magazines, World Wrestling Entertainment Magazine and RAW Magazine, each of which are issued every four weeks, and a series of specials. All of these magazines are used to help shape and complement story lines in our television programs and at our live events. We also include a direct marketing catalog in our magazines on a quarterly basis. The magazines include color photographs taken at recent live events, biographies and features of our performers and human interest articles. Our in-house publishing and editorial departments prepare all editorial content. We use outside contractors to print and distribute the magazines to subscribers and newsstands. The combined circulation of our magazines was approximately 5.4 million and circulation for our specials was approximately 1.0 million in fiscal 2003.

Under a publishing licensing agreement that we entered into with Simon and Schuster in November 2002, we have our own publishing imprint. This agreement has provided us the opportunity to broaden into literary genres beyond autobiographies, including children's books, cookbooks, historical anthologies, trivia books and yearbooks.

Digital Media

We utilize the Internet to promote our brand, create a community experience among our fans and to market and distribute our various products. Through our network of Internet sites, our fans can purchase and view our monthly pay-per-view specials and purchase our branded merchandise online through our wwe.com site. In addition, our fans can obtain our latest news and information, including content that is accessible only online, stay abreast of our evolving story lines, tap into interactive chat rooms to communicate with each other and our performers, experience archived video and audio clips of performers and previous media events and access all reports we file with the Securities and Exchange Commission. We promote wwe.com on our televised programming, at our live events, in our magazines and in substantially all of our marketing and promotional materials. In addition to wwe.com and wwe.com, our network of sites includes, among others, therock.com, wwedivas.com, undertaker.com and wwecorpbiz.com.

WWE.com continues to maintain a strong base in the number of people visiting our sites and purchasing our products via the Internet. According to netScore, in April 2003, our Internet sites generated approximately 210 million page views worldwide, and we had approximately 5.8 million unique visitors worldwide.

Total Sales outside North America

The following chart reflects revenues derived from sales outside of North America from all activities within our live and televised and branded merchandise segments for each of our three fiscal years ended April 30, 2003:

[THE FOLLOWING DATA WAS REPRESENTED AS A COLUMN CHART IN THE PRINTED MATERIAL]

Total Revenues from Sales outside of North America
(\$ in millions)

	2001	2002	2003
	\$28.9	\$38.5	\$51.8
\$0			
\$25			
\$50			
\$75			

Other Business Developments

In fiscal 2002, we launched a new entertainment division, WWE Films, which is based in Los Angeles, California, to spearhead our initiatives in developing complementary theatrical and television productions. Our first planned project is a feature film, which is currently in the development phase. In addition, we also are in the development phase of an animation series.

Discontinued Operations

In May 2000, we acquired for approximately \$24.5 million an entertainment complex in New York City. Through May 2003, we invested an additional \$31.5 million in the facility. These investments included the construction of a marquee and a television and recording sound stage and studio. The complex included a 600 seat restaurant and 2,200 square feet of retail space. This complex, The World, generated net revenue of \$8.1 million, \$14.1 million and \$16.6 million in fiscal 2003, 2002 and 2001, respectively, and incurred operating losses of \$43.1 million, \$7.9 million and \$2.6 million in fiscal 2003, 2002 and 2001, respectively.

In February 2003, we closed the restaurant operations of the entertainment complex and in April 2003, we closed the retail store. As a result, we recorded an after-tax charge of approximately \$8.9 million in our fourth quarter ended April 30, 2003. This amount includes, in addition to other costs, rental payments required under the lease, net of our current estimate of potential sub-rental income. This lease expires on October 31, 2017 and the aggregate rental payments through the end of the term are approximately \$46.0 million excluding any potential sub-rental income. Included in fiscal 2003 loss from discontinued operations was an impairment charge of \$32.9 million as a result of an impairment test conducted on goodwill (\$2.5 million) and other long-lived assets (\$30.4 million).

Competition

While we believe that we have a loyal fan base, the entertainment industry is highly competitive and subject to fluctuations in popularity, which are not easy to predict. For our live, television and pay-per-view audiences we face competition from professional and college sports as well as from other forms of live, film and televised entertainment and other leisure activities. We compete for advertising dollars with other media companies. We compete with entertainment

companies, professional and college sports leagues and other makers of branded apparel and merchandise for the sale of our branded merchandise. Many companies with whom we compete have greater financial resources than we do.

Trademarks and Copyrights

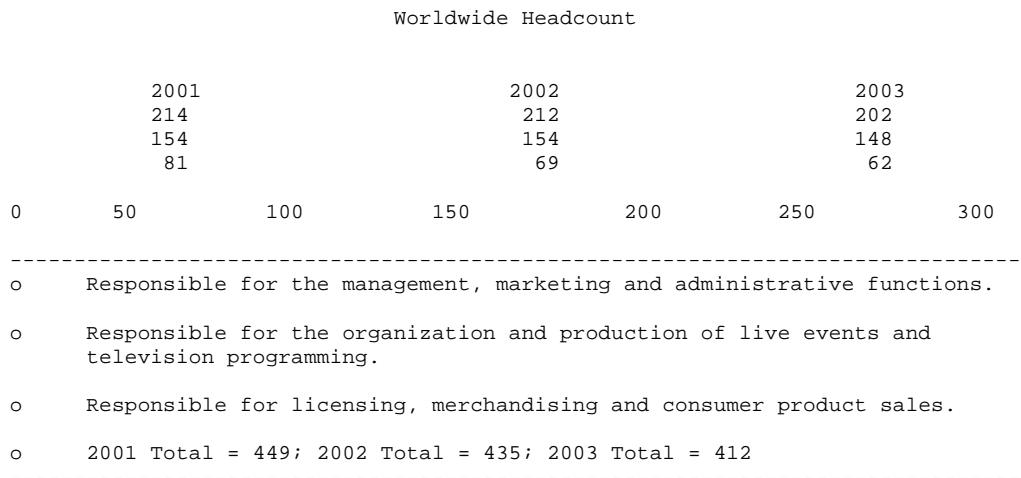
Intellectual property is material to all aspects of our operations and we expend substantial cost and effort in an attempt to maintain and protect our intellectual property and to maintain compliance vis-a-vis other parties' intellectual property. See Note 11 to Notes to Consolidated Financial Statements. We have a large portfolio of registered and pending trademarks and service marks worldwide and maintain a large catalog of copyright registrations for music, film footage, photographs, books and magazines, videos, video games and apparel art and miscellaneous merchandise. The focus of our continuous registration effort is to seek copyright and trademark registration of marks and works which embody our originally created characters portrayed by our performers, and which encompass images, likenesses, names and logos of these characters. We also own a large number of Internet web domain names and have a network of developed sites, which contribute to the exploitation of our trademarks and service marks worldwide.

We vigorously enforce our intellectual property rights by, among other things, searching the Internet to ascertain unauthorized use of our intellectual property, seizing goods at our live events that feature unauthorized use of our intellectual property and pursuing legal action against parties infringing our intellectual property rights.

Employees

The following chart reflects worldwide head count as of June 2003, 2002 and 2001. The headcount excludes employees of our discontinued operations, The World and the XFL.

[THE FOLLOWING DATA WAS REPRESENTED AS A COLUMN CHART IN THE PRINTED MATERIAL]



Our in-house production staff is supplemented with contract personnel for our television production. We believe that our relationships with our employees are generally satisfactory. None of our employees are represented by a union.

Item 2. Properties

We have executive offices, television and music recording studios, post-production operations and warehouses at locations in or near Stamford, Connecticut, and have offices in New York, London, Toronto and Los Angeles. We own

the buildings in which our executive and administrative offices, our television and music recording studios and our post-production operations are located. We lease space for our sales offices, WWE Films office, and our warehouse facilities.

Our principal properties consist of the following:

Facility	Location	Square Feet	Owned/Leased	Expiration Date of Lease
Executive offices	Stamford, CT	114,300	Owned	--
Production studio	Stamford, CT	39,000(1)	Owned	--
Ring / Photo studio	Stamford, CT	5,600	Leased	May 11, 2006
Sales office	New York, NY	10,075	Leased	July 15, 2008
Sales office	Toronto, Canada	7,069	Leased	February 28, 2006
Sales office	London, England	600	Leased	Month to month
Executive office	Los Angeles, CA	2,100	Leased	July 15, 2007
Warehouse	Trumbull, CT	30,000	Leased	August 9, 2004

(1) Excludes 4,000 sq ft of temporary space and 138,000 square feet of parking space adjacent to the production facilities.

In addition, we own a daycare facility in Stamford, Connecticut on property adjacent to our production facilities, which originally offered child care services only to our employees, but is now also open to the public. The licensing and operation of this facility is fully managed by a third-party contractor. We have the responsibility to obtain the required licenses and to ensure that the facility meets health, safety, fire and building codes.

We are currently in the process of seeking a subtenant or assignee for our 46,500 square foot rental space in New York City, which was used for our entertainment complex, The World. The lease expires in October 2017, and aggregate rental payments through the end of the term are approximately \$46.0 million, excluding any potential sub-rental income.

Regulation

Live Events

In certain states we are required to comply with regulations of state athletic commissions and other applicable regulatory agencies in order to promote and conduct our live entertainment. Twenty-two states require that we obtain a promoter's license, which is a corporate license necessary for us to promote our live events and is granted to us on an annual basis. Twenty states require our performers and referees to obtain a performer's license, which is an individual license necessary for our performers and referees to perform at our live events and is typically granted to them on an annual basis. Eight states require that our performers take an annual physical examination. In addition to the annual licenses that certain states require, twelve states require that we obtain a permit for each event that we hold. We are also subject to the regulations of athletic commissions in certain Canadian provinces. These commissions require that we obtain promoter's licenses and medical approval for our performers. We are in compliance with all applicable state and local athletic commission regulations.

Television Programming

The production and distribution of television programming by independent producers is not directly regulated by the federal or state governments, but the marketplace for television programming in the United States is substantially affected by regulations of the Federal Communications Commission applicable to television stations, television networks and cable television systems and channels. We voluntarily designate the suitability of each of our television shows using standard industry ratings, such as PG (L,V) or TV14.

Item 3. Legal Proceedings

See Note 11 to Notes to Consolidated Financial Statements, which is incorporated herein by reference.

Item 4. Submission of matters to a vote of Security Holders

None.

PART II

Item 5. Market for Registrant's Common Equity and Related Stockholder Matters

Price Range of Class A Common Stock

Our Class A common stock trades on the New York Stock Exchange under the symbol "WWE."

The following table sets forth the high and the low sale prices for the shares of Class A common stock as reported by the New York Stock Exchange for the periods indicated.

	Class A common stock -----	
Fiscal 2003 -----	High -----	Low -----
First Quarter	\$15.30	\$8.49
Second Quarter	\$10.40	\$6.76
Third Quarter	\$ 9.02	\$7.53
Fourth Quarter	\$ 9.20	\$7.43

	Class A common stock -----	
Fiscal 2002 -----	High -----	Low -----
First Quarter	\$15.50	\$12.00
Second Quarter	\$13.20	\$10.33
Third Quarter	\$14.25	\$10.67
Fourth Quarter	\$15.85	\$12.85

There were 10,557 holders of record of Class A common stock and three holders of record of Class B common stock as of June 13, 2003.

In June 2003, our Board of Directors approved the payment of a quarterly dividend of \$0.04 per share on all Class A and Class B common shares. The record date for the first such dividend is June 27, 2003 and the payment date will be on or about July 10, 2003.

Equity Compensation Plan Information

The following table sets forth certain information with respect to securities authorized for issuance under equity compensation plans as of April 30, 2003.

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights	Weighted-average exercise price of outstanding options, warrants and rights	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))
	(a)	(b)	(c)
Equity compensation plans approved by security holders	6,964,450	\$15.89	2,822,350
Equity compensation plans not approved by security holders	None	N/A	None
Total	6,964,450	\$15.89	2,822,350

On June 13, 2003, we granted 792,500 options at an exercise price of \$9.60 and granted 178,000 shares of restricted stock at an average price per share of \$9.60. Such issuances were granted under our 1999 Long-term Incentive Plan, which was approved by our stockholders.

Item 6. Selected Historical Consolidated Financial and Other Data

The following table sets forth our selected historical consolidated financial data for each of the five fiscal years in the period ended April 30, 2003. The selected historical consolidated financial data as of April 30, 2003 and 2002 and for the fiscal years ended April 30, 2003, 2002 and 2001 have been derived from the audited consolidated financial statements included elsewhere in this Form 10-K. The selected historical consolidated financial data as of April 30, 2001, 2000 and 1999 and for the fiscal years ended April 30, 2000 and 1999 have been derived from our audited consolidated financial statements, which have not been included in this Form 10-K. Certain prior year amounts have been reclassified to conform to current year presentation. You should read the selected historical consolidated financial data in conjunction with our historical consolidated financial statements and related notes and the information set forth under "Management's Discussion and Analysis of Financial Condition and Results of Operations" contained elsewhere in this Form 10-K.

	Year Ended April 30,				
	2003	2002	2001	2000	1999
	(dollars in thousands, except per share data)				
Summary Operations Data:					
Net revenues	\$374,264	\$409,622	\$438,139	\$377,899	\$250,335
Cost of revenues	237,343	251,124	249,308	219,569	145,887
Selling, general and administrative expenses (1)	99,349	98,291	96,486	71,095	45,521
Income from continuing operations before income taxes (2)	27,358	67,451	102,669	74,777	57,973
Income from continuing operations (3)	16,362	42,498	64,526	59,577	56,030
Net (loss) income (4)	\$(19,195)	\$ 42,233	\$ 15,987	\$ 58,908	\$ 56,030
Earnings (loss) per share:					
Earnings from continuing operations per common share: basic and diluted	\$ 0.23	\$ 0.58	\$ 0.90	\$ 0.95	\$ 0.99
(Loss) earnings per common share: basic and diluted	\$ (0.27)	\$ 0.58	\$ 0.22	\$ 0.94	\$ 0.99
Summary Cash Flows Data:					
Net (loss) income	\$(19,195)	\$ 42,233	\$ 15,987	\$ 58,908	\$ 56,030
Depreciation & amortization	\$ 10,545	\$ 10,174	\$ 4,736	\$ 2,544	\$ 1,946
Changes in working capital	(3,751)	28,598	(10,595)	(3,157)	(2,297)
Capital expenditures and other investing activities, net	(13,593)	(4,485)	(14,404)	(15,068)	(14,634)
Financing activities, net	(29,072)	(1,282)	61,057	110,474	(6,082)
	As of April 30,				
	2003	2002	2001	2000	1999
	(dollars in thousands)				
Summary Balance Sheets Data:					
Cash and cash equivalents and short-term investments	\$271,114	\$293,803	\$239,058	\$208,992	\$ 45,727
Property and equipment-net	59,325	59,214	54,819	41,484	28,377
Total assets	437,257	495,352	466,181	337,032	130,188
Total long-term debt (including current portion)	9,903	9,903	10,459	11,417	12,791
Total stockholders' equity	341,959	389,438	347,859	258,537	72,260
	Year Ended April 30,				
	2003	2002	2001	2000	1999
	(dollars in thousands)				
Other Non-Financial Data:					
Number of live events.....	327	237	212	206	199
Total attendance.....	1,815,100	2,032,754	2,449,800	2,485,100	2,273,701
Domestic pay-per-view buys.....	5,378,100	7,135,464	8,010,400	6,884,600	5,365,100

(1) Included in fiscal 2001 was a payment for the settlement of an outstanding lawsuit for \$7.0 million (\$4.3 million, net of taxes).

(2) Included in fiscal 2001 and 2000 were non-cash stock option charges of approximately \$0.8 million (\$0.5 million, net of taxes) and approximately \$6.0 million (\$3.7 million, net of taxes), respectively, relating to the granting of stock options to certain performers who are independent contractors. In addition, included in fiscal 2000 was a non-

cash charge of \$9.3 million (\$5.7 million, net of taxes). In April 2000, we entered into a non-forfeitable agreement with Viacom whereby Viacom acquired approximately 2.3 million newly issued shares of our Class A common stock at \$13 per share.

(3) Concurrent with the issuance of shares in our initial public offering in October 1999 (the "Offering"), we terminated our election to be subject to the provisions of Subchapter S and have become subject to the provisions of Subchapter C of the Internal Revenue Code. The provision for income taxes reflected in our historical consolidated financial statements through the date of our Offering relates only to foreign and certain state income taxes for those states that did not recognize Subchapter S status.

(4) Included in our net (loss) income was the operating results of our discontinued operations, The World and the XFL and their respective estimated shutdown costs.

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

You should read the following discussion in conjunction with the audited consolidated financial statements and related notes included elsewhere in this Form 10-K.

Background

We are an integrated media and entertainment company principally engaged in the development, production and marketing of television programming and live events and the licensing and sale of branded consumer products featuring our highly successful brands.

Our operations are organized around two principal activities:

o Live and televised entertainment, which consists of live event and television programming. Revenues consist principally of attendance at live events, sale of television advertising time and sponsorships, domestic and international television rights fees and pay-per-view buys.

o Branded merchandise, which consists of licensing and direct sale of merchandise. Revenues include the marketing and sale of merchandise, magazines and home videos, and revenues from consumer products sold through third party licensees.

Fiscal Year Ended April 30, 2003 compared to Fiscal Year Ended April 30, 2002

Net revenues	2003	2002	better (worse)
Live & Televised	\$295.4	\$323.5	(9%)
Branded Merchandise	\$ 78.9	\$ 86.1	(8%)
	-----	-----	----
Total	\$374.3	\$409.6	(9%)
	=====	=====	

The following chart reflects comparative revenues and key drivers for each of the businesses within our live and televised segment:

Live & Televised Revenues	2003	2002	better (worse)
Live Events	\$ 72.2	\$ 74.1	(3%)
Number of Events	327	237	38%
Average Attendance	5,551	8,562	(35%)
Average Ticket Price	\$ 38.82	\$ 35.69	9%
Pay-Per-View	\$ 91.1	\$ 112.0	(19%)
Number of Domestic Buys	5,378,100	7,135,464	(25%)
Retail Price, excluding Wrestlemania	\$ 29.95	\$ 24.95	20%
Advertising	\$ 72.9	\$ 83.6	(13%)
Average weekly household ratings for Raw	3.7	4.6	(20%)
Average weekly household ratings for SmackDown!	3.4	4.0	(15%)
Sponsorship revenues	\$ 8.7	\$ 13.2	(34%)
Television Rights Fees:			
Domestic	\$ 38.8	\$ 35.0	11%
International	\$ 19.7	\$ 18.3	8%

The following chart reflects comparative revenues and certain drivers for selected business within our branded merchandise segment:

Branded Merchandise Revenues	2003	2002	better (worse)
Licensing	\$21.8	\$ 24.4	(11%)
Merchandise	\$22.4	\$26.2	(14%)
Per Capita Spending	\$9.15	\$8.48	8%
Publishing	\$15.2	\$16.3	(7%)
Net Units sold	6,427,500	6,867,700	(6%)
Home Video	\$13.8	\$ 13.6	1%
Net Units sold:			
DVD	916,200	625,900	46%
VHS	466,800	1,041,200	(55%)
Internet Advertising	\$ 4.9	\$ 4.4	11%
Cost of Revenues	2003	2002	better (worse)
Live & Televised	\$190.6	\$ 194.2	2%
Branded Merchandise	\$ 46.7	\$ 56.9	18%
	-----	-----	---
Total	\$237.3	\$ 251.1	6%
	=====	=====	
Profit Contribution Margin	37%	39%	
Cost of Revenues -Live & Televised	2003	2002	better (worse)
Live Events	\$ 56.1	\$ 52.2	(7%)
Pay-Per-View	\$ 36.7	\$ 42.5	14%
Advertising	\$ 35.2	\$ 36.9	5%
Television	\$ 50.2	\$ 49.6	(1%)
Other	\$ 12.4	\$ 13.0	5%
Profit Contribution Margin	35%	40%	

The decrease in the profit contribution margin was due primarily to the impact of the William Morris Agency, Inc. settlement, the fixed nature of our television production costs and the decline in pay-per-view revenues.

