



Lee Enterprises Completes Acquisition of 17 Newspapers

April 1, 2002

DAVENPORT, Iowa, Apr 1, 2002 (BUSINESS WIRE) -- Lee Enterprises, Incorporated (NYSE:LEE), today completed the purchase of 16 daily newspapers from Howard Publications, including one that is jointly owned. Also effective today, Lee gained a half interest in another daily newspaper through its affiliate in Madison, Wis.

The acquisitions raise Lee's daily circulation by more than 75 percent, to more than 1.1 million daily in 45 newspapers across 18 states.

"The strong, common thread among all these incoming newspapers is that they're just like the rest of Lee," said Mary Junck, chairman and chief executive officer. "They're all intensely local. They all serve solid markets that aren't too big. And they all bring well-earned reputations for innovation and growth. In other words, they fit our strategy exactly, and that strategy is to continue building Lee as the pre-eminent newspaper group serving midsize markets."

Junck said Lee plans to transfer its successful advertising and circulation sales programs to the incoming newspapers, as well as intensify initiatives for online growth and niche publications. "The rest of Lee will benefit in turn," she added, "as the new papers have already begun sharing their own long lists of best practices."

Lee's purchase of the Howard stock is valued at \$694 million. Lee paid \$435 million in cash with the remainder in bank borrowing. The purchase, announced in February, is expected to be accretive to earnings per share by 15 cents in the first full fiscal year, beginning Oct. 1, 2002.

The Howard newspapers have daily circulation of 479,000. They are: North County Times, Oceanside and Escondido, Calif; The Times, Munster, Ind.; Sioux City Journal, Sioux City, Iowa (jointly owned with The Hagadone Corporation); Waterloo Courier, Waterloo, Iowa; The Post-Star, Glens Falls, N.Y.; Casper Star-Tribune, Casper, Wyo.; The Times-News, Twin Falls, Idaho; The Daily News, Longview, Wash.; The Times and Democrat, Orangeburg, S.C.; The Journal-Standard, Freeport, Ill.; The Sentinel, Carlisle, Pa.; The Leader, Corning, N.Y.; The Citizen, Auburn, N.Y.; the Journal Gazette, Mattoon, Ill.; the Times-Courier, Charleston, Ill., and The Ledger-Independent, Maysville, Ky.

In another transaction that closed today, Central Wisconsin Newspapers, Inc., a wholly owned subsidiary of Madison Newspapers, Inc., which is 50 percent owned by Lee, acquired the Daily Citizen, a 10,250-circulation daily in Beaver Dam, Wis. The purchase includes two weekly newspapers and five specialty publications. The acquisition, announced in March, extends the reach of the Madison Newspapers cluster to nearly one million readers across 17 counties in central Wisconsin.

Lee Enterprises is based in Davenport, Iowa. In addition to the daily newspapers, Lee also operates nearly 200 weekly newspapers, shoppers and specialty publications, along with associated online services. Its stock is traded on the New York Stock Exchange under the symbol LEE. More information is available at www.lee.net.

The Private Securities Litigation Reform Act of 1995 provides a "Safe Harbor" for forward-looking statements. This release contains information that may be deemed forward-looking and that is based largely on the Company's current expectations and is subject to certain risks, trends and uncertainties that could cause actual results to differ materially from those anticipated. Among such risks, trends and other uncertainties are changes in advertising demand, newsprint prices, interest rates, labor costs, legislative and regulatory rulings and other results of operations or financial conditions, difficulties in integration of acquired business or maintaining employee and customer relationships and increased capital and other costs. The words "may," "will," "would," "could," "believes," "expects," "anticipates," "intends," "plans," "projects," "considers" and similar expressions generally identify forward-looking statements. Readers are cautioned not to place undue reliance on such forward-looking statements, which are made as of the date of this release. The Company does not publicly undertake to update or revise its forward-looking statements.

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