

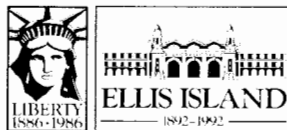
THE STATUE OF LIBERTY-ELLIS ISLAND FOUNDATION, INC.

292 Madison Avenue #14
New York, New York 10017-6348
212-561-4500

or

ANNUAL REPORT

Year ended March 31, 2005



"Dedicated to the Restoration and Preservation of the Statue of Liberty and Ellis Island"

The Statue of Liberty-Ellis Island Foundation, Inc.

Year in Review

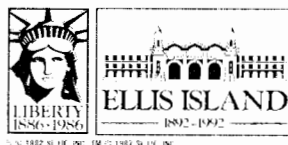
The 2004/2005 fiscal year of The Statue of Liberty-Ellis Island Foundation was one of great accomplishment and great challenge.

On July 31, 2003, the Foundation agreed to the request of the National Park Service/Department of Interior (NPS/DOI) to raise funds and execute the work to re-open the Statue of Liberty which had been closed since the 9/11 attacks. The Foundation's board agreed to allocate funds from its endowment to begin the project immediately. Thanks to the generosity of American Express and Folgers Coffee and gifts from thousands of Americans, most of the necessary money was available by December of 2003. On March 31, 2004, Secretary Norton authorized a final plan for construction and the Foundation began work the next day. The Statue was opened to the public on August 3, 2004, on schedule and slightly below budget estimates, thanks to the dedicated work of the Foundation's contractors. Mayor Bloomberg and Governor Pataki joined Secretary Norton, the Foundation's board and other invited guests for the opening ceremonies.

During the same period, the exhibit concept plan for the new Peopling of America Center™ to be built at Ellis Island was presented to the NPS, the Foundation and its History Committee in early September, 2004 by the Foundation's museum design contractor. That project has been going through the NPS's Interim Partnership Capital Improvement Process for approval since September, 2004.

Challenges were presented in the form of several newspaper articles alleging that fundraising and a reluctance to use funds from its endowment had delayed the re-opening of the Statue of Liberty. The article also alleged that the Foundation had mismanaged its endowment and overpaid its senior executives. These accusations led to investigations by the New York State Attorney General and by the Finance Committee of the United States Senate, with which the Foundation has cooperated fully.

The Foundation asked former United States Attorney General Griffin Bell to establish an independent committee of distinguished citizens to review all the accusations. The Bell Committee largely dismissed the accusations raised by the press, describing as "a non-issue" the charge that the Foundation had delayed the reopening of the Statue and finding that the Foundation's use and investment of its endowment fund "conforms to not-for-profit standards." The Bell Committee recommended a number of improvements in the areas of executive compensation, corporate governance and strategic planning. Those recommendations have since been implemented by the Foundation's board and staff.



The Statue of Liberty-Ellis Island Foundation, Inc.

After 20 years of dedicated service, William F. May retired as the Foundation's chairman. All of us at the Foundation are grateful for the many accomplishments of the Foundation that occurred under Bill's leadership and we are delighted that he continues his wise counsel as a member of the board. John Turbidy, a Board of Director member of 22 years, was elected Chairman by the board in October.

The Foundation's annual Ellis Island Family Heritage Awards were presented in the Great Hall of Ellis Island on April, 2004, to Martin Scorsese, Paul Tagliabue, Robert Rubin, Dr. Harold Varmus, I.M. Pei and the family of Knute Rockne. Tom Brokaw was our Master of Ceremonies and our Founding Chairman, Lee Iacocca, presented each awardee with their family member's manifest.

Our website, <http://www.ellisland.org>, continues to provide millions of Americans with the arrival information (manifests) of their families if they arrived in the Port of New York between 1892 and 1954. Our website has received 8 billion hits (as of August, 2005).

We thank our many supporters for their generosity during the year.

Sincerely,

John B. Turbidy
Chairman of the Board

Stephen A. Briganti
President and Chief Executive Officer



The Statue of Liberty-Ellis Island Foundation, Inc.
Annual Report-Year Ended March 31, 2005

Board of Directors

Eugene A. Bay
President
Gene Bay Associates
Former Publisher of Field & Stream
CBS, Inc.

Lee A. Iacocca
Retired Chairman
Chrysler Corporation

Albert C. Bellas
CEO & Founding Partner
Solaris Group, LLC

Karen Jurgensen
Former Editor
USA Today

Stephen A. Briganti
President & CEO
The Statue of Liberty-Ellis Island
Foundation, Inc.