Cost of Revenues - Branded Merchandise	2003	2002	better (worse)
Licensing	\$ 6.6	\$ 9.8	33%
Merchandise	\$ 20.4	\$ 22.6	10%
Publishing	\$ 9.4	\$ 10.0	6%
Home Video	\$ 6.5	\$ 9.4	31%
Digital Media	\$ 3.3	\$ 5.0	34%
Profit Contribution Margin	41%	34%	

The increase in the profit contribution margin was due in part to the absence of costs in fiscal 2003 related to our sponsoring of a National Hot Rod Association ("NHRA") racing team and lower expenses associated with maintaining our web site in fiscal 2003 and higher inventory write-offs in the home video category in fiscal 2002.

The following chart reflects the amounts and percent change of certain significant overhead items:

Selling, General & Administrative Expenses	2003	2002	better (worse)
Staff related expenses	\$ 36.6	\$ 37.4	2%
Legal and litigation	18.4	14.6	(26%)
Consulting and accounting fees	8.9	8.9	--
Advertising and promotion expenses	8.6	9.4	9%
Bad debt expense	3.8	1.0	(280%)
All other	23.0	27.0	15%
	-----	-----	-----
Total SG&A	\$ 99.3	\$ 98.3	1%
SG&A as a percentage of net revenues	27%	24%	

The increase in bad debt expense was related to a pay-per-view service and a cable system that distribute our pay-per-view events. Included in legal and litigation in 2003 was a \$3.8 million offer to settle a legal dispute partially offset by \$1.0 million of net favorable settlements.

Depreciation and Amortization	2003	2002	better (worse)
	\$10.5	\$10.2	(3%)
Interest Expense	2003	2002	better (worse)
	\$0.8	\$0.8	--

The following reflects the amounts and percentage changes of certain significant interest income and other items:

Interest income and other, net	2003	2002	better (worse)
Interest income	\$2.0	\$10.6	(81%)
Gain on sale / revaluation of warrants	--	\$10.6	(100%)
Impairment loss on equity investments	(\$0.6)	(\$2.9)	79%

The decrease in interest income is due to lower average interest rates earned on our investments as well as a loss of approximately \$1.6 million from an investment in mortgage-backed securities. During fiscal 2002, we exercised and sold certain warrants resulting in a \$6.8 million gain. In addition, as a result of our adoption of SFAS No. 133 in fiscal 2002, we recorded a \$2.4 million gain from the revaluation of these warrants, and subsequent to our adoption of SFAS No. 133, we recorded an additional increase of \$1.4 million in the revaluation of the warrants.

Provision for Income Taxes	2003	2002	better (worse)
Provision	\$11.0	\$25.0	56%
Effective Tax Rate	40.2%	37.0%	

The increase in the effective tax rate is due to capital losses generated in the current year which may not be deductible for tax purposes. We have determined that it is more likely than not these losses will not be fully utilized and as such, we have recorded a valuation allowance against these benefits.

Discontinued Operations- XFL. Income from discontinued operations was \$4.6 million for the fiscal year ended April 30, 2002. The results from fiscal 2002 reflected the reversal of shutdown reserves that were no longer required and the recognition of certain tax benefits.

Discontinued Operations- The World. In February 2003, we closed the restaurant operations of our entertainment complex, The World, and in April 2003, we closed the retail operation. As a result, the operations of The World, as well as the estimated costs to shut down this business, have been reflected in discontinued operations. We recorded an after-tax charge of \$8.9 million in the fourth quarter related to the estimated costs to shut down this facility. This amount includes, in addition to other costs, rental payments required under the lease, net of management's current estimate of potential sub-rental income. This lease expires on October 31, 2017.

Loss from discontinued operations of The World, net of income taxes, was \$26.7 million for the fiscal year ended April 30, 2003 as compared to a loss from discontinued operations, net of taxes, of \$4.9 million for the fiscal year ended April 30, 2002. Included in fiscal 2003 was an impairment charge of \$32.9 million (\$20.4 million, after tax) as a result of impairment tests conducted on goodwill and other long-lived assets related to The World.

Fiscal Year Ended April 30, 2002 compared to Fiscal Year Ended April 30, 2001

Revenues	2002	2001	better (worse)
Live & Televised	\$323.5	\$335.7	(4%)
Branded Merchandise	86.1	102.5	(16%)
Total	\$409.6	\$438.2	(7%)

The following chart reflects comparative revenues and key drivers for each of the businesses within our live and televised segment:

Live & Televised Revenues	2002	2001	better (worse)
Live Events	\$74.1	\$81.9	(10%)
Number of Events	237	212	12%
Average Attendance	8,562	11,556	(26%)
Average Ticket Price	\$35.69	\$32.63	9%
Pay-Per-View	\$112.0	\$128.2	(13%)
Number of Domestic Buys	7,135,464	8,010,400	(11%)
Advertising	\$83.6	\$90.3	(7%)
Ratings for Raw-TNN	4.6	5.0	(8%)
Ratings for Raw-USA	--	6.3	--
Ratings for SmackDown!	4.0	4.6	(13%)
Sponsorship revenues	\$13.2	\$12.5	6%
Television Rights Fees			
Domestic	\$35.0	\$20.9	68%
International	\$18.3	\$14.3	28%

The following chart reflects comparative revenues and certain drivers for selected businesses within our branded merchandise segment:

Branded Merchandise Revenues	2002	2001	better (worse)
Licensing	\$24.4	\$35.6	(31%)
Merchandise	\$26.2	\$28.9	(9%)
Per Capita Spending	\$8.48	\$8.29	2%
Publishing	\$16.3	\$17.0	(4%)
Net units sold	6,867,700	7,594,400	(10%)
Home Video	\$13.6	\$12.2	11%
Net units sold:			
DVD	625,900	167,900	273%
VHS	1,041,200	1,285,700	(19%)
Internet Advertising	\$ 4.4	\$ 5.6	(21%)

Cost of Revenues	2002	2001	better (worse)
Live & Televised	\$194.2	\$188.5	(3%)
Branded Merchandise	56.9	60.8	6%
	-----	-----	---
Total	\$251.1	\$249.3	(1%)
	=====	=====	
Profit Contribution Margin	39%	43%	

The following chart represents comparative revenues and key drivers for each of the businesses within our live and televised segment:

Cost of Revenues -Live & Televised	2002	2001	better (worse)
Live Events	\$ 52.2	\$ 60.9	14%
Pay-Per-View	\$ 42.5	\$ 41.6	(2%)
Advertising	\$ 36.9	\$ 39.7	7%
Television	\$ 49.6	\$ 38.6	(28%)
Other	\$ 13.0	\$ 7.7	(69%)
Profit Contribution Margin	40%	44%	

The decrease in the profit contribution margin was due primarily to the decrease in pay-per-view revenues.

The following chart reflects comparative revenues and certain drivers for selected businesses within our branded merchandise segment:

Cost of Revenues -Branded Merchandise	2002	2001	better (worse)
Licensing	\$ 9.8	\$ 13.8	29%
Merchandise	\$ 22.6	\$ 23.9	5%
Publishing	\$ 10.0	\$ 9.7	(3%)
Home Video	\$ 9.4	\$ 6.2	(52%)
Digital Media	\$ 5.0	\$ 4.9	(2%)
Profit Contribution Margin	34%	38%	

The decrease in the profit contribution margin was due to the mix of product within the segments.

The following chart reflects the amounts and percent change of certain significant overhead items:

Selling, General & Administrative Expenses	2002	2001	better (worse)
Staff related expenses	\$ 37.4	\$ 37.8	1%
Legal and litigation	14.6	16.1	9%
Consulting and accounting fees	8.9	9.1	2%
Advertising and promotion expenses	9.4	5.4	(74%)
All other	28.0	28.1	--
	-----	-----	-----
Total SG&A	\$ 98.3	\$ 96.5	(2%)
	=====	=====	
SG&A as a percentage of net revenues	24%	22%	

The increase in advertising and promotion expenses was due primarily to our contractual agreement to purchase \$7.0 million of advertising time from a media company. This agreement was entered into in connection with our acquisition of certain assets of WCW, Inc. in March 2001 and is in effect through June 2004. See "Liquidity and Capital Resources."

Depreciation and Amortization	2002	2001	better (worse)
	\$10.2	\$4.7	(117%)

The increase in depreciation and amortization was due in part to the accelerated write-off of approximately \$2.1 million of architectural costs in 2002 related to our cancelled project in Las Vegas, as well as higher depreciation and amortization related to increased capital spending in fiscal 2002 and 2001.

Interest Expense	2002	2001	better (worse)
	\$0.8	\$0.9	11%

The following reflects the amounts and percentage changes of certain significant interest income and other items:

Interest Income and Other, net	2002	2001	better (worse)
Interest Income	\$10.6	\$15.3	(31%)
Gain on sale/Revaluation of warrants	\$10.6	--	--
Impairment loss on equity investments	(\$2.9)	--	--

The decrease in interest income was a result of lower average interest rates in fiscal 2002. During fiscal 2002, we exercised and sold certain warrants resulting in a \$6.8 million gain. In addition, as a result of our adoption of SFAS No. 133 in fiscal 2002, we recorded a \$2.4 million gain from the revaluation of these warrants, and subsequent to our adoption of SFAS No. 133, we recorded an increase of \$1.4 million in the revaluation of the warrants.

Provision for Income Taxes	2002	2001	better (worse)
Provision	\$25.0	\$38.1	34%
Effective Tax Rate	37.0%	37.2%	

Discontinued Operations-XFL. Income from discontinued operations of the XFL, net of minority interest and income taxes, was \$4.6 million for the fiscal year ended April 30, 2002 as compared to a loss from discontinued operations of \$46.9 million for the fiscal year ended April 30, 2001. The results from fiscal 2002 reflected the reversal of shutdown reserves that were no longer required and the recognition of certain tax benefits. Included in the net loss for fiscal 2001 was a loss from operations of \$31.3 million and a loss on the shutdown of \$15.6 million. The estimated shutdown costs consisted primarily of staff, lease and labor obligations, write-offs of certain fixed assets and accounts receivable and inventory write downs.

On June 12, 2000, NBC purchased approximately 2.3 million newly issued shares of our Class A common stock at \$13 per share for a total investment of \$30.0 million. As a result of the stock purchase, which was at a below market price, we recorded a non-cash charge of \$10.7 million, which was being amortized over 30 months. Amortization of \$3.7 million during fiscal 2001 was reflected in discontinued operations. As a result of our decision to discontinue operations of the XFL, we wrote off the remaining unamortized asset of \$7.0 million which was also reflected in discontinued operations. In May 2002, we repurchased 2.3 million shares of our Class A common stock from NBC for \$27.7 million.

Discontinued Operations - The World. Loss from discontinued operations of The World, net of income taxes, was \$4.9 million for the fiscal ended April 30, 2002 as compared to \$1.6 million for the fiscal year ended April 30, 2001.

Liquidity and Capital Resources

Cash flows from operating activities for the fiscal years ended April 30, 2003 and 2002 were \$21.1 million and \$57.9 million, respectively, and cash flows used for operating activities was \$23.4 million for fiscal 2001. Cash flows provided by operating activities from continuing operations were \$28.0 million in fiscal 2003 as compared to \$76.5 million in fiscal 2002 and \$62.0 million in fiscal 2001. Working capital, consisting of current assets less current liabilities, was \$275.1 million as of April 30, 2003 and \$322.1 million as of April 30, 2002.

Cash flows provided by investing activities were \$49.7 million in fiscal 2003 and cash flows used in investing activities for the fiscal years ended April 30, 2002 and 2001 were \$22.7 million and \$141.5 million, respectively. As of April 30, 2003, we had approximately \$102.4 million invested primarily in short-term municipal securities and corporate paper which consisted primarily of AA or AAA rated instruments. The maturities of these instruments are generally for a term of three months or shorter. In addition, we had approximately \$40.2 million invested in mutual funds, which primarily held AAA and AA rated instruments. Our investment policy is designed to assume a minimum of credit, interest rate and market risk.

In fiscal 2003, we had capital expenditures of approximately \$10.6 million, consisting primarily of digital media equipment for our wwshopzone.com web site, television equipment and building improvements. Capital expenditures for fiscal 2004 are expected to be between \$7.5 million - \$10.0 million, which includes a conversion of our critical business and financial systems, television equipment and building improvements.

In March 2003, we acquired a film library and certain other assets for \$3.0 million from an unaffiliated professional wrestling organization. In March 2001, we acquired certain assets of the WCW brand, including trade names, tape library and other intangible assets from a subsidiary of AOL Time Warner for approximately \$2.5 million. In addition, we incurred certain related costs to acquire these assets of approximately \$6.6 million.

Cash flows used in financing activities for the fiscal year ended April 30, 2003 was \$28.8 million and cash flows provided by financing activities \$6.8 million and \$107.5 million for the fiscal years ended April 30, 2002 and 2001, respectively.

In June 2003, our board of directors approved the payment of a quarterly dividend of \$0.04 per share on all Class A and Class B common shares.

In June 2003, we purchased approximately 2.0 million shares of common stock from Viacom for approximately \$19.3 million.

In 1997, we entered into a mortgage loan agreement under which we borrowed \$12.0 million at an annual interest rate of 7.6% to be repaid in monthly installments over 15 years. This term loan is collateralized by our executive offices and television production studio, both of which are located in Stamford, Connecticut. The term loan may not be prepaid in whole or in part prior to and through January 1, 2006. Thereafter, the term loan may be prepaid in whole with the payment of a premium. As of June 6, 2003, the outstanding principal amount of the term loan was \$9.2 million.

In 2000 we entered into a lease agreement for a 1998 Canadair Challenger 604 airplane. The term of this aircraft lease is for twelve years ending on October 30, 2012. The monthly lease payment is determined by a floating rate, which is based upon the 30-day US Commercial Paper Rate as stated by the Federal Reserve plus 1.95%. The current monthly payment is approximately \$120,000. At the end of the term of the lease agreement, we have guaranteed the lessor up to \$2.5 million if the jet is sold for less than \$9.0 million.

We have entered into various other contracts under which we are required to make guaranteed payments, including:

- o Performer contracts providing for future minimum guaranteed payments.
- o Television distribution agreements with Viacom affiliates UPN and TNN that provide for the payment of the greater of a fixed percentage of the revenues from the sale of television advertising time or an annual minimum payment. Our current agreement for UPN programming covers two hours of programming every week and expires in September 2003. Under the terms of our new agreement with UPN, which is effective October 2003, we will receive a weekly rights fee for our SmackDown! program and UPN would sell all of the advertising time. The balance of our Viacom agreement covers five hours of programming every week and expires in September 2005.
- o Advertising commitments to a media company over a three year period, ending June 2004.
- o Various operating leases for our offices.
- o Employment contract with Vincent K. McMahon, which is for a seven-year term commencing in October 1999 and in addition, a talent contract which is co-terminous with his employment contract.
- o Employment contract with Linda E. McMahon, which is for a four-year term commencing in October 1999. Pursuant to its terms, this contract was renewed for an additional year.
- o Employment contracts with certain of our employees, which are generally for one to three year terms.
- o Service contracts with certain of our independent contractors, which are generally for one to four year terms.

Our aggregate minimum payment obligations under these contracts as of April 30, 2003 was as follows:

	Payments due by period				Total
	Less than 1 year	1-3 years	4-5 years	After 5 years	
Long-term debt	\$ 0.8	\$ 1.7	\$ 1.9	\$5.5	\$ 9.9
Operating leases	\$ 3.0	\$ 4.6	\$ 4.2	\$6.6	\$ 18.4
Television programming agreements	\$12.8	\$ 5.8	\$ 2.4	\$2.7	\$ 23.7
Other commitments	\$34.4	\$18.6	\$ 7.8	\$ --	\$ 60.8
Total Commitments from Continuing Operations	\$51.0	\$30.7	\$16.3	\$14.8	\$112.8
Operating lease - The World (1)	\$ 2.5	\$ 5.4	\$ 5.7	\$32.7	\$ 46.3
Total	\$53.5	\$36.1	\$22.0	\$47.5	\$159.1

(1) Excludes any estimated sub-rental income.

We believe that cash generated from operations and from existing cash and short-term investments will be sufficient to meet our cash needs over the next twelve months for working capital, quarterly dividends, capital expenditures and strategic investments as well as costs related to the shut down of The World.

Seasonality

Our operating results are not materially affected by seasonal factors; however, because we operate on a fiscal calendar, the number of pay-per-view events recorded in a given quarter may vary. In addition, revenues from our licensing and direct sale of consumer products, including through our catalogs, magazines and Internet sites, may vary from period to period depending on the volume and extent of licensing agreements and marketing and promotion programs entered into during any particular period of time, as well as the commercial success of the media exposure of our characters and brand. The timing of these events as well as the continued introduction of new product offerings and revenue generating outlets can and will cause fluctuation in quarterly revenues and earnings.

Inflation

During the past three fiscal years, inflation has not had a material effect on our business.

Application of Critical Accounting Policies

Critical Accounting Policies

We believe the following are the critical accounting policies used in the preparation of our financial statements, as well as the significant judgments and estimates affecting the application of these policies.

Revenue Recognition

Pay-per-view programming:

Revenues from our pay-per-view programming are recorded when the event is aired and are based upon our initial estimate of the number of buys achieved. This initial estimate is based on preliminary buy information received from our pay-per-view distributors. Final reconciliation of the pay-per-view buys occurs within one year and any subsequent adjustments to the buys are recognized on a cash basis. As of April 30, 2003, our pay-per-view Accounts Receivable was \$24.3 million. If our initial estimate is incorrect, it can result in significant adjustments to revenues in subsequent years.

Television advertising:

Revenues from the sale of television advertising are recorded when the commercial airs within our programming and are based upon contractual amounts previously established with our advertisers. These contractual amounts are typically based on the advertisement reaching a desired number of viewers. If an ad does not reach the desired number of viewers, we record an estimated reserve to reflect rebates or future free advertising due to advertisers, based on the difference between the intended delivery (as contracted) and actual delivery of audiences. As of April 30, 2003, our estimated reserve was \$6.9 million. If our estimated reserves are incorrect, revenues in subsequent periods would have to be adjusted.

Home Video:

Revenues from the sales of VHS and DVD titles are recorded when shipped by our distributor to wholesalers / retailers, net of an allowance for estimated returns. The allowance for estimated returns is based on historical information and current industry trends. As of April 30, 2003, our home video returns allowance was \$1.5 million. If we do not accurately predict returns, we may have to adjust revenues in future periods.

Magazine publishing:

Publishing newsstand revenues are recorded when shipped by our distributor to wholesalers / retailers, net of an allowance for estimated returns. We estimate the allowance for newsstand returns based upon our review of historical return rates and the expected performance of our current titles in relation to prior issue return rates. As of April 30, 2003, our newsstand returns allowance was \$5.0 million. If we do not accurately predict returns, we may have to adjust revenues in future periods.

Allowance for Doubtful Accounts

Our receivables represent a significant portion of our current assets. We are required to estimate the collectibility of our receivables and to establish allowances for the amount of receivables that we estimate to be uncollectible. We base these allowances on our historical collection experience, the length of time our receivables are outstanding and the financial condition of individual customers. As of April 30, 2003, our allowance for doubtful accounts was \$5.3 million. Changes in the financial condition of significant customers, either adverse or positive, could impact the amount and timing of any additional allowances that may be required.

