

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

## 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): May 4, 2018

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# LEE ENTERPRISES, INCORPORATED

(Exact name of Registrant as specified in its charter)

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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

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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 – Second fiscal quarter ended March 25, 2018](#)

**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: May 4, 2018

By: /s/ Timothy R. Millage

Timothy R. Millage

Acting Principal Financial and Accounting

Officer



201 N. Harrison St.  
Davenport, IA 52801  
[www.lee.net](http://www.lee.net)

**13 Weeks Ended (unaudited)**

(in thousands)	March 25, 2018			March 26, 2017		
	Consolidated	Lee Legacy	Pulitzer Inc.	Consolidated	Lee Legacy	Pulitzer Inc.
<b>Operating revenue:</b>						
Advertising and marketing services	71,553	50,292	21,261	77,533	54,601	22,932
Subscription	45,972	32,055	13,917	45,009	31,349	13,660
Other	10,280	8,519	1,761	10,845	8,981	1,864
<b>Total operating revenue</b>	<b>127,805</b>	<b>90,866</b>	<b>36,939</b>	<b>133,387</b>	<b>94,931</b>	<b>38,456</b>
<b>Operating expenses:</b>						
Compensation	48,656	37,253	11,403	52,414	40,138	12,276
Newsprint and ink	5,640	4,027	1,613	6,200	4,279	1,921
Other operating expenses	49,315	30,036	19,279	48,756	28,232	20,524
Depreciation and amortization	8,016	5,226	2,790	10,318	7,391	2,927
Gain on sale of assets and other, net	(1,300)	(1,272)	(28)	(3,783)	(3,714)	(69)
Workforce adjustments and other	1,816	1,741	75	2,405	1,560	845
<b>Total operating expenses</b>	<b>112,143</b>	<b>77,011</b>	<b>35,132</b>	<b>116,310</b>	<b>77,886</b>	<b>38,424</b>
Equity in earnings of associated companies	1,608	464	1,144	1,729	465	1,264
<b>Operating income</b>	<b>17,270</b>	<b>14,319</b>	<b>2,951</b>	<b>18,806</b>	<b>17,510</b>	<b>1,296</b>
Non-operating income (expense), net	(13,810)	(16,011)	2,201	(11,285)	(12,152)	867
Income tax expense (benefit)	927	(944)	1,871	1,144	359	785
<b>Net income</b>	<b>2,533</b>	<b>(748)</b>	<b>3,281</b>	<b>6,377</b>	<b>4,999</b>	<b>1,378</b>

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	2,533	(748)	3,281	6,377	4,999	1,378
<b>Adjusted to exclude</b>						
Non-operating expenses (income), net	13,810	16,011	(2,201)	11,285	12,152	(867)
Income tax expense (benefit)	927	(944)	1,871	1,144	359	785
Equity in earnings of TNI and MNI	(1,608)	(464)	(1,144)	(1,729)	(465)	(1,264)
Depreciation and amortization	8,016	5,226	2,790	10,318	7,391	2,927
Gain on sale of assets and other, net	(1,300)	(1,272)	(28)	(3,783)	(3,714)	(69)
Workforce adjustments and other	1,816	1,741	75	2,405	1,560	845
Stock compensation	497	497	—	559	559	—
<b>Add:</b>						
Ownership share of TNI and MNI EBITDA (50%)	2,086	838	1,248	2,220	852	1,368
<b>Adjusted EBITDA</b>	<b>26,777</b>	<b>20,885</b>	<b>5,892</b>	<b>28,796</b>	<b>23,693</b>	<b>5,103</b>

**Supplemental cash flow information**

Distributions from MNI and TNI	2,881	1,250	1,631	2,437	1,000	1,437
Capital expenditures	(1,350)	(1,051)	(299)	(990)	(954)	(36)
Cash income tax refunds (payments)	(175)	(165)	(10)	(269)	(269)	—
Interest income	126	(2,075)	2,201	109	109	—
Interest to be settled in cash	(3,257)	—	(3,257)	(14,637)	(10,747)	(3,890)
Debt financing and administrative costs	(1)	(1)	—	—	—	—