Craig Manson
Assistant Secretary
Fish and Wildlife and Parks
U.S. Department of the Interior

Joseph E. Doddridge
Assistant to the Assistant Secretary for
Fish and Wildlife and Parks (Retired)
U.S. Department of the Interior

William B. Matteson
Retired Managing Partner
Debevoise & Plimpton

Michael Donovan
Chairman
Donovan Data Systems, Inc

William F. May
Retired Chairman
American Can Company

Keith E. Eastin
Attorney and former Federal Official

Michael J. O'Bannon
President
EOP Group

Tina Santi Flaherty
President & CEO
Image Marketing International

John C. Sargent
Retired Vice President and Treasurer
Conoco Inc.

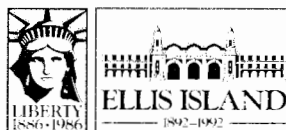
Roger C. Hochschild
President
Discover Financial Services

John B. Turbidy
Retired President and CEO
Pitcairn Incorporated

Gedale B. Horowitz
Senior Managing Director
Salomon Smith Barney

Paul E. Weaver
Chairman, Global TICE Practice
PricewaterhouseCoopers LLP

Warren Winiarski
Founder/Winemaker/Owner
Stag's Leap Wine Cellars



**The Statue of Liberty-Ellis Island Foundation, Inc.
Annual Report-Year Ended March 31, 2005**

Officers

John B. Turbidy, Chairman
Stephen A. Briganti, President and CEO

John C. Sargent, Treasurer
Gary E. Kelley, Secretary,
Vice President and Controller

Governance

Members of the Board of Directors except for Mr. Briganti serve without compensation for their services.

The Board of Directors established "Charters" for committees of the Board. These Committees and Charters consist of: Audit Committee; Compensation Committee; Executive Committee; Finance and Endowment Committee; Nominations and Governance Committee.

During the year the following Ad-Hoc Committees were established: Long Range Planning Committee and the Ellis Island Family Awards Committee.

The Board of Directors adopted two new Policy Statements: "Records Retention Policy" and "Whistle Blower Policy". Existing Policy Statements of the Board of Directors consists of: Conflict of Interest Policy; Designation of Persons to Exercise Authority for Financial Transactions; Accounting Records and Internal Control; Non-monetary Gifts; Equal Employment Opportunity; and Investment Policy (revised during the year).

Financial and Compliance Reporting

- >The Foundation engages an independent auditor to examine and issue an opinion of the financial statements of the Foundation
- >The Foundation files "Form 990 Return of Organization Exempt from Income Tax" and related schedules with the Internal Revenue Service and such individual states or commonwealths that either require a "charitable organization" filing or a "foreign corporation" filing to do fund raising activities in such state or commonwealth.
- >The Foundation is exempt from paying New York and New Jersey sales and use tax on goods or services used for the organization's own use. The Foundation does collect and remit to New York State such sales and use tax collected on sales from the Foundation's web and store activity that are subject to such taxation.
- >A quarterly report is filed with the Director of the National Park Service regarding the Foundation's activities for the quarter. Courtesy copies are also provided to the Attorney General of New York State and the BBB Wise Giving Alliance.



The Statue of Liberty-Ellis Island Foundation, Inc.
Annual Report-Year Ended March 31, 2005

Mission, Background and Programs

The Statue of Liberty-Ellis Island Foundation, Inc. (the "Foundation") is a not-for-profit organization incorporated under the laws of the State of Delaware. The Internal Revenue Service has determined that the Foundation is exempt from income taxes under Section 501C(3) of the Internal Revenue Code. Our Federal identification number is 13-3118415.

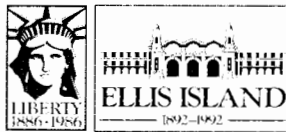
Mission: To restore and preserve the Statue of Liberty National Monument, which includes, in addition to the Statue itself, the Museum of Immigration and Ellis Island; Custody and control of, records, relics and other things of historic interest related to the Statue of Liberty and the millions of immigrants who entered the United States via Ellis Island; To foster, promote and stimulate public knowledge of and interest in the history of the Statue of Liberty and Ellis Island.