Initial Adoption of Accounting Policies

In August 2001, the Financial Accounting Standards Board ("FASB") issued Statement of Financial Accounting Standard ("SFAS") No. 144, "Accounting for the Impairment or Disposal of Long-Lived Assets." During 2003, the economic conditions surrounding our entertainment complex in New York City and its continued weak operating results indicated potential impairment. The impairment test prescribed by SFAS No. 144 was performed and ultimately resulted in a non-cash pre-tax impairment charge of \$30.4 million that was recorded in the current year. In conjunction with the impairment test above, it was determined that goodwill related to the purchase of The World was also impaired and as a result, we recorded an additional non-cash pre-tax charge of \$2.5 million in accordance with SFAS No. 142, "Goodwill and Other Intangible Assets".

In June 2002, the FASB issued SFAS No. 146, "Accounting for Costs Associated with Exit or Disposal Activities". In February 2003, we closed the restaurant operations at The World and in April 2003, we closed the retail operations at the facility. Total costs related to the shut down of these operations are estimated to be \$8.9 million, net of applicable tax benefits of \$3.3 million and were recorded as discontinued operations in our consolidated financial statements in the current year, in accordance with SFAS No. 146.

Recent Pronouncements

In April 2002, the FASB issued SFAS No. 145, "Rescission of FASB Statements No. 4, 44, and 64, Amendment of FASB Statement No. 13, and Technical Corrections." This Statement amends existing authoritative pronouncements to make various technical corrections, clarify meanings, or describe their applicability under changed conditions. This statement became effective for us on May 1, 2003 and does not have a material impact on our operating results or financial position.

In November 2002, the FASB issued FASB Interpretation No. ("FIN") 45, "Guarantor's Accounting and Disclosure Requirements for Guarantees, Including Indirect Guarantees of Indebtedness of Others." The disclosure requirements of FIN 45 were effective for financial statements of interim or annual periods ending after December 15, 2002 and did not have a material impact on our consolidated financial statements.

In January 2003, the FASB issued FIN 46, "Consolidation of Variable Interest Entities." FIN 46 requires us to consolidate a variable interest entity if we are subjected to a majority of the risk of loss from the variable interest entity's activities or entitled to receive a majority of the entity's residual returns, or both. We currently lease a corporate jet which is not held in a variable interest entity, and, accordingly is accounted for as an operating lease. We do not currently have any interests in variable interest entities and, accordingly do not expect the adoption of FIN 46 to have a material impact on our consolidated financial statements.

In November 2002, the Emerging Issues Task Force ("EITF") reached a consensus on Issue No. 00-21, "Revenue Arrangements with Multiple Deliverables." EITF Issue No. 00-21 provides guidance on how to account for arrangements that involve the delivery or performance of multiple products, services and/or rights to use assets. The provisions of EITF Issue No. 00-21 will apply to revenue arrangements entered into in fiscal periods beginning after June 15, 2003. The adoption of this consensus is not expected to have a material impact on our consolidated financial statements.

In November 2001, the EITF reached a consensus on Issue No. 01-09, "Accounting for Consideration Given by a Vendor to a Customer (Including a Reseller of the Vendor's Products)". This consensus addresses income statement characterization issues and recognition and measurement issues relating to consideration given by a vendor to a customer. As a result of this pronouncement, we reclassified \$1.7 million in fiscal 2003 and \$1.3 million in fiscal 2002 and 2001 of discounts previously classified as expenses to the prescribed accounting as a reduction of revenue.

In May 2003, the FASB issued SFAS No. 150, "Accounting for Certain Financial Instruments with Characteristics of both Liabilities and Equity." SFAS No. 150 establishes standards for how an issuer classifies and measures in its balance sheet certain financial instruments with characteristics of both liabilities and equity. It is effective for us in the second quarter of 2004, but, because we have no instruments falling under the provisions of SFAS No. 150, it will not have an impact on our consolidated financial statements.

Cautionary Statement for Purposes of the "Safe Harbor" Provisions of the Private Securities Litigation Reform Act of 1995

The Private Securities Litigation Reform Act of 1995 provides a "safe harbor" for certain statements that are forward-looking and are not based on historical facts. When used in this Annual Report, the words "may," "will," "could," "anticipate," "plan," "continue," "project," "intend", "estimate", "believe", "expect" and similar expressions are intended to identify forward-looking statements, although not all forward-looking statements contain such words. These statements relate to our future plans, objectives, expectations and intentions and are not historical facts and accordingly involve known and unknown risks and uncertainties and other factors that may cause the actual results or the performance by us to be materially different from future results or performance expressed or implied by such forward-looking statements. The following factors, among others, could cause actual results to differ materially from those contained in forward-looking statements made in this Annual Report, in press releases and in oral statements made by our authorized officers: (i) our failure to continue to develop creative and entertaining programs and events would likely lead to a decline in the popularity of our brand of entertainment; (ii) our failure to retain or continue to recruit key performers could lead to a decline in the appeal of our story lines and the popularity of our brand of entertainment; (iii) the loss of the creative services of Vincent McMahon could adversely affect our ability to create popular characters and story lines; (iv) our failure to maintain or renew key agreements could adversely affect our ability to distribute our television and pay-per-view programming, and in this regard our primary distribution agreement with Viacom runs until Fall 2004 for its UPN network and Fall 2005 for its TNN network; (v) we may not be able to compete effectively with companies providing other forms of entertainment and programming, and many of these competitors have greater financial resources than we; (vi) we may not be able to protect our intellectual property rights which could negatively impact our ability to compete in the sports entertainment market; (vii) general economic conditions or a change in the popularity of our brand of sports entertainment could adversely impact our business; (viii) risks associated with producing live events, both domestically and internationally, including without limitation risks that our insurance may not cover liabilities resulting from accidents or injuries and that we may be prohibited from promoting and conducting live events if we do not comply with applicable regulations; (ix) uncertainties associated with international markets; (x) we could incur substantial liabilities, or be required to conduct certain aspects of our business differently, if pending or future material litigation is resolved

unfavorably; (xi) any new or complementary businesses into which we may expand in the future could adversely affect our existing businesses; (xii) through his beneficial ownership of a substantial majority of our Class B common stock, our controlling stockholder can exercise significant influence over our affairs, and his interests could conflict with the holders of our Class A common stock; and (xiii) a substantial number of shares will be eligible for future sale by our current majority stockholder, and the sale of those shares could lower our stock price. The forward-looking statements speak only as of the date of this Annual Report and undue reliance should not be placed on these statements.

Item 7A. Quantitative and Qualitative Disclosures about Market Risk

In the normal course of business, we are exposed to foreign currency exchange rate, interest rate and equity price risks that could impact our results of operations. Our foreign currency exchange rate risk is minimized by maintaining minimal net assets and liabilities in currencies other than our functional currency.

Interest Rate Risk

We are exposed to interest rate risk related to our debt and investment portfolio. Our debt primarily consists of the mortgage related to our corporate headquarters, which has an annual interest rate of 7.6%. Due to the recent decreases in mortgage rates, this debt is now at a rate in excess of market, however due to the terms of our agreement we are prohibited from refinancing for several years. The impact of the decrease in mortgage rates is considered immaterial to our consolidated financial statements.

Our investment portfolio consists primarily of government obligations, highly rated corporate obligations and bond mutual funds, with a strong emphasis placed on preservation of capital. In an effort to minimize our exposure to interest rate risk, our investment portfolio's dollar weighted duration is less than two years. Due to the nature of our investments and our strategy to minimize market and interest rate risk, our portfolio would not be materially impacted by adverse fluctuations in interest rates.

Item 8. Consolidated Financial Statements and Schedule

The information required by this item is set forth in the Consolidated Financial Statements filed with this report.

Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosures

None.

PART III

The information required by Part III (Items 10-13 and 15) is incorporated herein by reference to the captions "Directors and Executive Officers of the Registrant", "Executive Compensation", "Security Ownership of Certain Beneficial Owners and Management and Related Stockholders Matters and Certain Relationships and Related Party Transactions" and "Independent Auditor Fees" in our definitive proxy statement for our 2003 Annual Meeting of Stockholders.

Item 14. Controls and Procedures

Based on their most recent review, which was completed within 90 days of the filing of this report, our Chief Executive Officer and our Chief Financial Officer have concluded that our disclosure controls and procedures are effective to ensure that information required to be disclosed by us in the reports that we file or submit under the Securities Exchange Act of 1934, as amended, is accumulated and communicated to our management, including our Chief Executive Officer and our Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosure and are effective to ensure that such information is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms. While we are in the process of formalizing certain of our control procedures, there were no significant changes in our internal controls or in other factors that could significantly affect those controls subsequent to the date of this evaluation.

PART IV

Item 16. Exhibits, Financial Statement Schedules, and Reports on Form 8-K

(a) The following documents are filed as a part of this report:

1. Consolidated Financial Statements and Schedule: See index to Consolidated Financial Statements on page F-1 of this Report.

2. Exhibits:

Exhibit No. Description of Exhibit

-----	-----
3.1	Amended and Restated Certificate of Incorporation (Incorporated by reference to Exhibit 3.2 to our Registration Statement on Form S-1 (No. 333-84327)).
3.1A	Amendment to Amended and Restated Certificate of Incorporation (Incorporated by reference to Exhibit 4.1(a) to our Registration Statement on Form S-8, filed July 15, 2002).
3.2	Amended and Restated By-laws (Incorporated by reference to Exhibit 3.4 to our Registration Statement on Form S-1 (No. 333-84327)).
3.2A	Amendment to Amended and Restated By-Laws (Incorporated by reference to Exhibit 4.2(a) to our Registration Statement on Form S-8, filed July 15, 2002).
10.1	1999 Long -Term Incentive Plan (Incorporated by reference to Exhibit 10.1 to our Registration Statement on Form S-1 (No. 333-84327))(the "LTIP").*
10.1A	Form of Option Agreement granted during 2003 under the LTIP (filed herewith)*
10.2	Employment Agreement with Vincent K. McMahon, dated October 14, 1999 (Incorporated by reference to Exhibit 10.2 to our Registration Statement on Form S-1 (No. 333-84327)).*
10.2A	Amendment, dated as of May 1, 2002, to Employment Agreement with Vincent K. McMahon.*
10.2B	Form of Agreement for Restricted Performance Stock Units granted during 2003 under the LTIP (filed herewith).*
10.3	Booking Contract with Vincent K. McMahon, dated February 15, 2000 (Incorporated by reference to Exhibit 10.3 to our Annual Report on Form 10-K for the fiscal year ended April 30, 2000).*
10.3A	Amendment, dated July 3, 2001, to Booking Contract with Vincent K. McMahon (Incorporated by reference to Exhibit 10.3A to our Annual Report on Form 10-K for the fiscal year ended April 30, 2001).*
10.4	Employment Agreement with Linda E. McMahon, dated October 14, 1999 (Incorporated by reference to Exhibit 10.3 to our Registration Statement on Form S-1 (No. 333-84327)).*
10.5	Booking Contract with Linda E. McMahon, dated February 15, 2000 (Incorporated by reference to Exhibit 10.5 to our Annual Report on Form 10-K for the fiscal year ended April 30, 2000).*
10.6	World Wrestling Entertainment Employee Stock Purchase Plan (Incorporated by reference to Exhibit 10.6 to our Annual Report on Form 10-K for the fiscal year ended April 30, 2002).*

- 10.7 License Agreement with inDemand, formerly known as Viewer's Choice L.L.C., dated as of January 20, 1999 (Incorporated by reference to Exhibit 10.7 to our Registration Statement on Form S-1 (No. 333-84327)). (1)
- 10.8 World Wrestling Entertainment, Inc. Management Bonus Plan. (filed herewith).*
- 10.9 Independent Contractor Agreement, dated May 1, 2003, between the Registrant and Communications Consultants, Inc. (filed herewith).*
- 10.10 Registration Rights Agreement, dated August 30, 2001, by and between Invemed Catalyst Fund, L.P. and World Wrestling Entertainment, Inc. (Incorporated by reference to Exhibit 10.10 to our Annual Report on Form 10-K for the fiscal year ended April 30, 2002).
- 10.11 Open End Mortgage Deed, Assignment of Rents and Security Agreement between TSI Realty Company and GMAC Commercial Mortgage Corp. (assigned to Citicorp Real Estate, Inc.), dated as of December 12, 1997 (Incorporated by reference to Exhibit 10.11 to our Registration Statement on Form S-1 (No. 333-84327)).
- 10.12 Promissory Note issued by TSI Realty Company to GMAC Commercial Mortgage Corp. (assigned to Citicorp Real Estate, Inc.), dated as of December 12, 1997 (Incorporated by reference to Exhibit 10.12 to our Registration Statement on Form S-1 (No. 333-84327)).
- 10.13 Environmental Indemnity Agreement among TSI Realty Company, Titan Sports Inc. and GMAC Commercial Mortgage Corp. (assigned to Citicorp Real Estate, Inc.), dated as of December 12, 1997 (Incorporated by reference to Exhibit 10.13 to our Registration Statement on Form S-1 (No. 333-84327)).
- 10.14 Assignment of Leases and Rents between TSI Realty Company and GMAC Commercial Mortgage Corp. (assigned to Citicorp Real Estate, Inc.), dated as of December 12, 1997 (Incorporated by reference to Exhibit 10.14 to our Registration Statement on Form S-1 (No. 333-84327)).
- 10.15 Form of Tax Indemnification Agreement among the Registrant, Stephanie Music Publishing, Inc., Vincent K. McMahon and the Vincent K. McMahon Irrevocable Deed of Trust, dated as of June 30, 1999 (Incorporated by reference to Exhibit 10.15 to our Registration Statement on Form S-1 (No. 333-84327)).
- 10.16 Agreement between WWF-World Wide Fund for Nature and Titan Sports, Inc. dated January 20, 1994 (Incorporated by reference to Exhibit 10.16 to our Registration Statement on Form S-1 (No. 333-84327)).
- 21.1 List of Significant Subsidiaries (filed herewith).
- 23.1 Consent of Deloitte & Touche LLP (filed herewith).
- 99.1 Certification by Linda E. McMahon and Philip B. Livingston pursuant to Section 906 of Sarbanes-Oxley Act of 2002 (filed herewith).

* Indicates management contract or compensatory plan or arrangement.

(1) Certain portions of this exhibit have been omitted based upon a request for confidential treatment filed by the Company with the Secretary of the Commission on August 25, 1999, as amended on October 8, 1999. The omitted portion of this exhibit has been separately filed with the Commission.

(2) Certain portions of this exhibit have been omitted based upon a request for confidential treatment filed by the Company with the Secretary of the Commission on September 14, 1999 as amended on October 8, 1999. The Omitted portion of this exhibit has been separately filed with Commission.

(b) Reports on Form 8-K:

The Registrant filed a Form 8-K dated February 25, 2003 under Item 5, Other Events and Item 7, Financial Statements and Exhibits.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereto duly authorized.

World Wrestling Entertainment, Inc.
(Registrant)

Dated: July 2, 2003

By: /s/ Linda E. McMahon

Linda E. McMahon
Chief Executive Officer

Dated: July 2, 2003

By: /s/ Philip B. Livingston

Philip B. Livingston
Chief Financial Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

Signature	Title or Capacity	Date
By: /s/ Vincent K. McMahon ----- Vincent K. McMahon	Chairman of the Board of Directors	July 2, 2003
By: /s/ Linda E. McMahon ----- Linda E. McMahon	Chief Executive Officer and Director	July 2, 2003
By: /s/ Lowell P. Weicker Jr. ----- Lowell P. Weicker Jr.	Director	July 2, 2003
By: /s/ David Kenin ----- David Kenin	Director	July 2, 2003
By: /s/ Joseph Perkins ----- Joseph Perkins	Director	July 2, 2003
By: /s/ Michael B. Solomon ----- Michael B. Solomon	Director	July 2, 2003
By: /s/ Philip B. Livingston ----- Philip B. Livingston	Chief Financial Officer and Director	July 2, 2003
By: /s/ Frank G. Serpe ----- Frank G. Serpe	Senior Vice President and Chief Accounting Officer	July 2, 2003

CERTIFICATIONS

Securities and Exchange Act of 1934 Rule 13a-14 as adopted pursuant to Section 302 of Sarbanes-Oxley Act of 2002:

I, Linda E. McMahon, certify that:

1. I have reviewed this annual report on Form 10-K of World Wrestling Entertainment, Inc.;
2. Based on my knowledge, this annual report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this annual report;
3. Based on my knowledge, the financial statements, and other financial information included in this annual report, fairly present in all material respects the financial condition, results of operations and cash flows of the Registrant as of, and for, the periods presented in this annual report;
4. The Registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) for the Registrant and we have:
 - a) designed such disclosure controls and procedures to ensure that material information relating to the Registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this annual report is being prepared;
 - b) evaluated the effectiveness of the Registrant's disclosure controls and procedures as of a date within 90 days prior to the filing date of this annual report (the "Evaluation Date"); and
 - c) presented in this annual report our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the Evaluation Date;
5. The Registrant's other certifying officers and I have disclosed, based on our most recent evaluation, to the Registrant's auditors and the audit committee of Registrant's board of directors (or persons performing the equivalent function):
 - a) all significant deficiencies in the design or operation of internal controls which could adversely affect the Registrant's ability to record, process, summarize and report financial data and have identified for the Registrant's auditors any material weaknesses in internal controls; and
 - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant's internal controls; and
6. The Registrant's other certifying officers and I have indicated in this annual report whether or not there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

Dated: July 2, 2003

By: /s/ Linda E. McMahon

Linda E. McMahon
Chief Executive Officer

I, Philip B. Livingston, certify that:

1. I have reviewed this annual report on Form 10-K of World Wrestling Entertainment, Inc.;
2. Based on my knowledge, this annual report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this annual report;
3. Based on my knowledge, the financial statements, and other financial information included in this annual report, fairly present in all material respects the financial condition, results of operations and cash flows of the Registrant as of, and for, the periods presented in this annual report;
4. The Registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) for the Registrant and we have:
 - a) designed such disclosure controls and procedures to ensure that material information relating to the Registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this annual report is being prepared;
 - b) evaluated the effectiveness of the Registrant's disclosure controls and procedures as of a date within 90 days prior to the filing date of this annual report and
 - c) presented in this annual report our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the Evaluation Date;
5. The Registrant's other certifying officers and I have disclosed, based on our most recent evaluation, to the Registrant's auditors and the audit committee of Registrant's board of directors (or persons performing the equivalent function):
 - a) all significant deficiencies in the design or operation of internal controls which could adversely affect the Registrant's ability to record, process, summarize and report financial data and have identified for the Registrant's auditors any material weaknesses in internal controls; and
 - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant's internal controls; and
6. The Registrant's other certifying officers and I have indicated in this annual report whether or not there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

Dated: July 2, 2003

By: /s/ Philip B.Livingston

Philip B. Livingston
Chief Financial Officer

WORLD WRESTLING ENTERTAINMENT, INC.

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Report of Management

The consolidated financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America. The integrity and objectivity of the data in these financial statements, including estimates and judgments relating to matters not concluded by year end, are the responsibility of management, as is all other information included in the Annual Report, unless otherwise indicated.

The consolidated financial statements of World Wrestling Entertainment, Inc. have been audited by Deloitte & Touche LLP, independent auditors. Management has made available to Deloitte & Touche LLP, all of World Wrestling Entertainment, Inc.'s financial records and related data, as well as the minutes of stockholders' and directors' meetings. Furthermore, management believes that all representations made to Deloitte & Touche LLP during its audit were valid and appropriate.