**26 Weeks Ended (unaudited)**

(in thousands)	March 25, 2018			March 26, 2017		
	Consolidated	Lee Legacy	Pulitzer Inc.	Consolidated	Lee Legacy	Pulitzer Inc.
<b>Operating revenue:</b>						
Advertising and marketing services	156,213	109,368	46,845	170,568	118,706	51,862
Subscription	94,241	64,968	29,273	93,896	65,366	28,530
Other	21,136	17,533	3,603	22,912	18,970	3,942
<b>Total operating revenue</b>	<b>271,590</b>	<b>191,869</b>	<b>79,721</b>	<b>287,376</b>	<b>203,042</b>	<b>84,334</b>
<b>Operating expenses:</b>						
Compensation	99,567	76,261	23,306	107,470	82,191	25,279
Newsprint and ink	11,478	8,138	3,340	13,093	9,181	3,912
Other operating expenses	99,671	60,201	39,470	101,533	59,456	42,077
Depreciation and amortization	16,068	10,461	5,607	20,698	14,801	5,897
Gain on sale of assets and other, net	(1,297)	(1,270)	(27)	(3,716)	(3,715)	(1)
Workforce adjustments and other	2,284	2,063	221	2,470	1,622	848
<b>Total operating expenses</b>	<b>227,771</b>	<b>155,854</b>	<b>71,917</b>	<b>241,548</b>	<b>163,536</b>	<b>78,012</b>
Equity in earnings of associated companies	3,991	1,328	2,663	4,417	1,600	2,817
<b>Operating income</b>	<b>47,810</b>	<b>37,343</b>	<b>10,467</b>	<b>50,245</b>	<b>41,106</b>	<b>9,139</b>
Non-operating income (expense), net	(28,713)	(32,959)	4,246	(24,017)	(25,727)	1,710
Income tax expense (benefit)	(18,763)	(24,107)	5,344	7,410	3,470	3,940
<b>Net income</b>	<b>37,860</b>	<b>28,491</b>	<b>9,369</b>	<b>18,818</b>	<b>11,909</b>	<b>6,909</b>

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	37,860	28,491	9,369	18,818	11,909	6,909
<b>Adjusted to exclude</b>						
Non-operating expenses (income), net	28,713	32,959	(4,246)	24,017	25,727	(1,710)
Income tax expense (benefit)	(18,763)	(24,107)	5,344	7,410	3,470	3,940
Equity in earnings of TNI and MNI	(3,991)	(203)	(3,788)	(4,417)	(1,600)	(2,817)
Depreciation and amortization	16,068	10,461	5,607	20,698	14,801	5,897
Gain on sale of assets and other, net	(1,297)	(1,270)	(27)	(3,716)	(3,715)	(1)
Workforce adjustments and other	2,284	2,063	221	2,470	1,622	848
Stock compensation	1,016	1,016	—	1,083	1,083	—
<b>Add:</b>						
Ownership share of TNI and MNI EBITDA (50%)	5,245	2,373	2,872	5,696	2,670	3,026
<b>Adjusted EBITDA</b>	<b>67,135</b>	<b>51,783</b>	<b>15,352</b>	<b>72,059</b>	<b>55,967</b>	<b>16,092</b>

**Supplemental cash flow information:**

Distributions from MNI and TNI	5,198	2,000	3,198	4,670	2,250	2,420
Capital expenditures	(2,452)	(1,940)	(512)	(2,079)	(1,879)	(200)
Cash income tax refunds (payments)	(284)	(251)	(33)	(639)	(643)	4
Interest income	222	(3,845)	4,067	184	184	—
Interest to be settled in cash	(6,742)	—	(6,742)	(29,588)	(21,797)	(7,791)
Debt financing and administrative costs	(5)	(5)	—	—	—	—