The National Park Service (NPS), a unit of the United States Department of the Interior, operates both the Statue of Liberty and Ellis Island (the "Monument") and has accepted grants pursuant to an agreement dated October 14, 1983 and subsequent agreements with the Foundation for the restoration and preservation of the Monument.

Background: The first projects of the Foundation from 1982 until 1992 included the restoration of the Statue of Liberty, upgrade of Liberty Island, the preservation of the main building on Ellis Island, upgrading Castle Clinton, and establishment of the Statue of Liberty Museum and the 220,000 square foot Ellis Island Immigration Museum (which has had 25 million visitors since opening). The Foundation also produced the Statue's 100th anniversary Liberty Weekend, in July 1986, viewed on television by 1.5 billion people in 51 countries around the world. In addition, contributors were promised the establishment of an endowment to provide the NPS with help with maintenance and to provide for the enhancement of visitors' experience.

In 1992 the Foundation launched a project campaign for the restoration and adaptation of the "kitchen and laundry" building, the "bakery and carpentry" building and the "shop" building on Ellis Island. This allowed the museum to expand and establish the Oral History Studio, the Library, Living Theater, Children's Orientation Center and the changing Exhibition Center. It also established new offices for the employees of the NPS.

In 1995 the Foundation stepped forward to create the American Family Immigration History Center ® on Ellis Island and the Internet. This project campaign finished in 2001. The Center contains computerized immigration records (manifests) of 25 million people who arrived in America through the Port of New York between 1892 and 1924. Also pictures of the ships they arrived on – 500 Million pieces of information. The Center at Ellis Island has served over 310,000 people from April 2001 to the present and the web site has received over 7 billion hits in the same time period.



The Statue of Liberty-Ellis Island Foundation, Inc.
Annual Report – Year Ended March 31, 2005

Specific Programs of the Foundation, include:

American Family Immigration History Center ® at Ellis Island and www.elliisland.org features an electronic database containing valuable information on 25 million immigrants, passengers and crewmembers who entered the United States through the Port of New York between 1892-1924, the peak years of Ellis Island's processing.

Campaign to Re-Open the Statue of Liberty. The Statue of Liberty-Ellis Island Foundation spearheaded a campaign to make critical safety upgrades to the Statue of Liberty, which was closed to the public after 9/11. On March 31, 2004, the Foundation received the official letter from the National Park Service, indicating the Secretary of the Interior's approval of a visitor use and protection plan, and authorizing the Foundation to move ahead with the construction process. The Foundation successfully raised the funds and managed the construction work, which commenced on April 1, 2004, and was completed on schedule. The work included construction of exterior stairs and a viewing platform at the top of the pedestal, as well as implementation of a wide variety of life safety upgrades. In addition, the museum's artifacts were cleaned and remounted and its permanent exhibits were refurbished. The National Park Service, U.S. Department of the Interior reopened Lady Liberty's doors to the public on August 3, 2004.

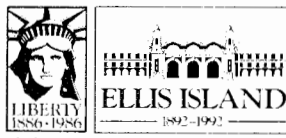
Visitors now have a choice of two tours into the Statue of Liberty nor offered by the National Park Service. The Statue of Liberty Observatory Tour allows the visitor to view inside the Statue through a glass ceiling at the top of the Statue's pedestal, guided by a park ranger and an enhanced lighting and video system. The Statue of Liberty Promenade Tour allows the visitor to walk out onto the Statue's observation deck to see the panoramic views of New York City and the Harbor, and witness the Statue up close from her promenades on Ft. Wood. Both tours include a visit to the Statue's original torch and a guided tour through the Statue of Liberty Museum. More information can be obtained at www.statueofliberty.org.

American Immigrant Wall of Honor ® is a permanent exhibit of individual and family names featured at Ellis Island in New York Harbor. It is the only place in the country where an individual can honor his or her family's heritage at a national monument. Names also can be viewed at www.wallofhonor.com.

Endowment Grants for NPS projects: Projects requested by the National Park Service and agreed to by the Foundation for items related to improving or maintaining the visitors' experience including such items as curatorial activities, conservation of artifacts related to an exhibit, visitor aids and visitor enhancements. Includes initial funding for the Re-opening of the Statue of Liberty and the Peopling of America™ Exhibit.

Public Awareness and Education: Includes projects such as Teacher Guides for the Statue of Liberty; Teacher Guides for Ellis Island, advisory history immigration and genealogical committee publications, publications of research books/stories on immigration and migration in the United States or how to research immigrants to the United States.

