

LEE ENTERPRISES, INCORPORATED
400 Putnam Building
215 N. Main Street
Davenport, IA 52801-1924

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

January 26, 1999

TO THE STOCKHOLDERS:

The Annual Meeting of Stockholders of Lee Enterprises, Incorporated, a Delaware corporation (the "Company"), will be held in the second floor conference room of the offices of the Company, 215 N. Main Street, Davenport, Iowa, on January 26, 1999, at 9:00 AM, for the following purposes:

- (1) To elect three directors for terms of three years, and one director for a term of one year;
- (2) To take action on a proposal to amend, restate and extend the Company's 1990 Long Term Incentive Plan; and
- (3) To transact such other business as may properly come before the meeting or any adjournment thereof.

The Board of Directors has fixed December 1, 1998 as the record date for the determination of stockholders entitled to notice of and to vote at the meeting.

You are invited to attend this meeting; however, if you do not expect to attend in person you are urged to execute and return immediately the enclosed proxy, which is solicited by the Board of Directors. You may revoke your proxy and vote in person should you attend the meeting.

/s/C. D. Waterman III, Secretary

Davenport, Iowa
December 29, 1998

LEE ENTERPRISES, INCORPORATED
1999 ANNUAL MEETING OF STOCKHOLDERS

PROXY STATEMENT

This Proxy Statement is furnished in connection with the solicitation of proxies by the Board of Directors of Lee Enterprises, Incorporated (the "Company") to be voted at the annual meeting of the stockholders of the Company to be held on Tuesday, January 26, 1999, or at any adjournment thereof, for the purposes set forth in the foregoing Notice of Annual Meeting.

The principal executive offices of the Company are located at 400 Putnam Building, 215 N. Main Street, Davenport, Iowa 52801. This Proxy Statement and the enclosed form of proxy are being mailed to stockholders on or about December 29, 1998, together with a copy of the Company's Annual Report for the fiscal year ended September 30, 1998.

VOTING PROCEDURES

Stockholders of record at the close of business on December 1, 1998 will be entitled to vote at the meeting or any adjournment thereof. As of December 1, 1998, there were 32,787,354 shares of Common Stock and 11,573,584 shares of Class B Common Stock outstanding. Each share of Common Stock is entitled to one vote at the meeting; each share of Class B Common Stock is entitled to ten votes at the meeting.

The presence, in person or by proxy, of a majority of the voting power of Common Stock and Class B Common Stock of the Company issued and outstanding and entitled to vote is necessary to constitute a quorum at the annual meeting. The affirmative vote of the holders of a plurality of the voting power of Common Stock and Class B Common Stock represented in person or by proxy at the annual meeting is required to elect directors, and the affirmative vote of the holders of a majority of the voting power of Common Stock and Class B Common Stock represented at the meeting is required to act on any other matter properly brought before the meeting.

Abstentions from voting will be included for purposes of determining whether the requisite number of affirmative votes are received on any matters other than the election of directors submitted to the stockholders for vote and, accordingly, will have the same effect as a vote against such matters. If a broker indicates on the proxy that it does not have discretionary authority as to certain shares to vote on a particular matter, those shares will be considered as present and entitled to vote, but will have no effect on the vote, in respect to that matter.

In voting by proxy with regard to the election of directors, stockholders may

vote in favor of all nominees, withhold their votes as to all nominees, or withhold their votes as to specific nominees. Stockholders should specify their choices on the accompanying proxy card. All properly executed proxy cards delivered by stockholders to the Company and not revoked will be voted at the annual meeting in accordance with the directions given. If no specific instructions are given with regard to the matters to be voted upon, the shares represented by a signed proxy card will be voted "FOR" the election of all directors and the proposal to amend, restate and extend the Company's 1990 Long Term Incentive Plan as more fully set forth in this Proxy Statement. If any other matters properly come before the annual meeting, the persons named as proxies will vote upon such matters according to their judgment.

