

FORM 8-K

CURRENT REPORT

PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported): August 9, 2019

LEE ENTERPRISES, INCORPORATED

(Exact name of Registrant as specified in its charter)

Commission File Number 1-6227

Delaware
(State of Incorporation)

42-0823980
(I.R.S. Employer Identification No.)

201 N. Harrison Street, Davenport, Iowa 52801
(Address of Principal Executive Offices)

(563) 383-2100
Registrant's telephone number, including area code

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value \$.01 per share	LEE	New York Stock Exchange

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the Registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the Registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 7.01. Regulation FD Disclosure.

The supplemental financial information is furnished as **Exhibit 99.1** to this Form 8-K and is hereby incorporated by reference. The information in this report shall not be treated as filed for purposes of the Securities Exchange Act of 1934, as amended.

Lee Legacy only and Pulitzer Inc. ("Pulitzer") only supplemental financial information is being provided because it is a required reporting covenant in the debt agreements of the Company. Lee Legacy constitutes the business of the Company, including its 50% interest in Madison Newspapers, Inc. ("MNI"), but excluding Pulitzer and the Company's 50% interest in TNI Partners ("TNI").

The Lee Legacy and Pulitzer separate income statement presentations are not prepared in accordance with Generally Accepted Accounting Principles ("GAAP") as non-operating income (expense) and income tax expense are allocations of the consolidated balances and have not been prepared in accordance with Accounting Standards Codification 280: *Segment Reporting*. This presentation is only intended to be used for purposes of complying with covenants under the Company's debt agreements and should not be used as a substitute for the Company's consolidated financial statements prepared in accordance with GAAP. Refer to the Company's consolidated financial statements prepared in accordance with GAAP as periodically filed on Form 10-Q and Form 10-K with the Securities and Exchange Commission.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

99.1 [Supplemental Financial Information – Third fiscal quarter ended June 30, 2019](#)

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 thereunto duly authorized.

LEE ENTERPRISES, INCORPORATED

Date: August 9, 2019

By: /s/ Timothy R. Millage

Timothy R. Millage
Vice President, Chief Financial Officer and
Treasurer

Exhibit 99.1 - Supplemental Financial Information – Third fiscal quarter ended June 30, 2019.



201 N. Harrison St.
Davenport, IA 52801
www.lee.net

Quarter Ended (unaudited)

(in thousands)	June 30, 2019			June 24, 2018		
	Consolidated	Lee Legacy	Pulitzer Inc.	Consolidated	Lee Legacy	Pulitzer Inc.
Operating revenue:						
Advertising and marketing services	65,754	45,311	20,443	73,538	51,195	22,343
Subscription	46,620	31,949	14,671	48,165	33,438	14,727
Other	14,910	13,235	1,675	10,915	9,216	1,699
Total operating revenue	127,284	90,495	36,789	132,618	93,849	38,769
Operating expenses:						
Compensation	45,373	34,233	11,140	48,570	36,330	12,240
Newsprint and ink	5,230	3,513	1,717	6,442	4,616	1,826
Other operating expenses	48,157	29,161	18,996	49,159	29,325	19,834
Depreciation and amortization	7,347	4,800	2,547	7,904	5,133	2,771
Assets loss (gain) on sales, impairments, and other	(195)	(97)	(98)	101	101	—
Restructuring costs and other	2,792	1,950	842	1,865	1,502	363
Total operating expenses	108,704	73,560	35,144	114,041	77,007	37,034
Equity in earnings of associated companies	1,451	505	946	1,578	695	883
Operating income	20,031	17,440	2,591	20,155	17,537	2,618
Non-operating income (expense), net	(12,354)	(15,893)	3,539	(13,433)	(16,553)	3,120
Income tax expense (benefit)	1,505	(28)	1,533	1,972	(112)	2,084
Net income	6,172	1,575	4,597	4,750	1,096	3,654

Adjusted EBITDA is a non-GAAP financial measure. Below is a reconciliation of adjusted EBITDA to net income, the most directly comparable measure under GAAP:

