



Lee Enterprises Corrects Errors by The Associated Press

June 23, 2005

DAVENPORT, Iowa--(BUSINESS WIRE)--June 23, 2005--Lee Enterprises, Incorporated (NYSE:LEE), reluctantly issued this unusual news release today correcting errors in a series of six stories distributed Wednesday by The Associated Press after Lee's presentation to analysts at the Mid-Year Media Review in New York City.

Correct information includes:

- Lee's acquisition of Pulitzer Inc. closed June 3. The transition is proceeding smoothly and rapidly.
- Lee has made no forecast about expected impact of the acquisition on stock price.
- Operating cash flow(1) is expected to increase significantly with the acquisition.
- Lee announced on Jan. 30 that the acquisition was expected to lower reported earnings in fiscal 2005, which ends Sept. 30, by 8 to 10 cents per diluted share, due to interest expense and amortization, excluding one-time transition costs. Lee also announced on Jan. 30 that the acquisition was expected to increase free cash flow by about 50 cents per diluted share in fiscal 2006.
- In the expanded company, the former Pulitzer properties account for 39 percent of the revenue. On a pro forma basis, for the last 12 months through March 2005, combined reported revenue of Lee plus Pulitzer was \$1.15 billion.
- Lee's current market capitalization is \$1.9 billion.
- Lee expects circulation to improve.
- Lee's revenue growth continues to exceed the industry average. Total same property advertising revenue is up 5.0 percent year to date through May, and overall same property revenue is up 3.7 percent. On a reported basis, which includes the impact of acquisitions and divestitures not including Pulitzer, Lee overall revenue is up 5.1 percent. Pulitzer becomes part of Lee's financial statements beginning in June.
- Classified revenue, led by employment and real estate advertising, has been strong, up 5.3 percent on a same property basis through May, and company-wide initiatives have softened the impact of the auto advertising slowdown.
- Operating cash flow (1) is up more than 7 percent year to date through March.
- Despite rising newsprint prices, cash costs have risen only moderately, up 3.2 percent year to date through March.
- Acquisition of Howard Publications in 2002 increased Lee's daily circulation by about 75 percent and Lee's revenue by about 50 percent. In comparison, Pulitzer increases Lee's daily circulation by about 50 percent and revenue by about 60 percent.

Text, slides and an audio replay of Lee's presentation is available at www.lee.net.

With the acquisition of Pulitzer, Lee owns 52 daily newspapers and a joint interest in six others. Lee also operates associated online services and more than 300 weekly newspapers, shoppers and classified and specialty publications. Lee is based in Davenport, Iowa, and its stock is traded on the New York Stock Exchange under the symbol LEE. More information about Lee Enterprises is available at www.lee.net.

(1) Operating cash flow, which is defined as operating income before depreciation, amortization and equity in net income of associated companies, is a non-GAAP financial measure. For additional information, please see Lee's Form 10-Q or 10-K filings.

FORWARD-LOOKING STATEMENTS

The Private Securities Litigation Reform Act of 1995 provides a "Safe Harbor" for forward-looking statements. This report 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 businesses 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 report. The Company does not publicly undertake to update or revise its forward-looking statements.

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