Any stockholder delivering a proxy has the power to revoke it at any time before it is voted by giving written notice to the Secretary of the Company, by executing and delivering to the Secretary a proxy card bearing a later date, or by voting in person at the annual meeting.

PROPOSAL 1
ELECTION OF DIRECTORS

Three directors are to be elected at the annual meeting to hold office for three-year terms expiring at the annual meeting of stockholders in 2002, and one director is to be elected for a one-year term expiring at the annual meeting of stockholders in 2000. Each of the individuals named below is a nominee of the Nominating Committee of the Board of Directors; each is presently a director whose current term expires January 26, 1999. Richard W. Sonnenfeldt, a director of the Company since 1982, is retiring at the annual meeting and will not stand for re-election. The Board of Directors does not currently plan to fill his vacancy and, effective as of the annual meeting date, the number of directors will be reduced to eleven.

Proxies will be voted for the election of these nominees unless the stockholder giving the proxy withholds such authority. If as a result of circumstances not now known any of such nominees shall be unable to serve as a director, proxies will be voted for the election of such other person as the Board of Directors may select. Information about the nominees and directors continuing office is set forth below:

NOMINEES FOR ELECTION AS DIRECTORS

Nominee	Principal Occupation	Age	Proposed Term	Director Since
Rance E. Crain	President, Crain Communications (2)	60	3 years (2002)	1990
Richard D. Gottlieb	President and Chief Executive Officer (1)	56	3 years (2002)	1986
Phyllis Sewell	Retired (2) (4)	68	3 years (2002)	1977
Lloyd G. Schermer	Chairman of the Board (1)	72	1 year (2000)	1959

DIRECTORS CONTINUING IN OFFICE

Director	Principal Occupation	Age	Remaining Term	Director Since
Gordon D. Prichett	Department Chairman, Babson College	57	2 years (2001)	1998
William E. Mayer	Partner, Development Capital	58	2 years (2001)	1998
Andrew E. Newman	Chairman and CEO, Race Rock International (2)	54	2 years (2001)	1991
Ronald L. Rickman	President-Publishing Group	60	2 years (2001)	1986
J.P. Guerin	Investor (1) (3)	69	1 year (2000)	1985
Charles E. Rickershauser, Jr.	Chairman and CEO, PS Group Holdings, Inc. (3) (4)	70	1 year (2000)	1990
Mark Vittert	Investor (2) (4)	50	1 year (2000)	1986

- (1) Member of Executive Committee
- (2) Member of Executive Compensation Committee
- (3) Member of Audit Committee
- (4) Member of Nominating Committee

Mr. Crain is the President and Editorial Director of Crain Communications, a diversified publishing company with its principal offices in Chicago, IL.

Mr. Gottlieb has been President and Chief Executive Officer of the Company for more than the past 5 years.

Mrs. Sewell is a director of Pitney Bowes Inc., Stamford, CT and SYSCO Corporation, Houston, TX.

Mr. Schermer has been Chairman of the Board of the Company for more than the past 5 years. Mr. Schermer is the father of Gregory P. Schermer, Vice President-Interactive Media and Corporate Counsel of the Company.

Mr. Prichett is Chairman of Mathematics, Statistics and Information Systems at Babson College, Babson Park, MA.

Mr. Mayer is a partner in Development Capital, LLC, a private investment firm, New York, NY. He is also a director of Johns Manville Corporation, Hambrecht & Quist Group, and a trustee of the Colonial Mutual Funds.

Mr. Newman is Chairman and Chief Executive Officer of Race Rock International, St. Louis, MO. He was Chairman of Edison Brothers Stores, Inc. until April 1995. He is a director of Sigma-Aldrich Corporation, St. Louis, MO. On November 3, 1995, Edison Brothers Stores, Inc. filed a petition for reorganization under Chapter XI of the United States Bankruptcy Code in Wilmington, Delaware. On September 26, 1997, following confirmation of its reorganization plan, the proceedings were terminated.

Mr. Rickman was elected President-Publishing Group of the Company on November 18, 1997. For more than 5 years prior thereto, he was Vice President-Newspapers of the Company.