Management has established and maintains a system of internal accounting control that provides reasonable assurance as to the integrity and reliability of the consolidated financial statements, the protection of assets from unauthorized use or disposition and the prevention and detection of fraudulent financial reporting. The concept of reasonable assurance recognizes that the costs of an internal accounting control system should not exceed, in management's judgment, the benefits to be derived.

Management maintains disclosure controls and procedures that are designed to ensure that information required to be disclosed by World Wrestling Entertainment, Inc. is recorded, processed, summarized and reported within the time periods specified by the Securities and Exchange Commission's rules and forms.

Management also seeks to ensure the objectivity and integrity of its financial data by the careful selection of its managers, by organizational arrangements that provide an appropriate division of responsibility and by communication programs aimed at ensuring that its policies, standards and managerial authorities are understood throughout the organization. Management regularly monitors the system of internal accounting control for compliance.

The Audit Committee of the Board of Directors meets periodically with management and the independent auditors to review the manner in which they are performing their respective responsibilities and to discuss auditing, internal accounting controls and financial reporting matters. The independent auditors periodically meet privately with the Audit Committee and have access to the Audit Committee at any time.

July 2, 2003

/s/ Linda E. McMahon

Linda E. McMahon
Chief Executive Officer

/s/ Philip B. Livingston

Philip B. Livingston
Chief Financial Officer

INDEPENDENT AUDITORS' REPORT

To the Board of Directors and Stockholders of World Wrestling Entertainment, Inc.:

We have audited the accompanying consolidated balance sheets of World Wrestling Entertainment, Inc. (the "Company") as of April 30, 2003 and 2002 and the related consolidated statements of operations, stockholders' equity and comprehensive income (loss) and of cash flows for each of the three years in the period ended April 30, 2003. Our audits also included the financial statement schedule listed in the index at Item 15(a)1. These financial statements and financial statement schedule are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements and financial statement schedule based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. 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, such consolidated financial statements present fairly, in all material respects, the financial position of World Wrestling Entertainment, Inc. as of April 30, 2003 and 2002 and the results of its operations and its cash flows for each of the three years in the period ended April 30, 2003 in conformity with accounting principles generally accepted in the United States of America. Also, in our opinion, such financial statement schedule, when considered in relation to the basic consolidated financial statements taken as a whole, presents fairly, in all material respects, the information set forth therein.

*/s/ Deloitte and Touche LLP
Stamford, Connecticut
June 13, 2003*

World Wrestling Entertainment, Inc.

CONSOLIDATED STATEMENTS OF OPERATIONS

(dollars in thousands, except per share data)

	Fiscal year ended April 30,		
	2003	2002	2001
Net revenues	\$ 374,264	\$ 409,622	\$ 438,139
Cost of revenues	237,343	251,124	249,308
Selling, general and administrative expenses	99,349	98,291	96,486
Depreciation and amortization	10,545	10,174	4,736
Operating income	27,027	50,033	87,609
Interest expense	783	784	856
Interest income and other, net	1,114	18,202	15,916
Income from continuing operations before income taxes	27,358	67,451	102,669
Provision for income taxes	10,996	24,953	38,143
Income from continuing operations	16,362	42,498	64,526
Discontinued Operations:			
Loss from XFL operations, net of taxes of \$17,679 and minority interest	--	--	(31,293)
Estimated income (loss) on shutdown of the XFL, net of taxes of \$2,917 and \$5,265 for fiscal 2002 and 2001, respectively, and minority interest	--	4,638	(15,617)
Income (loss) from discontinued operations - XFL	--	4,638	(46,910)
Loss from The World operations, net of taxes of \$16,359, \$3,006 and \$999 for fiscal 2003, 2002 and 2001, respectively	(26,691)	(4,903)	(1,629)
Estimated loss on shutdown of The World, net of taxes of \$3,257	(8,866)	--	--
Loss from discontinued operations - The World	(35,557)	(4,903)	(1,629)
Loss from discontinued operations	(35,557)	(265)	(48,539)
Net income (loss)	\$ (19,195)	\$ 42,233	\$ 15,987
Earnings (loss) per common share-Basic:			
Continuing operations	\$ 0.23	\$ 0.58	\$ 0.90
Discontinued operations	\$ (0.50)	\$ --	\$ (0.67)
Net income (loss)	\$ (0.27)	\$ 0.58	\$ 0.22
Earnings (loss) per common share-Diluted:			
Continuing operations	\$ 0.23	\$ 0.58	\$ 0.90
Discontinued operations	\$ (0.50)	\$ --	\$ (0.67)
Net income (loss)	\$ (0.27)	\$ 0.58	\$ 0.22

See Notes to Consolidated Financial Statements.

World Wrestling Entertainment, Inc.

CONSOLIDATED BALANCE SHEETS

(dollars in thousands)

	As of April 30,	
	2003	2002
	-----	-----
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 128,473	\$ 86,396
Short-term investments	142,641	207,407
Accounts receivable (less allowance for doubtful accounts of \$5,284 and \$2,840 as of April 30, 2003 and 2002, respectively)	49,729	63,762
Inventory, net	839	1,451
Prepaid expenses and other current assets	18,443	15,760
Assets of discontinued operations	21,129	44,256
	-----	-----
Total current assets	361,254	419,032
PROPERTY AND EQUIPMENT--NET	59,325	59,214
INTANGIBLE ASSETS	12,055	9,055
OTHER ASSETS	4,623	8,051
	-----	-----
TOTAL ASSETS	\$ 437,257	\$ 495,352
	=====	=====
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Current portion of long-term debt	\$ 777	\$ 601
Accounts payable	14,188	19,490
Accrued expenses and other liabilities	34,991	45,963
Deferred income	24,662	23,190
Liabilities of discontinued operations	11,554	7,368
	-----	-----
Total current liabilities	86,172	96,612
LONG-TERM DEBT	9,126	9,302
COMMITMENTS AND CONTINGENCIES		
STOCKHOLDERS' EQUITY:		
Class A common stock: (\$.01 par value; 180,000,000 shares authorized; 18,215,427 shares and 18,184,177 shares issued as of April 30, 2003 and 2002, respectively)	182	181
Class B common stock: (\$.01 par value; 60,000,000 shares authorized; 54,780,207 shares issued as of April 30, 2003 and 2002	548	548
Treasury stock (2,578,769 shares and 100,000 shares as of April 30, 2003 and 2002, respectively)	(30,569)	(1,139)
Additional paid-in capital	297,315	296,938
Accumulated other comprehensive income (loss)	243	(525)
Retained earnings	74,240	93,435
	-----	-----
Total stockholders' equity	341,959	389,438
	-----	-----
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY.....	\$437,257	\$ 495,352
	=====	=====

See Notes to Consolidated Financial Statements.

World Wrestling Entertainment, Inc.

CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY AND COMPREHENSIVE INCOME (LOSS)

(dollars and shares in thousands)

	Common Shares	Stock Amount	Treasury Stock	Additional Paid-in Capital	Accumulated Other Comprehensive Income (loss)	Retained Earnings	Total
	-----	-----	-----	-----	-----	-----	-----
Balance, May 1, 2000	68,167	\$682	\$ --	\$ 222,535	\$ 105	\$ 35,215	\$ 258,537
Comprehensive income:							
Net income	--	--	--	--	--	15,987	15,987
Translation adjustment	--	--	--	--	(175)	--	(175)
Unrealized holding loss, net of tax	--	--	--	--	(527)	--	(527)
Total comprehensive income							----- 15,285
Issuance of common stock	4,615	46	--	59,954	--	--	60,000
Stock issuance costs	--	--	--	(534)	--	--	(534)
Non-cash stock issuance charge	--	--	--	10,673	--	--	10,673
Stock option charge	--	--	--	1,092	--	--	1,092
Exercise of stock options	150	1	--	2,549	--	--	2,550
Tax benefit from exercise of stock options	--	--	--	256	--	--	256
Balance, April 30, 2001	72,932	729	--	296,525	(597)	51,202	347,859
Comprehensive income:							
Net income	--	--	--	--	--	42,233	42,233
Translation adjustment	--	--	--	--	37	--	37
Unrealized holding gain, net of tax	--	--	--	--	35	--	35
Total comprehensive income							----- 42,305
Purchase of treasury stock	(100)	--	(1,139)	--	--	--	(1,139)
Exercise of stock options	32	--	--	413	--	--	413
Balance, April 30, 2002	72,864	729	(1,139)	296,938	(525)	93,435	389,438
Comprehensive loss:							
Net loss	--	--	--	--	--	(19,195)	(19,195)
Translation adjustment	--	--	--	--	322	--	322
Unrealized holding gain, net of tax	--	--	--	--	446	--	446
Total comprehensive loss							----- (18,427)
Purchase of treasury stock	(2,489)	--	(29,554)	--	--	--	(29,554)
Proceeds from sale of treasury stock	10	--	124	(47)	--	--	77
Exercise of stock options	31	1	--	404	--	--	405
Tax benefit from exercise of stock options	--	--	--	20	--	--	20
Balance, April 30, 2003	70,416	\$730	\$(30,569)	\$ 297,315	\$ 243	\$ 74,240	\$ 341,959

See Notes to Consolidated Financial Statements.

World Wrestling Entertainment, Inc.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(dollars in thousands)

	Year Ended April 30, 2003	2002	2001
	-----	-----	-----
OPERATING ACTIVITIES:			
Net (loss) income	(\$ 19,195)	\$ 42,233	\$ 15,987
Adjustments to reconcile net (loss) income to net cash provided by (used in) operating activities:			
Loss from discontinued operations	35,557	265	48,539
Gain on sale of property and stock, and revaluation of warrants, net	--	(5,287)	(1,249)
Cumulative effect of change in accounting principle, net of tax	--	(1,487)	--
Depreciation and amortization	10,545	10,174	4,736
Amortization of deferred income	(1,268)	(1,270)	(407)
Provision for doubtful accounts	3,697	900	1,239
Provision for inventory obsolescence	797	3,780	803
Stock option charges	--	--	760
Provision (benefit) for deferred income taxes	1,650	(1,433)	2,235
Changes in assets and liabilities:			
Accounts receivable	10,334	7,388	(12,936)
Inventory	(185)	(1,086)	(2,196)
Prepaid expenses and other assets	(614)	5,689	(3,906)
Accounts payable	(5,302)	25	2,086
Accrued expenses and other liabilities	(10,724)	6,403	6,812
Deferred income	2,740	10,179	(454)
	-----	-----	-----
Net cash provided by continuing operations	28,032	76,473	62,049
Net cash used in discontinued operations	(6,894)	(18,587)	(85,403)
	-----	-----	-----
Net cash provided by (used in) operating activities	21,138	57,886	(23,354)
	-----	-----	-----
INVESTING ACTIVITIES:			
Purchases of property and equipment	(10,593)	(12,499)	(21,554)
Acquisitions, net of cash acquired	(3,000)	(4,900)	(4,155)
Sale (purchase) of short-term investments, net	65,416	(13,070)	(87,794)
Net proceeds from the sale of investments	--	12,914	11,305
	-----	-----	-----
Net cash provided by (used in) continuing operations	51,823	(17,555)	(102,198)
Net cash used in discontinued operations	(2,134)	(5,179)	(39,273)
	-----	-----	-----
Net cash provided by (used in) investing operations	49,689	(22,734)	(141,471)
	-----	-----	-----
FINANCING ACTIVITIES:			
Repayments of long-term debt	(601)	(556)	(959)
Proceeds from capital lease agreement	601	--	--
Common stock issued, including treasury stock reissued, net of stock issuance costs	77	--	59,466
Repurchase of Class A common stock	(29,554)	(1,139)	--
Proceeds from exercise of stock options	405	413	2,550
	-----	-----	-----
Net cash (used in) provided by continuing operations	(29,072)	(1,282)	61,057
Net cash provided by discontinued operations	322	8,100	46,415
	-----	-----	-----
Net cash (used in) provided by financing activities	(28,750)	6,818	107,472
	-----	-----	-----
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	42,077	41,970	(57,353)
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD	86,396	44,426	101,779
	-----	-----	-----
CASH AND CASH EQUIVALENTS, END OF PERIOD	\$ 128,473	\$ 86,396	\$ 44,426
	=====	=====	=====
SUPPLEMENTAL CASH FLOW INFORMATION:			
Cash paid during the period for income taxes, net of refunds	\$ 6,398	\$ 7,741	\$ 33,646
Cash paid during the period for interest	\$ 783	\$ 783	\$ 856
SUPPLEMENTAL NON-CASH INFORMATION:			
Receipt of warrants	\$--	\$--	\$ 2,884

See Notes to Consolidated Financial Statements.

World Wrestling Entertainment, Inc.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(dollars in thousands, except share and per share data)

1. Basis of Presentation and Business Description

The accompanying consolidated financial statements include the accounts of World Wrestling Entertainment, Inc., and our wholly owned subsidiaries. In 2003, we closed the operations of our entertainment complex, The World. We recorded the results from operations of this business and the estimated shutdown cost as discontinued operations. In early May 2001, we discontinued operations of the XFL and accordingly, reported XFL operating results and estimated shutdown costs as discontinued operations.

All significant intercompany balances have been eliminated. Certain prior year amounts have been reclassified to conform with the current year presentation.

We are an integrated media and entertainment company, principally engaged in the development, production and marketing of television programming and live events and the licensing and sale of branded consumer products featuring our World Wrestling Entertainment brand of entertainment. Our continuing operations are organized around two principal activities:

- o Live and televised entertainment, which consists of live event and television programming. Revenues consist principally of attendance at live events, sale of television advertising time and sponsorships, domestic and international television rights fees and pay-per-view buys.

- o Branded merchandise, which consists of licensing and direct sale of merchandise. Revenues include sales of consumer products through third party licensees and direct marketing and sales of merchandise, magazines and home videos.

Our discontinued operations consisted primarily of food and beverage and retail revenues generated from our entertainment complex and revenues from attendance at live events, sale of television advertising time and sales of consumer products from the XFL.

2. Summary of Significant Accounting Policies

Use of Estimates - The preparation of financial statements in conformity with generally accepted accounting principles requires our management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Fiscal Period - Our fiscal year ends on April 30 of each year. Unless otherwise noted, all references to years relate to fiscal years, not calendar years and refer to the fiscal period by using the year in which the fiscal period ends. Our fiscal quarters are thirteen-week periods that end on the thirteenth Friday in the quarter, with the exception of our fourth quarter, which always ends on April 30.

Cash and Cash Equivalents - Cash and cash equivalents include cash on deposit in overnight deposit accounts and investments in money market accounts.

Short-term Investments- We classify all of our short-term investments as available-for-sale securities. Such short-term investments consist primarily of United States government and federal agencies securities, corporate commercial paper, corporate bonds, mutual funds and mortgage-backed securities, all of which are stated at market value, with unrealized gains and losses on such securities reflected, net of tax, as other comprehensive income (loss) in stockholders' equity. Realized gains and losses on short-term investments are included in earnings and are derived using the specific identification method for determining the cost of securities sold. As of April 30, 2003, the fair value of our short-term investments were approximately \$148 greater than cost and as of April 30, 2002, the fair value was \$518 lower than cost. We recorded unrealized income (losses) of \$446, net of taxes, and \$(163), net of taxes, for 2003 and 2002, respectively, which was included in accumulated other comprehensive income (loss). It is our intent to maintain a liquid portfolio to take advantage of investment opportunities; therefore, all securities are considered to be available-for-sale and are classified as current assets.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(dollars in thousands, except share and per share data)

Accounts Receivable - Accounts receivable relate principally to amounts due to us from pay-per-view providers and television networks for pay-per-view presentations and television programming, respectively and balances due from the sale of television advertising, videotapes and DVDs and magazines. Our receivables represent a significant portion of our current assets. We are required to estimate the collectibility of our receivables and to establish allowances for the amount of receivables that we estimate to be uncollectible. We base these allowances on our historical collection experience, the length of time our receivables are outstanding and the financial condition of individual customers.

Inventory - Inventory consists of merchandise sold on a direct sales basis, and videotapes and DVDs, which are sold through wholesale distributors and retailers. Substantially all of our inventory is comprised of finished goods. Inventory is stated at the lower of cost (first-in, first-out basis) or market. The valuation of our inventories requires management to make market estimates assessing the quantities and the prices at which we believe the inventory can be sold.

Property and Equipment - Property and equipment are stated at historical cost less accumulated depreciation and amortization. Depreciation and amortization is computed on a straight-line basis over the estimated useful lives of the assets or, when applicable, the life of the lease, whichever is shorter. Vehicles and equipment are depreciated based on estimated useful lives varying from three to five years. Buildings and related improvements are amortized over the lesser of the remaining useful life of the buildings or the anticipated life of improvements.

Leased Property Under Capital Leases - Property under capital leases is amortized over the shorter of the lives of the respective leases or the estimated useful lives of the assets.

Valuation of Long-Lived Assets - In May 2002, we adopted SFAS No. 144, "Accounting for the Impairment or Disposal of Long-Lived Assets". In accordance with SFAS No. 144, we periodically evaluate the carrying value of long-lived assets when events and circumstances warrant such a review. During 2003, the economic conditions surrounding our entertainment complex in New York City, The World, and its continued weak operating results indicated potential impairment. In accordance with the prescribed accounting, an impairment test was performed which ultimately resulted in a non-cash pre-tax impairment charge of \$30,392 that was recorded in 2003 and reflected in discontinued operations.

Income Taxes - We account for income taxes in accordance with the provisions of SFAS No. 109, "Accounting for Income Taxes." Our deferred provision was determined under the asset and liability method. Under this method, deferred assets and liabilities are recognized based on differences between financial statement and income tax basis of assets and liabilities using presently enacted tax rates. Valuation allowances are established to reduce deferred tax assets when it is more likely than not that some portion or all of the deferred tax assets will not be realized. We consider estimated future taxable income and ongoing tax planning strategies in assessing the need for valuation allowances.

Revenue Recognition

Revenues are generally recognized when products are shipped or as services are performed. However, due to the nature of several of our business lines, there are additional steps in the revenue recognition process, as described below.

Pay-per-view programming:

Revenues from our pay-per-view programming are recorded when the event is aired and are based upon our initial estimate of the number of buys achieved. This initial estimate is based on preliminary buy information received from our pay-per-view distributors. Final reconciliation of the pay-per-view buys generally occurs within one year and any subsequent adjustments to the buys are recognized on a cash basis.

Television advertising:

Revenues from the sale of television advertising are recorded when the commercial airs within our programming and are based upon contractual amounts previously established with our advertisers. These contractual amounts are typically based on the advertisement reaching a desired number of viewers. If an ad does not reach the desired number of viewers, we record an estimated reserve to reflect rebates or future free advertising due to advertisers, based on the difference between the intended delivery (as contracted) and actual delivery of audiences.

World Wrestling Entertainment, Inc.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(dollars in thousands, except share and per share data)

Licensing:

Licensing revenues are recognized upon receipt of notice by the individual licensees as to license fees due. If we receive licensing advances, such payments are deferred and recognized as income on an as earned basis.

Home Video:

Revenues from the sales of VHS and DVD titles are recorded when shipped by our distributor to wholesalers / retailers, net of an allowance for estimated returns. The allowance for estimated returns is based on historical information and current industry trends.

Magazine publishing:

Publishing newsstand revenues are recorded when shipped by our distributor to wholesalers / retailers, net of an allowance for estimated returns. We estimate the allowance for newsstand returns based upon our review of historical returns rates and the expected performance of our current titles in relation to prior issue return rates.

Advertising Expense-- Advertising costs are expensed as incurred, except for costs related to the development of a major commercial or media campaign which are expensed in the period in which the commercial or campaign is first presented.