Ellis Island Family Heritage Awards: The Ellis Island Family Heritage Awards were instituted in celebration of the launch of the American Family Immigration History Center® on April 17, 2001. Each year a select number of Ellis Island immigrants or their descendants are chosen to be honored. By presenting a copy of the original ship's passenger manifest documenting their, or their ancestors', arrival at Ellis Island, we reflect on their journey, their courage and determination, and honor the unique contribution they have made to this "Nation of Immigrants". Honorees are selected through a process that is guided by an Awards Committee of the Foundation's Board of Directors.



The Statue of Liberty-Ellis Island Foundation, Inc.
Annual Report-Year Ended March 31, 2005
Summarized Financial Information

(A complete financial report may be obtained by contacting the Foundation)
 Year Ended March 31

\$'s in thousands	2003	2004	2005
Contributions	\$ 2,794	\$ 7,886	\$ 2,739
Program and other revenue	\$ 1,668	\$ 1,228	\$ 1,237
Interest/Dividend income	\$ 1,081	\$ 900	\$ 778
Net realized/unrealized (loss) gain on investments	\$ (6,474)	\$ 4,842	\$ 223
Total Support, Revenue and Gains (Losses)	\$ (931)	\$ 14,856	\$ 4,977
Program Expenses	\$ 7,220	\$ 7,003	\$ 10,394
Fund Raising Expenses	\$ 886	\$ 910	\$ 916
Management & General Expenses	\$ 1,434	\$ 1,687	\$ 1,318
Total Expenses	\$ 9,540	\$ 9,600	\$ 12,628
Statement of Cash Flows	2003	2004	2005
Cash flows from operating activities:			
Change in net assets	\$ (10,794)	\$ 5,256	\$ (7,650)
Adjustments to reconcile change in net assets			
Realized and unrealized (gains) losses securities	\$ 6,474	\$ (4,842)	\$ (223)
Depreciation and amortization	\$ 2,994	\$ 3,000	\$ 598
Loss on uncollectible pledges	\$ 322		
Changes in operating assets and liabilities:			
Increases in receivables	\$ 678	\$ 25	\$ 45
Decrease (increase) in other assets	\$ 82	\$ (139)	\$ 110
Increases (decrease) in accounts payable/expenses	\$ (131)	\$ 555	\$ 267
Net Cash provided by operating activities	\$ (375)	\$ 3,855	\$ (6,853)
Cash flows from investing activities:			
Purchase of property and equipment	\$ (56)	\$ (12)	\$ (22)
Sales of Investments	\$ 22,051	\$ 11,002	\$ 20,523
Purchases of investments	\$ (21,137)	\$ (15,439)	\$ (13,661)
Net cash used in investing activities	\$ 858	\$ (4,449)	\$ 6,840
Net increase (decrease) in cash	\$ 483	\$ (594)	\$ (13)
Cash at beginning of year	\$ 606	\$ 1,089	\$ 495
Cash at end of year	\$ 1,089	\$ 495	\$ 482
Net Assets			
Unrestricted general fund	\$ 6,770	\$ 2,530	\$ 347
Unrestricted board-designated endowment fund	\$ 30,830	\$ 35,079	\$ 34,241
Temporarily restricted	\$ 162	\$ 5,409	\$ 780
Total ending all assets	\$ 37,762	\$ 43,018	\$ 35,368



**The Statue of Liberty-Ellis Island Foundation, Inc.
Annual Report-Year Ended March 31, 2005**

Information Counts of Activity

	2003	2004	2005
Visitors to Ellis Island	1,410,518	1,449,794	1,518,069
Visitors to Liberty Island	1,820,786	1,859,600	2,400,415
Visitors to AFIHC at Ellis Island	60,000	69,894	93,853
Visitors to web site www.ellisland.org			
"hits"	789 million	815 million	804 million
"unique visitors"	2.4 million	5.9 million	6.0 million
Visitors to web site www.statueofliberty.org (11/03)			
"hits"	n.a.	7.3 million	8.6 million
"unique visitors"	n.a.	73,507	158,187
Education Kits/NPS publications	145,000	225,000	135,000
Enrollees on the American Immigrant Wall of Honor®	5,043	7,907	5,425
Number of employees employed pay period March 12	29	30	38
High number of employees employed pay period July 4	50	48	47

THE STATUE OF LIBERTY-ELLIS ISLAND FOUNDATION, INC.

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