Net Income	6,172	1,575	4,597	4,750	1,096	3,654
Adjusted to exclude						
Non-operating expenses (income), net	12,354	15,893	(3,539)	13,433	16,553	(3,120)
Income tax expense (benefit)	1,505	(28)	1,533	1,972	(112)	2,084
Equity in earnings of TNI and MNI	(1,451)	(505)	(946)	(1,578)	(695)	(883)
Depreciation and amortization	7,347	4,800	2,547	7,904	5,133	2,771
Assets loss (gain) on sales, impairments, and other	(195)	(97)	(98)	101	101	—
Restructuring costs and other	2,792	1,950	842	1,865	1,502	363
Stock compensation	321	321	—	425	425	—
Add:						
Ownership share of TNI and MNI EBITDA (50%)	1,806	755	1,051	2,189	1,202	987
Adjusted EBITDA	30,651	24,664	5,987	31,061	25,205	5,856

Supplemental cash flow information

Distributions from MNI and TNI	1,581	850	731	1,677	500	1,177
Capital expenditures	(1,294)	(1,086)	(208)	(1,827)	(1,191)	(636)
Cash income tax payments	(2,406)	(2,406)	—	(145)	(135)	(10)
Interest income	164	(2,665)	2,829	113	(2,299)	2,412
Interest to be settled in cash	(11,860)	(9,196)	(2,664)	(12,913)	(9,758)	(3,155)
Debt financing and administrative costs	(890)	(890)	—	(427)	(427)	—

Year Ended (unaudited)

(in thousands)	June 30, 2019			June 24, 2018		
	Consolidated	Lee Legacy	Pulitzer Inc.	Consolidated	Lee Legacy	Pulitzer Inc.
Operating revenue:						
Advertising and marketing services	204,651	141,802	62,849	229,751	160,563	69,188
Subscription	137,965	95,041	42,924	142,405	98,405	44,000
Other	43,573	38,968	4,605	32,052	26,750	5,302
Total operating revenue	386,189	275,811	110,378	404,208	285,718	118,490
Operating expenses:						
Compensation	140,197	105,473	34,724	149,551	112,589	36,962
Newsprint and ink	17,394	11,927	5,467	17,920	12,754	5,166
Other operating expenses	145,915	89,549	56,366	148,830	89,526	59,304
Depreciation and amortization	22,263	14,518	7,745	23,973	15,595	8,378
Assets loss (gain) on sales, impairments, and other	(212)	(114)	(98)	(1,197)	(1,170)	(27)
Restructuring costs and other	5,612	3,823	1,789	4,150	3,566	584
Total operating expenses	331,169	225,176	105,993	343,227	232,860	110,367
Equity in earnings of associated companies	5,298	1,702	3,596	5,569	2,023	3,546
Operating income	60,318	52,337	7,981	66,550	54,881	11,669
Non-operating income (expense), net	(39,579)	(50,163)	10,584	(40,730)	(49,512)	8,782
Income tax expense (benefit)	6,175	1,534	4,641	(16,791)	(24,219)	7,428
Net income	14,564	640	13,924	42,611	29,588	13,023

Adjusted EBITDA is a non-GAAP financial measure. Below is a reconciliation of adjusted EBITDA to net income, the most directly comparable measure under GAAP:

Net Income	14,564	640	13,924	42,611	29,588	13,023
Adjusted to exclude						
Non-operating expenses (income), net	39,579	50,163	(10,584)	40,730	49,512	(8,782)
Income tax expense (benefit)	6,175	1,534	4,641	(16,791)	(24,219)	7,428
Equity in earnings of TNI and MNI	(5,298)	(1,702)	(3,596)	(5,569)	(2,023)	(3,546)
Depreciation and amortization	22,263	14,518	7,745	23,973	15,595	8,378
Assets loss (gain) on sales, impairments, and other	(212)	(114)	(98)	(1,197)	(1,170)	(27)
Restructuring costs and other	5,612	3,823	1,789	4,150	3,566	584
Stock compensation	1,209	1,209	—	1,441	1,441	—
Add:						
Ownership share of TNI and MNI EBITDA (50%)	6,486	2,577	3,909	7,433	3,574	3,859
Adjusted EBITDA	90,378	72,648	17,730	96,781	75,864	20,917

Supplemental cash flow information:

Distributions from MNI and TNI	5,588	2,350	3,238	6,875	2,500	4,375
Capital expenditures	(3,753)	(3,188)	(565)	(4,281)	(3,131)	(1,150)
Cash income tax payments	(6,342)	(6,343)	1	(429)	(364)	(65)
Interest income	490	(7,959)	8,449	335	(6,144)	6,479
Interest to be settled in cash	(36,256)	(28,075)	(8,181)	(39,837)	(29,941)	(9,896)
Debt financing and administrative costs	(1,149)	(1,149)	—	(432)	(432)	—