Foreign Currency Translation - For translation of the financial statements of our Canadian and United Kingdom subsidiaries, we have determined that the Canadian Dollar and the U.K. Pound are the functional currencies. Assets and liabilities are translated at the year-end exchange rate, and income statement accounts are translated at average exchange rates for the year. The resulting translation adjustments are recorded in accumulated other comprehensive income, a component of stockholders' equity. Foreign currency transactions are recorded at the exchange rate prevailing at the transaction date.

Stock-Based Compensation-- We account for stock-based compensation using the intrinsic value method as prescribed under Accounting Principles Board Opinion ("APB") No 25, "Accounting for Stock Issued to Employees," and related interpretations. Under this method, no compensation expense is recognized when the number of shares granted is known and the exercise price of the stock option is equal to or greater than the market price of our stock on the grant date. We follow the disclosure-only provisions of Statement of Financial Accounting Standards ("SFAS") No. 148, "Accounting for Stock-Based Compensation - Transition and Disclosure", and SFAS No. 123, "Accounting for Stock-Based Compensation." SFAS Nos. 148 and 123 encourage, but do not require, companies to adopt a fair value based method for determining expense related to stock-based compensation (See Note 11).

Pro Forma Fair Value Disclosures

The fair value of options granted to employees, which is amortized to expense over the option vesting period in determining the pro forma impact, is estimated on the date of the grant using the Black-Scholes option-pricing model with the following assumptions:

	April 30,		
	2003	2002	2001
Expected life of option	3 years	3 years	3 years
Risk-free interest rate	2.5%	3.4%	4.5%
Expected volatility of our common stock	38%	67%	71%
	2003	2002	2001
Weighted average fair value per share of each option granted to employees	\$ 3.73	\$ 6.48	\$ 7.21
Total number of options granted to employees	1,219,000	5,000	1,481,200
Total fair value of all options granted to employees	\$ 4,548	\$ 32	\$ 10,677

Had compensation expense for our stock options been recognized based on the fair value on the grant date under the methodology prescribed by SFAS No.123, our income from continuing operations and basic and diluted earnings from

World Wrestling Entertainment, Inc.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(dollars in thousands, except share and per share data)

continuing operations per common share for 2003, 2002 and 2001 would have been impacted as shown in the following table:

	Year Ended April 30,		
	----- 2003 -----	2002 -----	2001 -----
Reported income from continuing operations	\$16,362	\$42,498	\$ 64,526
Pro forma income from continuing operations	\$12,760	\$37,105	\$156,438
Reported basic and diluted earnings from continuing operations per common share	\$ 0.23	\$ 0.58	\$ 0.90
Pro forma basic and diluted earnings from continuing operations per common share	\$ 0.18	\$ 0.51	\$ 0.78

In accordance with SFAS No.123, the weighted average fair value of stock options granted to employees was based on a theoretical statistical model using assumptions. In actuality, because our stock options are not traded on any exchange, employees can receive no value nor derive any benefit from holding stock options under these plans without an increase in market price of our common stock. Such an increase in stock price would benefit all stockholders commensurately.

Derivative Instruments - We recognize all derivatives as either assets or liabilities in the balance sheet and measure those instruments at fair value. In the first quarter of fiscal 2002, we adopted SFAS No. 133, "Accounting for Derivative Instruments and Hedging Activities", and as a result, recorded an increase to income from continuing operations of \$1,487, net of taxes. Subsequent to our initial adoption of SFAS No. 133, in fiscal 2002, we also recorded a \$1,414 increase to income from continuing operations based on the revaluation of these derivatives.

Goodwill & Other Intangible Assets - In July 2001, SFAS No. 141 "Business Combinations" and SFAS No. 142 "Goodwill and Other Intangible Assets" were released. We elected to early adopt SFAS No. 142 as of May 1, 2001. As required by SFAS No. 142, we performed an impairment test on intangible assets as of the adoption date and on goodwill within six months from the date of adoption. We completed this transitional impairment test and deemed that no impairment loss existed. During 2003, the economic conditions surrounding The World, and its continued weak operating results indicated potential impairment of the site's long-lived assets and goodwill. As a result of the indicated impairment, a valuation was performed on the site and ultimately resulted in the recording of a write-down of the long-lived assets and our goodwill related to the purchase of the site. The write-down of the goodwill resulted in a non-cash pre-tax impairment charge of \$2,533 that was recorded in 2003. As of April 30, 2003 and 2002, we had intangible assets with a book value of \$12,055 and \$9,055, respectively. We will continue to perform impairment tests annually and whenever events or circumstances occur indicating that intangible assets might be impaired.

Discontinued Operations - In June 2002, the FASB issued SFAS No. 146, "Accounting for Costs Associated with Exit or Disposal Activities". In February 2003, we closed the restaurant operations at The World and in April 2003, we closed the retail operations at the facility. Total costs related to the shut down of these operations are estimated to be \$8,866, net of applicable tax benefits of \$3,257 and were recorded as discontinued operations in 2003, in accordance with SFAS No. 146. Prior to the adoption of SFAS No. 146, we accounted for our discontinued XFL operations in accordance with Accounting Principles Board Opinion ("APB") No. 30, "Reporting the Results of Operations--Reporting the Effects of Disposal of a Segment of a Business, and Extraordinary, Unusual and Infrequently Occurring Events and Transactions". Total income (loss) related to our discontinued XFL operations were \$4,638 and (\$46,910) for 2002 and 2001, respectively.

Recent Accounting Pronouncements - In April 2002, the FASB issued SFAS No. 145, "Rescission of FASB Statements No. 4, 44, and 64, Amendment of SFAS No. 13, and Technical Corrections." This Statement amends existing authoritative pronouncements to make various technical corrections, clarify meanings, or describe their applicability under changed conditions. This statement became effective for us on May 1, 2003 and does not have a material impact on our operating results or financial position.

World Wrestling Entertainment, Inc.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(dollars in thousands, except share and per share data)

In November 2002, the FASB issued FASB Interpretation No. ("FIN") 45, "Guarantor's Accounting and Disclosure Requirements for Guarantees, Including Indirect Guarantees of Indebtedness of Others." The disclosure requirements of FIN 45 were effective for financial statements of interim or annual periods ending after December 15, 2002 and did not have a material impact on our consolidated financial statements.

In January 2003, the FASB issued FIN 46, "Consolidation of Variable Interest Entities." FIN 46 requires us to consolidate a variable interest entity if we are subjected to a majority of the risk of loss from the variable interest entity's activities or entitled to receive a majority of the entity's residual returns, or both. We currently lease a corporate jet, which is not held in a variable interest entity, and accordingly, is accounted for as an operating lease. We do not currently have any interests in variable interest entities and, accordingly do not expect the adoption of FIN 46 to have a material impact on our consolidated financial statements.

In November 2002, the Emerging Issues Task Force ("EITF") reached a consensus on Issue No. 00-21, "Revenue Arrangements with Multiple Deliverables." EITF Issue No. 00-21 provides guidance on how to account for arrangements that involve the delivery or performance of multiple products, services and/or rights to use assets. The provisions of EITF Issue No. 00-21 will apply to revenue arrangements entered into in fiscal periods beginning after June 15, 2003. The adoption of this consensus is not expected to have a material impact on our consolidated financial statements.

In November 2001, the EITF reached a consensus on Issue No. 01-09, "Accounting for Consideration Given by a Vendor to a Customer (Including a Reseller of the Vendor's Products)". This consensus addresses income statement characterization issues and recognition and measurement issues relating to consideration given by a vendor to a customer. As a result of this pronouncement, we reclassified \$1,697, \$1,303 and \$1,347 in fiscal 2003, 2002 and 2001, respectively, of discounts previously classified as expenses to the prescribed accounting as a reduction of revenue.

In May 2003, the FASB issued SFAS No. 150, "Accounting for Certain Financial Instruments with Characteristics of both Liabilities and Equity." SFAS No. 150 establishes standards for how an issuer classifies and measures in its balance sheet certain financial instruments with characteristics of both liabilities and equity. It is effective for us in the second quarter of 2004, but, because we have no instruments falling under the provisions of SFAS No. 150, it will not have an impact on our consolidated financial statements.

3. Earnings Per Share

For purposes of calculating basic and diluted earnings per share, we used the following weighted average common shares outstanding:

	2003	For the years ended April 30,	
		2002	2001
Weighted average number of common shares outstanding:			
Basic	70,621,898	72,861,797	72,025,222
Diluted	70,623,129	72,865,624	72,216,870
Dilutive effect of outstanding options	1,231	3,827	191,648
Anti-dilutive outstanding options	6,869,450	5,306,750	5,454,500

4. Intangible Assets

In March 2003, we acquired a film library and certain other assets for \$3,000 from an unaffiliated professional wrestling organization. We have classified these costs as intangible assets and will amortize them over the expected period of, and in

World Wrestling Entertainment, Inc.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(dollars in thousands, except share and per share data)

proportion to, the expected revenues to be derived from this film library. In March 2001, we acquired substantially all of the intellectual properties and certain other assets of World Championship Wrestling (the "WCW"), including trade names, tape library and other intangible assets from a subsidiary of AOL Time Warner for \$2,500. In addition, we incurred certain related costs to acquire these assets of approximately \$6,600. We have classified these costs as intangible assets with an indefinite life.

5. Investments

Short-term investments consisted of the following:

	April 30, 2003		
	Cost	Unrealized Holding Gain	Fair Value
Government obligations	\$ 63,755	\$ --	\$ 63,755
Mutual funds	40,027	148	40,175
Corporate obligations and other	38,711	--	38,711
	-----	-----	-----
Total	\$142,493	\$ 148	\$142,641
	=====	=====	=====

	April 30, 2002		
	Cost	Unrealized Holding Loss	Fair Value
Government obligations	\$ 26,725	\$ --	\$ 26,725
Corporate obligations and other	129,763	(518)	129,245
Mortgage backed securities	51,437	--	51,437
	-----	-----	-----
Total	\$207,925	\$ (518)	\$207,407
	=====	=====	=====

In 2003, we recorded to interest income and other, net, an impairment charge of approximately \$613 related to certain stock we held. In addition to the short-term investments included above, we received warrants from four publicly traded companies with whom we had either licensing or program distribution agreements. The estimated fair value of the warrants relating to these contracts on the date of receipt aggregated approximately \$5,237. In connection with the adoption of SFAS 133, in 2002, we recorded a cumulative effect adjustment of \$1,487, net of taxes. Subsequent to the adoption, we recorded a \$1,414 increase to income from continuing operations based on the revaluation of these warrants. These warrants were then exercised and the related stock was sold, generating a net gain of \$6,757. Additionally, we wrote down the carrying value of certain of our other warrants deemed impaired to zero, resulting in a charge of \$2,884. Each of the charges noted above were recorded in interest income and other, net, during 2002.

6. Property and Equipment

Property and equipment consisted of the following:

	April 30,	
	2003	2002
Land, buildings and improvements	\$51,051	\$51,905
Equipment	40,332	37,408
Vehicles	639	769
Property under capital lease	1,515	--
	-----	-----
	93,537	90,082
Less accumulated depreciation and amortization	34,212	30,868
	-----	-----
Total	\$59,325	\$59,214
	=====	=====

World Wrestling Entertainment, Inc.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(dollars in thousands, except share and per share data)

7. Accrued Expenses and Other Liabilities

Accrued expenses and other liabilities consisted of the following:

	April 30,	
	2003	2002
	-----	-----
Accrued pay-per-view event costs	\$ 5,580	\$ 6,047
Accrued settlement offer	3,750	--
Accrued income taxes	5,173	6,224
Accrued talent royalties	759	2,094
Accrued payroll related costs	2,359	2,116
Accrued television costs	3,364	13,076
Accrued other	14,006	16,406
	-----	-----
Total	\$34,991	\$45,963
	=====	=====

8. Debt

Debt as of April 30, 2003 and 2002 consisted of the following:

	April 30,	
	2003	2002
	-----	-----
Mortgage loan agreement	\$9,302	\$9,903
Obligation under capital lease	601	--
	-----	-----
	9,903	9,903
Less current portion	777	601
	-----	-----
Long-term debt	\$9,126	\$9,302
	=====	=====

In 1997, we entered into a mortgage loan agreement under which we borrowed \$12,000 at an annual interest rate of 7.6%. Principal and interest are to be paid in 180 monthly installments of approximately \$112. The loan is collateralized by our executive offices and television studio in Stamford, Connecticut.

Interest expense for this loan was \$783, \$784 and \$856 for 2003, 2002 and 2001, respectively.

In July 2002, we entered into a capital lease arrangement related to certain computer equipment. The net carrying amount of our capitalized lease equipment is \$822 as of April 30, 2003. The lease bears an effective interest rate of 6.5% and expires in June, 2007.

As of April 30, 2003, the scheduled principal repayments under our debt obligations were as follows:

Year Ending April 30,	

2004	\$ 777
2005	839
2006	904
2007	974
2008	908
Thereafter	5,501

	\$9,903
	=====

World Wrestling Entertainment, Inc.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(dollars in thousands, except share and per share data)

9. Income Taxes

For 2003, 2002 and 2001, we were taxed on our income from continuing operations at an effective tax rate of 40.2%, 37.0% and 37.2%, respectively. Our income tax provision related to our income from continuing operations for fiscal 2003, 2002 and 2001 was \$10,996, \$24,953, and \$38,143 respectively, and included federal, state and foreign taxes. Including our loss from discontinued operations of The World and the XFL, our (benefit) provision for income taxes was \$(8,620), \$19,030 and \$14,200 for 2003, 2002 and 2001, respectively.

The components of our tax provision from continuing operations were as follows:

	Year ended April 30,		
	2003	2002	2001
	-----	-----	-----
Current:			
Federal	\$ 5,990	\$ 21,456	\$32,446
State and local	1,057	3,129	3,062
Foreign	2,299	1,801	400
Deferred:			
Federal	1,430	(1,224)	1,961
State and local	202	(225)	271
Foreign	18	16	3
	-----	-----	-----
Total	\$10,996	\$ 24,953	\$38,143
	=====	=====	=====

Our (benefit) provision for income taxes from continuing operations and discontinued operations was as follows:

	Year ended April 30,		
	2003	2002	2001
	-----	-----	-----
Provision for income taxes			
from continuing operations	\$ 10,996	\$ 24,953	\$ 38,143
Benefit for income taxes			
from discontinued operations	(19,616)	(5,923)	(23,943)
	-----	-----	-----
Total (benefit) provision for			
income taxes	\$ (8,620)	\$ 19,030	\$ 14,200
	=====	=====	=====

The following sets forth the difference between the provision for income taxes from continuing operations computed at the U.S. federal statutory income tax rate of 35% and that reported for financial statement purposes:

	Year ended April 30,		
	2003	2002	2001
	-----	-----	-----
Statutory U.S. federal tax at 35%	\$ 9,575	\$ 23,608	\$ 35,934
State and local taxes, net of			
federal benefit	(532)	2,024	3,080
Foreign	112	136	140
Valuation allowance	2,025	--	--
Other	(184)	(815)	(1,011)
	-----	-----	-----
Provision for income taxes	\$ 10,996	\$ 24,953	\$ 38,143
	=====	=====	=====

The state tax benefit for 2003 is comprised of state and local taxes, net of federal benefits, reduced by the reversal of a tax reserve established in prior years. The tax reserve is no longer necessary due to the conclusion of various state examinations.

The tax effects of temporary differences that give rise to significant portions of the deferred tax assets and deferred tax liabilities of continuing operations consisted of the following:

World Wrestling Entertainment, Inc.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(dollars in thousands, except share and per share data)

	April 30,	
	2003	2002
	----	----
Deferred tax assets:		
Accounts receivable	\$ 2,759	\$ 1,110
Inventories	464	1,093
Prepaid royalties	3,479	3,217
Stock options	4,286	4,993
Investments	3,736	2,625
Intangible assets	786	857
Accrued liabilities and reserves	4,516	2,994
Foreign	47	65
	-----	-----
	20,073	16,954
Valuation allowance	(2,437)	(412)
	-----	-----
	17,636	16,542
Deferred tax liabilities:		
Fixed assets and depreciation	4,465	1,307
Prepaid royalties	--	490
	-----	-----
	4,465	1,797
	-----	-----
Total, net	\$ 13,171	\$ 14,745
	=====	=====

The temporary differences described above represent differences between the tax basis of assets or liabilities and their reported amounts in the consolidated financial statements that will result in taxable or deductible amounts in future years when the reported amounts of the assets or liabilities are recovered or settled. As of April 30, 2003 and 2002, \$11,194 and \$9,543, respectively, of the net deferred tax assets are included in prepaid expenses and other current assets and the remaining \$1,977 and \$5,202, respectively, are included in other non-current assets in our consolidated balance sheets.

As of April 30, 2003, and April 30, 2002 we had valuation allowances of \$2,437 and \$412, respectively to reduce our deferred tax assets to an amount more likely than not to be recovered. The valuation allowances primarily relate to the deferred tax assets arising from losses on investments which are capital in nature for which the realization is uncertain. A majority of these capital loss carry forwards expire in 2008.

U.S. Federal income taxes have not been provided on unremitted earnings of our foreign subsidiary, because our intent is to keep such earnings indefinitely reinvested in the foreign subsidiary's operations.

10. Commitments and Contingencies

We have certain commitments, including various non-cancelable operating leases, performance contracts with various performers, employment agreements with certain executive officers, advertising commitments and agreements with Viacom and United Paramount Network ("UPN") which guarantee a minimum payment for advertising during their terms. Our current agreement with UPN expires in September 2003 at which time we will no longer sell advertising time on the television shows aired on UPN. Commencing in October 2003, under the terms of our new agreement with UPN, we will receive a rights fee for our programming.

In addition, we have a lease agreement for a 1998 Canadair Challenger 604 airplane. The term of this aircraft lease is for twelve years ending on October 30, 2012. The monthly lease payment for this aircraft lease is determined by a floating rate, which is based upon 30-day commercial paper rate as stated by the Federal Reserve plus 1.95%. Total principal payments under this lease are \$22,500. As of April 30, 2003, our outstanding principal balance was \$20,369.

World Wrestling Entertainment, Inc.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(dollars in thousands, except share and per share data)

Future minimum payments as of April 30, 2003 under the agreements described above were as follows:

Year Ending April 30,	Operating Lease Commitments	Other Commitments	Total
-----	-----	-----	-----
2004	\$ 2,963	\$47,241	\$ 50,204
2005	2,338	24,362	26,700
2006	2,268	10,279	12,547
2007	2,140	2,544	4,684
2008	2,075	169	2,244
Thereafter	6,608	--	6,608
	-----	-----	-----
Total	\$18,392	\$84,595	\$102,987
	=====	=====	=====

Rent expense under operating leases from continuing operations was approximately \$2,402, \$2,228 and \$1,546 for 2003, 2002 and 2001, respectively.

In addition, we have an operating lease for space in New York City that is currently unoccupied which was related to our former entertainment complex, The World. We are currently seeking a sub-tenant. The total payments remaining on the lease is approximately \$46,000 as of April 30, 2003. However, in accordance with SFAS No. 146, we have reduced this accrual by our current estimate for sub-tenant rental income of approximately 75% of the remaining payments on the lease (see Note 17).

Legal Proceedings

World Wide Fund for Nature

In April 2000, the World Wide Fund for Nature and its American affiliate, the World Wildlife Fund (collectively, the "Fund") instituted legal proceedings against us in the English High Court seeking injunctive relief and unspecified damages for alleged breaches of a 1994 agreement between the Fund and us regarding the use of the initials "wwf" including (i) the wwf.com and wwshopzone.com internet domain names and in the contents of various of our websites, and (ii) our "scratch" letter logo. On August 10, 2001, the trial judge granted the Fund's motion for summary judgment, holding that we breached the parties' agreement by using the "wwf" website addresses and scratch logo. That ruling subsequently was upheld by the English Court of Appeals. Since November 10, 2002, we have been subject to an injunction barring us, either on our own or through our officers, servants, agents, subsidiaries, licensees or sub licensees, our television or other affiliates or otherwise, of most uses of the initials "wwf," including in connection with the "wwf" website addresses and the use of the scratch logo.

In compliance with the injunction, we have taken the following significant steps, many of which go beyond the literal requirements of the injunction: (1) changed our name to "World Wrestling Entertainment, Inc."; (2) switched our initials to "WWE"; (3) revised our logo to be a scratch "WW"; (4) incorporated these changes into, among other things, our television and pay-per-view shows, promotional materials, advertising campaigns, statutory filings with federal and state agencies, and corporate stationery and corporate facilities; (5) advised our licensees and business partners of the terms of the injunction; and (6) directed our licensees and business partners to refrain from using the initials "wwf" in any manner which, if done by us, would be a breach of any of the prohibitions of the injunction. However, the elimination of certain historical uses of the scratch logo, including, specifically, WWE's archival video footage containing the scratch logo during the period 1998-May 2002 and the scratch logo embedded in programming code of WWE-licensed video games created during the period 1999-2001 is, as a practical matter, not possible. On an application for relief by our videogame licensee, THQ/Jakks Pacific LLC ("THQ/Jakks"), the English Court of Appeals ruled that THQ/Jakks' marketing and sale of games with embedded references to the initials "wwf" is not a breach of the injunction and would not constitute a contempt of court by either THQ/Jakks or us.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(dollars in thousands, except share and per share data)

The Fund also has pending before the trial court a damages claim associated with the Company's use of the initials "wwf." Although the Fund has never submitted a formal claim of damages to the court, the Fund has claimed in correspondence that at least \$360 million would be required to fund a multi-year media advertising campaign to remedy the Fund's alleged loss of recognition/exclusivity as a result of our use of the initials "wwf." In that correspondence, the Fund, through its Legal Advisor, demanded a payment of \$90 million prior to the injunction compliance date to settle its alleged damages claims and resolve all remaining issues. We vigorously rejected the Fund's demand and contend that the Fund's tactics were a bad faith attempt to coerce us into an unwarranted cash payment of \$90 million. Indeed, despite repeated inquiries by us, the Fund has never provided us with any documentation or support for any alleged damage claims, nor has the Fund come forward with any evidence throughout the entire litigation that it suffered any actual injury to its fundraising and/or environmental conservation activities as a result of our conduct. We strongly dispute that the Fund has suffered any such damages. We are unable to predict the outcome of any adjudication of the Fund's claims in an English court if the Fund were actually to present a damages claim. An unfavorable outcome of the Fund's damages claims, however, may have a material adverse effect on our financial condition or results of operations.

Shenker & Associates

On November 14, 2000, Stanley Shenker & Associates, Inc. filed a complaint against us in Superior Court, Judicial District of Stamford/Norwalk, Connecticut, relating to the termination of an Agency Agreement between us and Plaintiff. Plaintiff seeks compensatory damages and punitive damages in an unspecified amount, attorneys' fees, an accounting and a declaratory judgment. On December 15, 2000, we filed a motion to strike all the claims against us, with the exception of one count for breach of contract. The motion was granted as to two claims. On March 27, 2001, the Plaintiff filed a substituted complaint reasserting all counts against us. On April 11, 2001, we answered the substitute complaint. On February 27, 2002, we filed amended counterclaims and on June 19, 2002, we filed second amended counterclaims alleging tortious interference with business relations, conversion, fraud and conspiracy in connection with the Plaintiff's solicitation and receipt of improper payments from various of our licensees. On February 14, 2003, we filed a complaint against one of our former officers, and certain entities related to him, claiming such officer participated with Shenker in an alleged scheme to advance certain licenses in exchange for payments to the officer. That suit has been consolidated with the suit pending against us. Discovery in the consolidated cases has been extended through September 2003. We have denied liability and intend to defend the action vigorously. An unfavorable outcome of this suit may have a material adverse effect on our financial condition or results of operations.

Marvel Enterprises

On October 19, 2001, we were served with a complaint by Marvel Enterprises, Inc. in the Superior Court of Fulton County, Georgia alleging that we breached the terms of a license agreement regarding the rights to manufacture and distribute toy action figures of various wrestling characters. The plaintiff seeks damages and a declaration that the agreement is in force and effect. We filed our Answer on November 19, 2001. The Complaint also named as a defendant Universal Wrestling Corp. ("Universal, Inc."), formerly known as World Championship Wrestling, Inc. Due to a conflict between Universal, Inc. and plaintiff's counsel, by agreement of the parties Universal, Inc. was dismissed from the suit. On December 28, 2001, the plaintiff commenced a separate action against Universal, Inc., filed in the same court as a related action to the suit pending against us. We are defending Universal, Inc. in connection with these claims. The two suits have been consolidated for discovery and trial. On December 14, 2001, we filed a motion to dismiss all claims against us. That motion was denied on March 14, 2002. On May 15, 2003 we filed a motion for summary judgment on all claims. Universal similarly filed a motion for summary judgment on all claims against us. Oral argument in respect of both motions for summary judgment have been scheduled for July 25, 2003. We have denied liability and intend to defend the action vigorously. An unfavorable outcome of this suit may have a material adverse effect on our financial condition or results of operations.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(dollars in thousands, except share and per share data)

IPO Class Action

On December 5, 2001, a purported class action Complaint was filed against us asserting claims for alleged violations of the federal securities laws. Also named as defendants in this suit were Bear, Stearns & Co. Inc., Merrill Lynch, Pierce, Fenner & Smith, Incorporated, Credit Suisse First Boston Corporation, WIT Capital Corporation, Donaldson, Lufkin & Jenrette Securities Corporation, Chase H&Q (Hambrecht & Quist LLC) (collectively, the "Underwriter Defendants"), Vincent K. McMahon, Linda E. McMahon and August J. Liguori (collectively, the "Individual Defendants"). The complaint alleges, inter alia, (i) claims under Section 11 of the Securities Act against all defendants, (ii) claims under Section 12(2) of the Securities Act against the Underwriter Defendants, (iii) claims under Section 15 of the Securities Act against us and the Individual Defendants, (iv) claims under Section 10(b) of the Exchange Act and Rule 10(b)(5) against all defendants, and (v) claims under Section 20(a) of the Exchange Act against the Individual Defendants. According to the allegations of the Complaint, the Underwriter Defendants allegedly engaged in manipulative practices by, inter alia, pre-selling allotments of shares of our stock in return for undisclosed, excessive commissions from the purchasers and/or entering into after-market tie-in arrangements which allegedly artificially inflated our stock price. The plaintiff further alleges that we knew or should have known of such unlawful practices. As relief, the Complaint seeks (i) a ruling that the suit is properly maintainable as a class action, (ii) unspecified class damages and statutory compensation against all defendants, jointly and severally, (iii) an award of attorneys' fees and costs, and (iv) such other relief as the court deems proper. We deny all allegations against us, believe that we have meritorious defenses on plaintiffs' claims, and intend to defend this action vigorously. We understand that nearly 1,000 suits with similar claims and/or allegations have been filed over the past couple of years against companies which have gone public in that general time period. All of these claims have been consolidated before the same judge in the United States District Court for the Southern District of New York. We were part of a motion to dismiss filed on behalf of all issuers on July 15, 2002. On February 19, 2003, the court issued its ruling granting in part and denying in part the issuers' motion. Specifically, the court granted the motion dismissing the Section 10(b) claims against us and denied the motion as to Section 11 claims against us. A settlement between the class plaintiffs and the issuer defendants, including WWE and the Individual Defendants, currently is being contemplated. Although we cannot predict the likelihood of such settlement being reached on the terms currently being contemplated, if it were, we anticipate that it would not have a material adverse effect on us.

We are not currently a party to any other material legal proceedings. However, we are involved in several other suits and claims in the ordinary course of business, and we may from time to time become a party to other legal proceedings.

11. Stockholders' Equity

On October 15, 1999, we filed an amended and restated certificate of incorporation which, among other things, authorized 60,000,000 shares of new Class B common stock, par value \$.01 per share, reclassified each outstanding share of World Wrestling Entertainment, Inc. common stock into 566,670 shares of Class B common stock, authorized 180,000,000 shares of new Class A common stock, par value \$.01 per share, and authorized 20,000,000 shares of preferred stock, par value \$.01 per share. Class B common stock is fully convertible into Class A common stock, on a one for one basis, at any time at the option of the holder. The two classes are entitled to equal per share dividends and distributions and vote together as a class with each share of Class B entitled to ten votes and each share of Class A entitled to one vote, except when separate class voting is required by applicable law. If, at any time, any shares of Class B common stock are beneficially owned by any person other than Vincent McMahon, Linda McMahon, any descendant of either of them, any entity which is wholly owned and is controlled by any combination of such persons or any trust, all the beneficiaries of which are any combination of such persons, each of those shares will automatically convert into shares of Class A common stock.

In July 2002, our Board of Directors approved an employee stock purchase plan, the World Wrestling Entertainment 2002 Employee Stock Purchase Plan (the "ESPP"). Under the plan, any regular full-time employee may contribute up to 10% of their base compensation (subject to certain income limits) to the semi-annual purchase of shares of our common stock. The purchase price is 85% of the fair market value at certain plan-defined dates. At April 30, 2003, approximately 35 employees were participants in the plan. In fiscal 2003, employee participants purchased approximately 11,600 shares of our common stock under the plan at a price of \$7.07 per share.

World Wrestling Entertainment, Inc.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(dollars in thousands, except share and per share data)

In July 1999, we adopted the 1999 Long-Term Incentive Plan ("LTIP"). The LTIP provides for grants of options as incentives and rewards to encourage employees, directors, consultants and performers in our long-term success. The LTIP provides for grants of options to purchase shares at a purchase price equal to the fair market value on the date of the grant. The options expire 10 years after the date of the grant and are generally exercisable in installments beginning one year from the date of the grant. The LTIP also provides for the grant of other forms of equity-based incentive awards as determined by the Compensation Committee of the Board of Directors. Of our total options outstanding, 1,172,000 were granted to independent contractors consisting primarily of our performers. With respect to the options granted to independent contractors, we recorded a charge of \$1,092 (of which, \$332 was included in discontinued operations) for 2001. The options granted to employees have been accounted for using the intrinsic value method in accordance with Accounting Principles Board Opinion No. 25, "Accounting for Stock Issued to Employees."

Presented below is a summary of the LTIP's activity for the three years ended April 30, 2003.

Weighted Average	Options	Exercise Price
	-----	-----
Options outstanding at May 1, 2000	5,348,500	\$17.00
Options granted	1,666,200	\$14.42
Options canceled	(194,000)	\$17.00
Options exercised	(150,000)	\$17.00
	-----	-----
Options outstanding at April 30, 2001	6,670,700	\$16.36
Options granted	5,000	\$13.82
Options canceled	(390,100)	\$16.20
Options exercised	(32,000)	\$12.94
	-----	-----
Options outstanding at April 30, 2002	6,253,600	\$16.40
Options granted	1,219,000	\$13.02
Options canceled	(476,900)	\$15.44
Options exercised	(31,250)	\$12.94
	-----	-----
Options outstanding at April 30, 2003	6,964,450	\$15.89
	=====	
Options available for future grants at April 30, 2003	2,822,350	
	=====	

The number of options exercisable as of April 30, 2003, 2002 and 2001 was 5,021,600, 3,618,735 and 1,832,743, respectively. The following table summarizes information for options outstanding and exercisable as of April 30, 2003:

Range of Exercise Prices	Number of Options Outstanding	Weighted Average Remaining Life	Weighted Average Exercise Price	Number of Options Exercisable	Weighted Average Exercise Price
-----	-----	-----	-----	-----	-----
\$7.66-\$21.00	6,964,450	7.1 years	\$15.89	5,021,600	\$16.74

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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12. Employee Benefit Plans

We sponsor a 401(k) defined contribution plan covering substantially all employees. Under this plan, participants are allowed to make contributions based on a percentage of their salaries, subject to a statutorily prescribed annual limit. We make matching contributions of 50 percent of each participant's contributions, up to 6% of eligible compensation (maximum 3% matching contribution). We may also make additional discretionary contributions to the 401(k) plan. Our expense for matching contributions and additional discretionary contributions to the 401(k) plan was \$840, \$865, and \$635 during 2003, 2002 and 2001, respectively.

13. Related Party Transactions

A member of our Board of Directors also was an independent contractor engaged by us during 2003, 2002 and 2001. In 2003 this director received \$280 and in 2002 and 2001 this director received \$60 for his services as an independent contractor.

On June 11, 2003 we repurchased approximately 2.0 million shares of common stock from Viacom for approximately \$19.3 million.

14. Segment Information

Our continuing operations are conducted within two reportable segments, live and televised entertainment and branded merchandise. Our live and televised entertainment segment consists of live events and television programming. Our branded merchandise segment includes consumer products sold through third party licensees and the marketing and sale of merchandise, magazines and home videos. The results of operations for The World and for the XFL are not included in the segment reporting as they are classified separately as discontinued operations in our consolidated financial statements (See Note 17). We do not allocate corporate overhead to each of the segments and as a result, corporate overhead is a reconciling item in the table below. There are no intersegment revenues. Revenues derived from sales outside of North America were approximately \$51,840, \$38,459 and \$28,941 for 2003, 2002 and 2001, respectively. The table presents information about the financial results of each segment for 2003, 2002 and 2001 and assets as of April 30, 2003 and 2002. Unallocated assets consist primarily of cash, short-term investments and real property and other investments.

World Wrestling Entertainment, Inc.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(dollars in thousands, except share and per share data)

	April 30,		
	2003	2002	2001
	-----	-----	-----
Net revenues:			
Live and televised entertainment	\$ 295,432	\$ 323,458	\$ 335,668
Branded merchandise	78,832	86,164	102,471
	-----	-----	-----
Total net revenues	\$ 374,264	\$ 409,622	\$ 438,139
	=====	=====	=====
Depreciation and Amortization:			
Live and televised entertainment	\$ 3,709	\$ 3,205	\$ 2,839
Branded merchandise	2,062	--	--
Corporate	4,774	6,969	1,897
	-----	-----	-----
Total depreciation and amortization	\$ 10,545	\$ 10,174	\$ 4,736
	=====	=====	=====
Operating income (loss):			
Live and televised entertainment	\$ 88,266	\$ 113,924	\$ 130,625
Branded merchandise	23,362	20,829	29,070
Corporate	(84,601)	(84,720)	(72,086)
	-----	-----	-----
Total operating income	\$ 27,027	\$ 50,033	\$ 87,609
	=====	=====	=====
Assets:	2003	2002	
Live and televised entertainment	\$ 73,727	\$ 78,799	
Branded merchandise	17,395	18,453	
Unallocated (1)	346,135	398,100	
	-----	-----	
Total assets	\$ 437,257	\$ 495,352	
	=====	=====	

(1) - Includes Assets of discontinued operations of \$21,129 and \$44,256 as of April 30, 2003 and 2002, respectively.

15. Financial Instruments and Off-Balance Sheet Risk

Concentration of Credit Risk - Financial instruments which potentially subject us to concentrations of credit risk are principally bank deposits, short-term investments and accounts receivable. Cash and cash equivalents are deposited with high credit quality financial institutions. Short-term investments primarily consist of AAA or AA rated instruments. Except for receivables from cable companies related to pay-per-view events, concentrations of credit risk with respect to trade receivables are limited due to the large number of customers. A significant portion of trade receivables for pay-per-view events is received from our pay-per-view administrator, who collects and remits payments to us from individual cable system operators. We perform ongoing evaluations of our customers' financial condition, including our pay-per-view administrator, and we monitor our exposure for credit losses and maintain allowances for anticipated losses.

Fair Value of Financial Instruments - The carrying amounts of cash, cash equivalents, short-term investments, accounts receivable and accounts payable approximate fair value because of the short-term nature, and maturity of such instruments. Our debt primarily consists of the mortgage related to our corporate headquarters, which has an annual interest rate of 7.6%. Due to the recent decreases in mortgage rates, this debt is now at a rate in excess of market, however due to the terms of our agreement we are prohibited from refinancing for several years.

World Wrestling Entertainment, Inc.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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16. Quarterly Financial Summaries (unaudited)

	1st Quarter -----	2nd Quarter -----	3rd Quarter -----	4th Quarter -----
2003				

Net revenues	\$ 85,449	\$ 90,323	\$ 92,565	\$ 105,927
Gross profit	\$ 28,831	\$ 28,150	\$ 35,854	\$ 44,086
Income from continuing operations	\$ 3,855	\$ 259	\$ 5,988	\$ 6,260
Loss from discontinued operations (1)	\$ (1,327)	\$ (1,863)	\$ (21,988)	\$ (10,379)
Net income (loss)	\$ 2,528	\$ (1,604)	\$ (16,000)	\$ (4,119)
Earnings (loss) per common share: basic and diluted				
Continuing operations	\$ 0.05	\$ 0.00	\$ 0.09	\$ 0.09
Discontinued operations (1)	\$ (0.02)	\$ (0.03)	\$ (0.31)	\$ (0.15)
Net income (loss)	\$ 0.04	\$ (0.02)	\$ (0.23)	\$ (0.06)
2002				

Net revenues	\$ 87,006	\$ 95,031	\$ 95,986	\$ 131,599
Gross profit	\$ 30,987	\$ 34,177	\$ 35,254	\$ 58,080
Income from continuing operations	\$ 12,707	\$ 5,953	\$ 5,420	\$ 18,418
Loss from discontinued operations (2)	\$ (715)	\$ (1,112)	\$ 4,010	\$ (2,448)
Net income	\$ 11,992	\$ 4,841	\$ 9,430	\$ 15,970
Earnings (loss) per common share: basic and diluted				
Continuing operations	\$ 0.17	\$ 0.08	\$ 0.07	\$ 0.25
Discontinued operations (2)	\$ (0.01)	\$ (0.02)	\$ 0.05	\$ (0.03)
Net income	\$ 0.16	\$ 0.07	\$ 0.13	\$ 0.22

(1) - Our discontinued operations include an after-tax impairment charge of \$20,413 recorded in the third quarter of 2003 and after-tax charges related to the shut down of The World of \$8,866 recorded in the fourth quarter of 2003 (see Note 17).

(2) - For the third quarter of 2002, our discontinued operations reflect the reversal of shutdown reserves that were no longer required and the recognition of certain tax benefits.

17. Discontinued Operations

The World

During February 2003, we closed the restaurant operations of The World and in April 2003, we closed the retail store. As a result, we recorded an after-tax charge of approximately \$8,866 during the fourth quarter of 2003 in accordance with SFAS No. 146. This amount includes, in addition to other costs, rental payments required under the lease, net of management's current estimate of potential sub-rental income and leasing costs.

Included in the loss from discontinued operations for 2003 was an impairment charge of \$32,925 as a result of an impairment test conducted on goodwill (\$2,533) and other long-lived assets (\$30,392) at The World. The charge arose from continued operating losses at that facility and was taken in accordance with SFAS No. 142 and SFAS No. 144, respectively. Estimates of the fair values of the long-lived assets at The World were determined by an independent, third party appraiser, based on valuation methods, such as cost and fair market value approaches, with the valuation method used based upon the nature of the underlying assets.

In May 2000, we had acquired for \$24,500 this leased entertainment complex which was located in Times Square. The allocation of the purchase price included approximately \$21,200 in fixed assets, \$1,300 in current assets and \$900 in liabilities. Goodwill arising as a result of this transaction was approximately \$2,900. In accordance with SFAS No. 142, we ceased amortization of goodwill as of May 1, 2002.

World Wrestling Entertainment, Inc.

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(dollars in thousands, except share and per share data)

The results of The World business, which has been classified as discontinued operations in the accompanying consolidated financial statements, are summarized as follows:

	Year ended April 30,		
	2003	2002	2001
Discontinued Operations:			
Loss from The World operations, net of taxes of \$16,359, 3,006 and \$999 for 2003, 2002 and 2001, respectively	\$(26,691)	\$(4,903)	\$(1,629)
Estimated loss on shutdown of The World, net of taxes \$3,257	(8,866)	--	--
Loss from discontinued operations	\$(35,557)	\$(4,903)	\$(1,629)
		As of April 30,	
		2003	2002
		-----	-----
Assets:			
Cash		\$ 586	\$ 263
Accounts receivable		5	74
Income tax receivable		5,343	4,004
Prepaid expenses		94	69
Inventory		65	400
Property and equipment		--	32,545
Deferred income taxes, net of valuation allowance of \$1,350		14,437	460
Goodwill		--	2,534
Total Assets		\$20,530	\$40,349
Liabilities:			
Accounts payable		\$ 19	\$ 622
Accrued expenses		10,648	2,005
Deferred income		--	224
Total Liabilities		\$10,667	\$ 2,851

XFL

During 2002, as a result of the reversal of shutdown reserves that were no longer required and the recognition of certain tax benefits, we recorded income from discontinued operations of \$4,638, net of minority interest and taxes. The remaining shutdown liabilities consist primarily of XFL medical and other shutdown costs of approximately \$835.

In early May 2001, we formalized our decision to discontinue operations of the XFL and, accordingly, reported XFL operating results and estimated shutdown costs as discontinued operations in our consolidated financial statements. This decision was a culmination of management's analysis of the financial viability of the venture, which commenced during the fourth quarter of 2001. Estimated shutdown costs consisted primarily of fixed asset and other asset impairment charges of \$9,600, contractual labor costs of \$8,400, lease costs of \$1,700, workers compensation and severance costs of \$5,400 and other shutdown costs of \$2,600.

On June 12, 2000, NBC purchased approximately 2.3 million newly issued shares of our Class A common stock at \$13 per share for a total investment of \$30,000. As a result of the stock purchase, which was at a below market price, we recorded a non-cash charge of \$10,673, which was being amortized over 30 months. Amortization of \$3,699 was reflected in discontinued operations for 2001. As a result of our decision to discontinue operations of the XFL, we wrote off the

World Wrestling Entertainment, Inc.

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(dollars in thousands, except share and per share data)

remaining unamortized asset of \$6,974 which was also reflected in discontinued operations. In May 2002, we repurchased these shares from NBC for \$27,692 and have classified these shares as treasury stock in our consolidated balance sheet.

The results of the XFL business, which has been classified as discontinued operations in the consolidated financial statements, are summarized as follows:

	Year ended April 30,		
	2003	2002	2001
	-----	-----	-----
Discontinued Operations:			
Loss from XFL operations, net of minority interest of \$42,940 applicable income tax benefits of \$17,679	\$--	\$-	\$(31,293)
Estimated income (loss) on shutdown of the XFL, net of minority interest of \$1,721 and 13,907 and applicable income tax benefits of \$2,917 and \$5,265 for 2002 and 2001, respectively	--	4,638	(15,617)
Income (loss) from discontinued operations	\$--	\$4,638	\$(46,910)
	=====	=====	=====
	As of April 30,		
	2003	2002	
	-----	-----	
Assets:			
Cash	\$ 599	\$ 3,907	
Total Assets	\$ 599	\$ 3,907	
	-----	-----	
Liabilities:			
Accounts payable	\$ --	\$ 39	
Accrued expenses	913	4,974	
Due to World Wrestling Entertainment, Inc.	262	115	
Minority interest	(288)	(611)	
Total Liabilities	\$ 887	\$ 4,517	
	-----	-----	

18. Subsequent Event

On June 13, 2003, our Board of Directors approved the payment of a quarterly dividend of \$0.04 per share on all Class A and Class B common shares. The record date for the first such dividend is June 27, 2003 and the payment date is on or about July 10, 2003.

World Wrestling Entertainment, Inc.

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(dollars in thousands, except share and per share data)

SCHEDULE II - VALUATION AND QUALIFYING ACCOUNTS

(Dollars In Thousands)

Description -----	Balance At Beginning of Period -----	Additions Charged to Costs and Expenses -----	Deductions (1) -----	Balance at End of Period -----
For the Year Ended April 30, 2003				
Allowance for doubtful accounts	\$2,840	\$3,697	\$(1,253)	\$ 5,284
Inventory obsolescence reserve	2,351	797	(2,256)	892
For the Year Ended April 30, 2002				
Allowance for doubtful accounts	\$1,868	\$ 900	\$ 72	\$ 2,840
Inventory obsolescence reserve	457	3,780	(1,886)	2,351
For the Year Ended April 30, 2001				
Allowance for doubtful accounts	\$1,085	\$1,239	\$ (456)	\$ 1,868
Inventory obsolescence reserve	2,071	803	(2417)	457

(1) Deductions are comprised primarily of disposals of obsolete inventory, write-offs of specific bad debts and other adjustments.

World Wrestling Entertainment, Inc.
ID: 04-2693383
1241 East Main Street
Stamford, CT 06902

NOTICE OF GRANT OF STOCK OPTIONS
AND OPTION AGREEMENT

Optionee: 1 Plan: 1999 Long-Term Incentive Plan

You have been granted an Option to purchase a number of shares of World Wrestling Entertainment, Inc. (the Company") Common Stock as described below, subject to the terms and conditions of the World Wrestling Entertainment, Inc. 1999 Long-Term Incentive Plan, as amended from time to time (the "Plan"), and this Option Agreement:

Date of Grant: June 13, 2003	Type of Option: Non-Qualified Stock Option	Total Number of Shares Granted:
Purchase Price Per Share:	Vesting	Expiration Date: June 13, 2008
	----- Shares on 06/13/04 Shares in equal portions over 36 consecutive months beginning 07/13/04	

Options are not exercisable prior to vesting. Subject to the terms relating to Termination of Services set forth below and in Section 6.03(e) of the Plan, the vested portion of the Option may be exercised through the close of business on the Expiration Date set forth above in accordance with Section 6.05 of the Plan. Vesting of the Option is accelerated following a Change in Control in accordance with Section 6.06 of the Plan.

Exercise After Termination of Services (see Section 6.03(e) of the Plan):

Termination of Services for any reason: non-vested portion of the Option expires immediately;

Termination of Services due to death or Disability or following attainment of age 55 with at least 15 years of service: vested portion of the Option is exercisable until the Expiration Date of the Option;

Termination of Services by the Company without cause (as determined in the Committee's sole discretion): vested portion of the Option is exercisable for one year after the Optionee's Termination.

Termination of Services for any reason not described above: vested portion of the Option is exercisable for a period of five business days following the Optionee's Termination.

In no event may this Option be exercised after the Expiration Date as provided above. The Option, whether vested or unvested, is further subject to cancellation and rescission under Section 10.07 of the Plan upon the occurrence of any circumstances described in that Section.

The Plan is attached hereto and incorporated by reference into this Option Agreement in its entirety. The provisions of the Plan will prevail over any conflicting provisions of this Option Agreement. Capitalized terms not otherwise defined in this Option Agreement have the meaning given to them in the Plan. The Plan and this Option Agreement constitute the entire agreement of the parties with respect to the subject matter hereof and may not be modified adversely to the Optionee's interest except by means of a writing signed by the Company and the Optionee. This Option may not be transferred in any manner otherwise than by will or by the laws of descent or distribution and may be exercised during the lifetime of the Optionee only by the Optionee.

By signing below, Optionee and the Company agree to the terms stated in this Option Agreement and the Optionee acknowledges that the Optionee has reviewed the Plan and this Option Agreement in its entirety, has had an opportunity to obtain the advice of counsel prior to executing this Option Agreement and fully understands and accepts all provisions of the Option.

Optionee: World Wrestling Entertainment, Inc.

Signature

By

Vice President, Human Resources

Print Name

Title

WORLD WRESTLING ENTERTAINMENT, INC.

AGREEMENT FOR RESTRICTED PERFORMANCE STOCK UNITS

THIS AGREEMENT FOR RESTRICTED PERFORMANCE STOCK UNITS (this "Agreement") is entered into as of June ____, 2003 by and between World Wrestling Entertainment, Inc., a Delaware corporation ("WWE" and, together with each corporation of which WWE owns directly or indirectly 50% or more of all equity interests, the "Company"), and _____, a management employee of the Company (the "Employee").

WHEREAS, the Company intends to make a grant under its 1999 Long-Term Incentive Plan, as in effect on the date hereof and as it may be amended from time to time hereafter (the "Plan"), by providing to Employee restricted stock units that are subject to vesting based on length of continued employment and financial performance goals (each a "Restricted Performance Stock Unit"); and

WHEREAS, Employee wishes to receive such Restricted Performance Stock Units in accordance with the Plan and this Agreement;

NOW, THEREFORE, in consideration of the premises and the mutual covenants stated herein, and intending to be legally bound, the Company and Employee hereby agree as follows:

1. Certain Definitions

Each capitalized term used in this Agreement shall have the meaning ascribed to that term in the Plan unless otherwise defined herein. The following capitalized terms shall have the respective meanings set forth below:

(a) "Deferred Issuance Date" shall have the meaning ascribed in Section 3(d).

(b) "Dividend Units" shall have the meaning ascribed thereto in Section 4.

(c) "Employee Account" shall have the meaning ascribed thereto in Section 2(b).

(d) "Fiscal Year" shall mean a fiscal year of the Company and "Fiscal" followed by a calendar year shall mean the Fiscal Year ending in that calendar year (e.g., "Fiscal 2004" means the Fiscal Year of the Company ending April 30, 2004).

(e) "PSU" shall mean a Restricted Performance Stock Unit under which Employee shall have the right to receive one Share and Dividend Units accruing as a result of such PSU, upon vesting, or if applicable, on the Deferred Issuance Date.

(f) "Date of Grant" for any PSU shall mean the date specified as such in Exhibit A for such PSU.

(g) "Shares" shall mean the shares of Common Stock issuable upon the vesting of a PSU or Dividend Unit, or if applicable, on the Deferred Issuance Date.

2. Grant of PSUs; Restrictions

(a) Subject to all terms and conditions of the Plan and of this Agreement (and subject to execution of this Agreement by Employee), the Company has granted to Employee those PSUs listed in Exhibit A to this Agreement.

(b) Each PSU shall be recorded in a PSU bookkeeping account maintained by the Company in the name of Employee (the "Employee Account"). The Company's obligations under this Agreement shall be unfunded and unsecured, and no special or separate fund shall be established and no other segregation of assets shall be made. The rights of Employee under this Agreement shall be no greater than those of a general unsecured creditor of the Company. Employee shall have no rights as a stockholder of the Company by virtue of any PSU unless and until such PSU vests and resulting Shares are issued to Employee, and

i. All terms and conditions stated in the Plan and all those stated in this Agreement shall apply to each PSU and any Dividend Units accrued under Section 4;

ii. No PSU or any Dividend Units accrued under Section 4 may be sold, transferred, pledged, hypothecated or otherwise encumbered or disposed by Employee; and

iii. Each PSU and Dividend Units accrued under Section 4 shall remain restricted and subject to forfeiture unless and until such PSU has vested in Employee in accordance with the Plan and this Agreement.

3. Vesting

(a) Annual Vesting. The PSUs granted hereunder shall vest in seven substantially equal installments on the last day of each of seven successive Fiscal Years with the first such vesting to be made on the last day of Fiscal 2004. Associated Dividend Units shall vest annually as provided in Section 4(ii).

(b) Other Vesting

i. Vesting Based on Performance Goals. The Committee has established performance goals for the Company, the attainment of which shall result in the accelerated vesting of all PSUs granted under this Agreement as well as all Dividend Units. Such performance goals are set forth in Exhibit A. Following the end of each Fiscal Year, the Committee shall determine whether the Company has attained such performance goals, and, if so, all such PSUs and Dividend Units shall immediately vest.

ii. Optional Vesting. The Committee may also at any time and from time to time determine that any other PSUs and Dividend Units shall become vested based on such factors as the Committee may determine in its sole discretion (including, without limitation and by way of example only, performance of Employee's operating unit, performance of the Company as a whole, benefits of providing additional long-term incentive compensation to Employee in light of the competitive market for Employee's services, severance arrangements, etc.). If the Committee makes such a determination, then such additional PSUs and/or Dividend Units as may be specified by the Committee in such determination shall become vested at the time specified by the Committee in such determination.

iii. Change in Control. If a Change in Control occurs and (x) within one year thereafter the Employee's employment is terminated by the Company without cause (as determined by the Committee in its sole discretion); or (y) within one year thereafter the Employee terminates his or her employment as a result of (i) a decrease in base salary; (ii) a change in responsibility or reporting structure; or (iii) a change in employment to a location more than twenty-five miles from the place of employment at the time of the Change in Control; then all PSUs and Dividend Units shall immediately vest.

(c) Effects of Vesting. With respect to each PSU and Dividend Unit that vests, the Company shall, within a reasonable time after the later of (i) vesting or (ii) the Deferred Issuance Date (as defined herein), if any, issue one Share to Employee without restrictions under the Plan or this Agreement. Any such issuance shall be subject to all laws (including without limitation those governing withholding of taxes and those governing securities and transfer thereof).

(d) Election for Deferred Issuance. Employee may elect to defer the issuance of all but not less than all of the Shares and Dividend Units in his or her Employee Account to be vested at the end of the then current Fiscal Year by executing and delivering to the Company a written deferral election in such form as the Company may prescribe (and containing such terms and conditions as the Company may establish in such form), in each case not later than the October 31 occurring prior to the end of the then current Fiscal Year or such other date that the Company may establish for delivery of such election. The date established by such election in accordance with such terms and conditions shall be the "Deferred Issuance Date." The Deferred Issuance Date shall in no event be later than the date of Employee's termination of employment with the Company. Any such Deferred Issuance Date shall not be revocable by the Employee or the Company.

4. Dividend Units; Vesting

With respect to each PSU, whether or not vested, that has not been forfeited (but only until the underlying Shares are issued), the Company shall, with respect to any cash dividends paid to Shares (based on the same record and payment date as the dividends paid on Shares) accrue into the Employee Account the number of whole Shares ("Dividend Units") as could be purchased with the aggregate dividends that would have been paid with respect to such PSU if it were an outstanding Share (together with any other cash accrued in the Employee Account after that time) at the price per Share equal to the closing price on the New York Stock Exchange (NYSE) (or a comparable price, if the Shares are not then listed on the NYSE) on the date of the dividend payment. These Dividend Units thereafter

(i) will be treated as PSUs for purposes of future dividend accruals pursuant to this Section 4; and (ii) will vest in such amounts (rounded to the nearest whole Dividend Unit) at the same time as the PSUs with respect to which such Dividend Units were received. Any remaining portions of such dividend not used because they would purchase less than a whole Share shall be accrued in the Employee Account as cash. Any dividends or distributions on Shares paid other than in cash shall accrue in the Employee Account and shall vest at the same time as the PSUs in respect of which they are made (in each case in the same form, based on the same record date and at the same time, as such dividend or other distribution is paid on such Share).

5. Forfeiture

Except as provided for vesting on termination of employment following a Change of Control as contemplated in Section 3(b)(iii) or vesting as part of a severance arrangement as contemplated in Section 3(b)(ii), upon termination of Employee's employment (regardless of whether caused by resignation, termination by the Company, death, disability or otherwise), each PSU, Dividend Unit and other remaining accrued dividends in the Employee Account, in each case that has not previously vested, shall be forfeited by the Employee to the Company. Employee shall thereafter have no right, title or interest whatsoever in such unvested PSUs, Dividend Units and accrued dividends and Employee shall immediately return to the Secretary of the Company any and all documents representing such forfeited items. All vested PSUs, Dividend Units and dividends thereon (whether or not deferred pursuant to Section 3(d)), shall immediately be paid or issued, as the case may be, to the Employee.

6. No Continuation of Employment

This Agreement shall not give Employee any right to employment or continued employment and the Company may terminate Employee's employment or otherwise treat Employee without regard to any effect such termination may have upon Employee under this Agreement.

7. Terms Subject to Plan

Notwithstanding anything in this Agreement to the contrary, each and every term, condition and provision of this Agreement shall be, and shall be construed as, consistent in all respects with all terms, conditions and provisions of the Plan. If any term, condition or provision of this Agreement is (or is alleged to be) inconsistent with the Plan in any respect, the Plan shall govern in all circumstances and such inconsistent (or allegedly inconsistent) term, condition or provision shall be construed so as to be consistent in all respects with the Plan.

8. Entire Agreement: Amendments

This Agreement contains all terms and conditions with respect to the subject matter hereof and no amendment, modification or other change hereto shall be of any force or effect unless and until set forth in a writing executed by Employee and the Company (in each case except for such amendments as the Company is expressly authorized hereunder, or under the Plan, to make without Employee's consent).

9. Governing Law

This Agreement shall be governed by and construed in accordance with the laws of the State of Connecticut, without giving effect to principles of conflicts of law. If any dispute arises with respect to this Agreement or any matter hereunder, (x) such dispute shall be submitted to the Federal or state courts sitting in the State of Connecticut, with each party waiving any defense to such venue; and (y) each party irrevocably waives its right to a jury trial. The prevailing party shall be reimbursed by the other party for any costs of any proceeding relating to this Agreement in any matter hereunder incurred by the prevailing party, including reasonable attorneys' fees and costs.

10. Taxes

Employee shall be liable for any and all taxes, including withholding taxes, arising out of this grant or the vesting of PSUs or distribution of Shares hereunder. Employee may elect to satisfy such withholding tax obligation by having the Company retain Shares having a fair market value equal to the Company's minimum withholding obligation.

IN WITNESS WHEREOF, Employee has executed this Agreement and the Company has caused this Agreement to be executed by its duly authorized officer, all as of the day and year first above written.

EMPLOYEE

WORLD WRESTLING
ENTERTAINMENT, INC.

By:

Title:

**WORLD WRESTLING ENTERTAINMENT, INC.
MANAGEMENT INCENTIVE BONUS PLAN**

1. Purpose. The World Wrestling Entertainment, Inc. Management Bonus Plan is intended to increase incentives for eligible executives to attain and maintain the highest standards of performance, to attract and retain key executives of outstanding competence and ability, to stimulate the active interest of key executives in the development and financial success of the Company, to further the identity of interests of employees with those of the Company's stockholders generally and to reward executives when certain objectives are achieved.

2. Definitions. As used herein, the terms set forth below shall have the following respective meanings:

(a) "Board" means the Board of Directors of the Company.

(b) "Bonus" means an award payable under this Plan.

(c) "Bonus Period" means the fiscal year beginning on or after the Effective Date with respect to which the Bonus is to be paid.

(d) "Business Criteria" means the business criteria listed in Section 6 of this Plan.

(e) "Code" means the Internal Revenue Code of 1986, as amended from time to time.

(f) "Committee" means the Compensation Committee of the Board, which is the committee appointed by the Board to administer the Plan. The Committee shall be constituted at all times so as to meet the outside director requirements of Section 162(m) of the Code.

(g) "Company" means World Wrestling Entertainment, Inc. and its subsidiaries.

(h) "Effective Date" means May 1, 2004.

(i) "Eligible Executives" means all the employees of the Company that are director level (or equivalent) and above.

(j) "Participant" means, with respect to a Bonus Period, the Eligible Executives selected by the Committee to be eligible to receive a Bonus for such Bonus Period as provided in Section 5 of this Plan.

(k) "Performance Objective" means the performance objective or objectives established pursuant to Section 5 of the Plan.

(l) "Plan" means the World Wrestling Entertainment, Inc. Management Incentive Bonus Plan, as it may be amended from time to time.

3. Administration. The Committee shall interpret the Plan, prescribe, amend, and rescind rules relating to it, select eligible Participants, and take all other actions necessary for its administration, which actions shall be final and binding upon all Participants.

4. Compliance with Section 162(m). The Plan shall be administered to comply with Section 162(m) of the Code and regulations promulgated thereunder, and if any Plan provision is found not to be in compliance with Section 162(m) of the Code, the provision shall be deemed modified as necessary to meet the requirements of Section 162(m) of the Code.

5. Selection of Participants and Performance Objective. Within 90 days after the commencement of each Bonus Period, or at such later time as permitted by Section 162(m) of the Code and regulations thereunder, the Committee shall determine in writing (i) the Participants who shall be eligible to receive a Bonus for such Bonus Period, (ii) the Performance Objective, which shall be a relative or absolute measure of any one or more of the Business Criteria, and

(iii) the formula for computing the amount of Bonus payable to each Participant if the Performance Objective is achieved (such formula shall comply with the requirements applicable to performance-based compensation plans under Section 162(m) of the Code).

6. Business Criteria. The Business Criteria will include specified levels of one or more of the following:

Net Revenues	Return on Capital
Operating Income	Return on Equity
Income from Continuing Operations	Return on Assets
Net Income	Return on Investment
Earnings per Common Share (diluted)	Change in Stock price
Cash Flow	Total Stockholder Return
EBITDA	

The above terms shall have the same meaning as in the Company's financial statements, or if the terms are not used in the Company's financial

statements, as applied pursuant to generally accepted accounting principles, or as used in the Company's business, as applicable. As determined by the Committee, the Business Criteria shall be applied (i) in absolute terms or relative to one or more other companies or indices and (ii) to a business unit, geographic region, one or more separately incorporated entities, or the Company as a whole.

7. Bonus Certification. The Committee shall certify in writing prior to payment of the Bonus that the Performance Objective has been attained and the Bonus is payable. With respect to Committee certification, approved minutes of the meeting in which the certification is made shall be treated as written certification.

8. Maximum Bonus Payable. The maximum Bonus payable under this Plan in respect for any one fiscal year to the Chairman of the Board, the Chief Executive Officer or any other executive officer named in the Company's proxy statement shall be four percent (4%) of the EBITDA of the Company and its subsidiaries on a consolidated basis ("EBITDA"); the maximum Bonus payable under this plan in respect of any fiscal year to any other Participant shall be three percent (3%) of EBITDA; and the maximum aggregate Bonuses paid to all Participants in respect of any fiscal year shall be twenty percent (20%) of EBITDA.

9. Discretion to Reduce Awards. The Committee, in its sole and absolute discretion, may reduce the amount of any award otherwise payable to a Participant.

10. Active Employment Requirement. Except as provided below, a Bonus shall be paid for a Bonus Period only to a Participant who is actively employed by the Company (or on approved vacation or other approved leave of absence) throughout the Bonus Period and who is employed by the Company on the date the Bonus is paid. To the extent consistent with the deductibility of awards under Section 162(m) of the Code and regulations thereunder, the Committee may in its sole discretion grant a Bonus for the Bonus Period to a Participant who is first employed or who is promoted to a position eligible to become a Participant under this Plan during the Bonus Period, or whose employment is terminated during the Bonus Period because of the Participant's retirement, death, or because of disability as defined in Section 22(e)(3) of the Code. In such cases of active employment for part of a Bonus Period, a pro rata Bonus may be paid for the Bonus Period.

11. Payment of Bonus. A Bonus shall be paid to the Participant for the Bonus Period as provided in this Plan. The Company shall pay the Bonus to the Participant in a single cash payment as soon as administratively practicable after the Bonus Period and after the Committee certifies that the Bonus is payable as provided in Section 7. In the event of the Participant's incompetency, the Company in its sole discretion may pay any Bonus to the Participant's guardian or directly to the Participant. In the event of the Participant's death, any Bonus shall be paid to the Participant's spouse or, if there is no surviving spouse, the Participant's estate. Payments under this Section shall operate as a complete discharge of the Committee and the Company. The Company shall deduct from any Bonus paid under the Plan the amount of any taxes required to be withheld by the federal or any state or local government.

12. Stockholder Approval. No Bonus shall be payable under this Plan unless the Plan is disclosed to and approved by the stockholders of the Company in accordance with Section 162(m) of the Code and regulations thereunder.

13. Limitation of Rights. Nothing in this Plan shall be construed to (a) give any employee of the Company any right to be awarded any Bonus other than that set forth herein, as determined by the Committee; (b) give a Participant any rights whatsoever with respect to shares of common stock of the Company; (c) limit in any way the right of the Company to terminate an employee's employment with the Company at any time; (d) give a Participant or any other person any interest in any fund or in any specific asset or assets of the Company; or (e) be evidence of any agreement or understanding, express or implied, that the Company will employ an employee in any particular position or at any particular rate of remuneration.

14. Non-Exclusive Arrangement. The adoption and operation of the Plan shall not preclude the Board or the Committee from approving other incentive or compensation arrangements for the benefit of individuals who are Participants hereunder as the Board or Committee, as the case may be, deems appropriate and in the best interests of the Company.

15. Nonassignment. Subject to Section 11 hereof, the right of a Participant to the payment of any Bonus under the Plan may not be assigned, transferred, pledged, or encumbered, nor shall such right or other interests be subject to attachment, garnishment, execution, or other legal process.

16. Amendment or Termination of the Plan. The Committee may amend or terminate the Plan at any time, except that no amendment or termination shall be made that would impair the rights of any Participant to a Bonus that would be payable were the Participant to terminate employment on the effective date of such amendment or termination, unless the Participant consents to such amendment or termination. Unless sooner terminated by action of the Committee, the Plan shall automatically terminate on April 30, 2008, although all bonuses payable in respect of the fiscal year then ending shall be paid as promptly thereafter as practicable notwithstanding the termination hereof.

17. Governing Law. The Plan shall be governed by the laws of the State of Connecticut other than the conflict of laws provisions thereof.

INDEPENDENT CONTRACTOR AGREEMENT

This Independent Contractor Agreement ("Agreement") is entered into as of the 1st day of May, 2003, (the "Effective Date") by and between WORLD WRESTLING ENTERTAINMENT, INC., with its principal place of business at 1241 East Main Street, Stamford, Connecticut 06902 ("WWE"), and COMMUNICATIONS CONSULTANTS, INC., with an address at Post Office Box 238, Newton Centre, Massachusetts 02459 ("Consultant"), each individually referred to as a "party" and collectively referred to as the "parties."

WHEREAS, WWE desires to utilize Consultant to furnish certain consulting services, in accordance with the terms of this Agreement.

NOW, THEREFORE, in consideration of the covenants set forth herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. **SERVICES/ACCOUNTABILITIES:** WWE hereby engages the Consultant on a non-exclusive basis during the Term (as defined below) performing such consulting services relating to television syndication transactions featuring the programming of WWE and its affiliates as are requested by the Chief Executive Officer or her designee from time to time (referred to collectively hereinafter as the "Services"). WWE acknowledges that Consultant's Services shall be performed at such times as are convenient to Consultant, provided that Consultant agrees to hold itself reasonably available to render the Services contemplated herein.

Consultant shall devote its best efforts to the performance of the Services and shall protect and promote the interests of [OBJECT OMITTED] WWE. Consultant shall cooperate in any reasonable manner whatsoever with [OBJECT OMITTED]WWE in connection with the performance of the Services.

2. **TERM:** The term of this Agreement shall commence as of the Effective Date and shall continue for a period of one (1) year ("Initial Term"), and thereafter shall be automatically renewed for successive one-year periods under like terms and conditions ("Renewal Term") unless terminated in accordance with the terms hereof. (The Initial Term and all Renewal Terms, if any, shall hereinafter be referred to collectively as the "Term").

3. **INDEPENDENT CONTRACTOR:** Consultant represents and warrants that its relationship to WWE and its various parent, subsidiary and affiliated corporations hereunder shall be that of an independent contractor and not an employee of WWE for any purpose whatsoever. Consultant shall have sole control of the manner and means of performing its work, and WWE is interested only in the results Consultant obtains. Consultant does not have, nor shall it hold itself out as having, any right, power or authority to create any contract or obligation, either express or implied, on behalf of, in the name of, or binding upon WWE, its parent, subsidiary or affiliated companies, unless WWE or any of the foregoing companies shall consent thereto in writing.

4. COMPENSATION:

- a) In consideration of the full and faithful performance by Consultant of all of his obligations hereunder, WWE shall pay Consultant Twenty Thousand Eight Hundred Thirty-Three Dollars (\$20,833.00) per month or an aggregate of \$250,000.00 per year. Such amount shall be due and payable on or before the last day of each month during the Term.
- b) WWE shall reimburse Consultant for any reasonable and necessary expenses ("Expenses") actually incurred by Consultant in the performance of the Services hereunder, subject to WWE's then current policies regarding such reimbursement, provided that any and all such Expenses are approved in advance by WWE and only upon receipt of adequate supporting documentation therefor. Such Expenses shall be reimbursed within fifteen (15) business days following submission to and approval by WWE of an invoice no more frequently than on a monthly basis.

5. **TERMINATION:** Either party, in its sole discretion, may terminate this Agreement upon written notice to the other party at any time with or without cause, provided that [OBJECT OMITTED]WWE's only remaining obligation hereunder shall be to pay Consultant compensation and/or reimbursement expenses, as applicable then due and accrued but not yet paid through the date of termination.

6. **OTHER COVENANTS OF CONSULTANT.** In order to induce WWE to enter into this Agreement, Consultant hereby agrees as follows, as of the Effective Date:

- (a) **CONFIDENTIALITY.** Consultant acknowledges that by reason of its relationship with and service to WWE, it has had and will have access to confidential information relating to operations and technology and know-how which have been developed by WWE and its affiliates, including, without limitation, information and knowledge pertaining to wrestling productions and performances, public relations and marketing, products and their design and manufacture, methods of operation, sales and profit data, customer and supplier lists and relationships between WWE and its affiliates and their respective customers, suppliers and others who have business dealings with it, other information not readily available to the public, and plans for future developments relating thereto. In recognition of the foregoing, during the Term and at all times thereafter, Consultant will maintain the confidentiality of all such information and other matters of WWE and its affiliates known to Consultant which are otherwise not in the public domain and will not disclose any such information to any person outside the organization of WWE, wherever located, except as required by law or with WWE Board of Directors' prior written authorization and consent.
- (b) **RECORDS.** All papers, books and records of every kind and description relating to the business and affairs of WWE, or any its of affiliates, whether or not prepared by Consultant, other than personal notes prepared by or at the direction of Consultant, shall be the sole and exclusive property of WWE, and Consultant shall surrender them to WWE at any time upon request by WWE.

(c) NON-COMPETITION. Consultant hereby agrees with WWE that during the Term and for a period of one (1) year following the date of termination or non-renewal, it shall not: (i) provide Services or any other services to any person or entity engaged in the business of professional wrestling other than WWE or any parent, subsidiary or affiliated company thereof; (ii) actively solicit any employee or agent of WWE or any of its subsidiaries or affiliates to leave the employment or engagement thereof; and (iii) induce or attempt to induce any customer, supplier, licensee or other individual, corporation or other organization having a business relation with WWE or its subsidiaries or affiliates to cease doing business with WWE or its subsidiaries or in any way interfere with the relationship between any such customer, supplier, licensee or other person and WWE or its subsidiaries or affiliates.

(d) WORKS. Consultant hereby acknowledges that all duties performed hereunder were specifically ordered or commissioned by the WWE ("Work"); that the Work constitutes and shall constitute a work-made-for-hire as defined in the United States Copyright Act of 1976; that WWE is and shall be the author of said work-made-for-hire and the owner of all rights in and to the Work throughout the universe, in perpetuity and in all languages, for all now known or hereafter existing uses, media and forms, including, without limitation, the copyrights therein and thereto throughout the universe for the initial term and any and all extensions and renewals thereof; and that WWE shall have the right to make such changes therein and such uses thereof as it may deem necessary or desirable. "Works" shall include, but not be limited to all material and information created by Consultant in the course of or as a result of Consultant's engagement with WWE which is fixed in a tangible medium of expression, including, but not limited to, notes, drawings, memoranda, correspondence, documents, records, notebooks, flow charts, computer programs and source and object codes, regardless of the medium in which they are fixed. To the extent that the Work is not recognized as a work-made-for-hire, Consultant hereby assigns, transfers and conveys to WWE, without reservation, all of Consultant's right, title and interest throughout the universe in perpetuity in the Work, including, without limitation, all rights of copyright and copyright renewal in said Work or any part thereof. Consultant will take whatever steps and do whatever acts WWE requests, including, but not limited to, placement of the WWE's proper copyright notice on such Works to secure or aid in securing copyright protection and will assist WWE or its nominees in filing applications to register claims of copyright in such works. Consultant will not reproduce, distribute, display publicly, or perform publicly, alone or in combination with any data processing or network system, any Works of WWE without the written permission from WWE.

(e) INVENTIONS. All Inventions (as defined below) made or conceived by Consultant, either solely or jointly with others, during Consultant's engagement with WWE and within one (1) year after termination of such engagement, whether or not such Inventions are made or conceived during the hours of Consultant's engagement or with the use of WWE's facilities, materials, or personnel, will be the property of WWE or its nominees. "Invention" means discoveries, concepts, and ideas, whether patentable or not, including, but not limited to apparatus, processes, methods, techniques, and formulae, as well as improvements thereof or know-how related thereto, relating to any present or prospective activities of WWE or its

subsidiaries. Consultant will, without royalty or any other additional consideration: (i) inform WWE promptly and fully of such Inventions by written reports, setting forth in detail a description, the operation and the results achieved; (ii) assign to WWE all Consultant's right, title, and interest in and to such Inventions, any applications for United States and foreign Letters Patent, any contributions, divisions, continuations-in-part, reissues, extensions or additions thereof filed for upon such Inventions and any United States and foreign Letters Patent; (iii) assist WWE or its nominees, at the expense of WWE, to obtain, maintain and enforce such United States and foreign Letters Patent for such Inventions as WWE may elect; and (iv) execute, acknowledge, and deliver to WWE to confirm the complete ownership by WWE of such Inventions.

(f) ENFORCEMENT. Consultant agrees and warrants that the covenants contained herein are reasonable, that valid considerations has been and will be received therefor and that the agreements set forth herein are the result of arms-length negotiations between the parties hereto. Consultant recognizes that the provisions of this Section 6 are vitally important to the continuing welfare of WWE, and its affiliates, and that money damages constitute a totally inadequate remedy for any violation thereof. Accordingly, in the event of any such violation by Consultant, in addition to any other remedies they may have, WWE and its subsidiaries and affiliates shall have the right to institute and maintain a proceeding to compel specific performance thereof or to issue an injunction restraining any action by Consultant in violation of this Section 6.

7. APPROVAL AND CONTROLS: WWE shall have the sole and absolute control, approval and discretion over the design, colors, presentation, depiction and exhibition of WWE's characters and intellectual properties that are created or relate in any way to the Services. Moreover, WWE reserves all rights to the trade names and trademarks and to any other commercial symbols that it may adopt or use that are created or related in any way to the Services.

8. NOTICES: Any notices are to be sent by certified mail, return receipt requested, federal express, or first class postal service, to the addresses first set forth above, and if to [OBJECT OMITTED]WWE to the attention of Edward L. Kaufman, Esq., Senior Vice President and General Counsel.

9. GOVERNING LAW: This Agreement shall be governed by the laws of the State of Connecticut governing contracts entered into and to be fully performed therein.

10. SEVERABILITY: In the event that any provision or portion of this Agreement shall be declared invalid or unenforceable for any reason by a court of competent jurisdiction, such provision or portion shall be considered separate and apart from the remainder of this Agreement, which shall remain in full force and effect.

11. NAME AND LIKENESS: [OBJECT OMITTED]WWE and its licensees and/or assignees shall have the exclusive and perpetual right, but not the obligation, to use and license the use of Consultant's name, photograph, likeness and other biographical data ("Name and Likeness") for the purpose of advertising, marketing, promoting, publicizing and exploiting any matter related to the Services performed hereunder with Consultant's permission, which shall not be unreasonably withheld.

12. INDEMNITY:

(a) Consultant shall hold [OBJECT OMITTED]WWE, its parent, subsidiary and affiliate companies and their respective directors, officers, employees, independent contractors, licensees, successors, assigns and agents of the foregoing, harmless from and against all claims, liabilities, damages, costs and attorneys' fees arising from: (1) any negligent or intentional acts by Consultant; or (2) any breach or alleged breach by Consultant of any representation, warranty or agreement made by Consultant hereunder.

(b) [OBJECT OMITTED]WWE shall hold Consultant harmless from and against all claims, liabilities, damages, costs and attorneys' fees arising solely from (1) any negligent or intentional acts by WWE; or (2) any breach or alleged breach by WWE of any representation, warranty or agreement made by WWE hereunder.

13. REMEDIES: The waiver by either party of any breach hereof shall not be deemed a waiver of any prior or subsequent breach hereof. All remedies of either party shall be cumulative and the pursuit of one remedy shall not be deemed a waiver of any other remedy.

14. INTEGRATION: This Agreement contains the complete understanding existing between the parties on the subjects covered and supersedes any previous written or verbal understandings with respect thereto. This Agreement may not be amended except by a writing signed by Consultant and [OBJECT OMITTED]WWE.

15. ASSIGNMENT: This Agreement is not assignable or delegable, in whole or in part, by Consultant. [OBJECT OMITTED]WWE may assign this Agreement in whole or in part, without limitation

or restriction. This Agreement shall insure to the benefit of WWE, its successors, assignees, licensees and grantees and associated, affiliated and subsidiary companies.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

COMMUNICATIONS CONSULTANTS, INC.

*WORLD WRESTLING
ENTERTAINMENT, INC.*

By: /s/ Joseph Perkins

By: /s/ Linda E. McMahon

*Joseph Perkins
President*

*Linda E. McMahon
President & Chief Executive
Officer*

EXHIBIT 21.1

Subsidiary State of Incorporation

The World Entertainment, Inc.* Delaware

*The operations of this subsidiary have ceased and the results of its operations are included in the Company's financial statements as Discontinued Operations.

INDEPENDENT AUDITORS' CONSENT

We consent to the incorporation by reference in Registration Statement Nos. 333-92041 and 333-92376 on Form S-8 and Nos. 333-49930 and 333-72536 on Form S-3 of World Wrestling Entertainment, Inc. of our report dated June 13, 2003, appearing in this Annual Report on Form 10-K of World Wrestling Entertainment, Inc. for the year ended April 30, 2003.

/s/ Deloitte & Touche LLP

Stamford, Connecticut

July 2, 2003

18 U.S.C. Section 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002:

In connection with the Annual Report of World Wrestling Entertainment, Inc. (the "Company") on Form 10-K for the fiscal year ended April 30, 2003 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), each of the undersigned, in the capacities and on the dates indicated below, hereby certifies pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to his/her knowledge:

1. The Annual Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Act of 1934; and
2. The information contained in the Annual Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: July 2, 2003

By: /s/ Linda E. McMahon

Linda E. McMahon
Chief Executive Officer

By: /s/ Philip B. Livingston

Philip B. Livingston
Chief Financial Officer

End of Filing

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