Mr. Guerin is Vice-Chairman of Daily Journal Company, Los Angeles, CA and of PS Group Holdings, Inc., San Diego, CA.

Mr. Rickershauser is Chairman and Chief Executive Officer of PS Group Holdings, Inc., San Diego, CA. He is also a director of City National Corporation.

Mr. Vittert is a private investor and a director of PremiumWear, Minneapolis, MN

DIRECTORS' MEETINGS AND COMMITTEES OF THE BOARD OF DIRECTORS

The Company's Board of Directors met four times in fiscal 1998.

The Company's Audit Committee met three times in fiscal 1998; its functions are to review the scope, timing and other considerations relative to the independent auditors' annual examination of financial statements and the adequacy of internal control and the internal audit functions; and to evaluate the performance of external and internal auditors and the Company's accounting and financial departments. In addition, the Committee reviews professional services provided by the Company's independent auditors, in general, prior to rendering of such services, and the possible effect of any nonaudit-related services upon the independence of the Company's independent auditors.

The Company's Nominating Committee met two times in fiscal year 1998; its functions are to consider and recommend to the Board all nominees for possible election and re-election to the Board, and to consider all matters relating to the size, composition and governance of the Board and the general subject matter, size and composition of board committees. The Nominating Committee will consider nominees recommended by the stockholders. Recommendations should be sent to Charles E. Rickershauser, Jr., Chairman, Nominating Committee, c/o the Company, at the address shown on the cover of this Proxy Statement.

The Company's Executive Compensation Committee met one time in fiscal 1998; its functions are to administer the Company's Retirement Account and Supplementary Benefit Plans and the 1990 Long Term Incentive Plan; to establish salary ranges and salaries, bonus formulae and bonuses, and participation in other benefit plans or programs, for elected officers; to review employment terminations involving payment to any individual in excess of \$150,000, and to approve employment contracts for executives extending beyond one year; and to approve the position description, performance standards and key result areas for bonus criteria for the Chief Executive Officer of the Company and to measure his performance thereunder. In addition, the Committee recommends to the Board of Directors significant employee benefit programs and bonus or other benefit plans affecting individuals on the executive payroll other than elected officers.

No incumbent director attended fewer than 75% of the aggregate of (1) the total number of meetings of the Board of Directors and (2) the total number of meetings held by all committees of the Board on which he or she served during 1998.

COMPENSATION OF DIRECTORS

No Company employee receives any remuneration for acting as a director. In fiscal 1998 Messrs. Newman, Vittert, Crain, Rickershauser, Guerin, Schermer and Sonnenfeldt and Mrs. Sewell were paid a \$24,400 annual retainer, \$1,000 for each Board meeting attended, \$700 for each Committee meeting attended and \$350 for each special telephone meeting. Committee chairs were also paid \$3,000 extra as an annual retainer for acting as such. In fiscal 1998, Mr. Prichett received a pro rata share of the \$24,400 annual retainer and Board and Committee fees for each meeting attended. Mr. Mayer was not a director in fiscal 1998 and received no remuneration from the Company during this fiscal year. Mr. Schermer received an additional stipend of \$50,000 for his services as Chairman of the Board. Directors engaged to provide consultative services are normally compensated at the rate of \$1,500 per diem. No non-employee director was paid additional compensation for consultative services in fiscal 1998.

In February 1996 the stockholders of the Company adopted the Stock Plan for Non-Employee Directors. Under the plan, non-employee directors receive an annual grant of 500 shares of Common Stock, and may elect to receive all or 50% of the cash retainer and meeting fees described above in Common Stock of the Company.

The Board of Directors has authorized non-employee directors, prior to the beginning of any Company fiscal year, to elect to defer receipt of all or any part of the compensation a director might earn during such year. Amounts so deferred will be paid to the director upon his or her ceasing to be a director or upon attaining any specified age between 60 and 70, together with interest thereon at the average rate of interest earned by the Company on its invested funds during each year. Alternatively, directors may elect to have deferred compensation credited to a "rabbi trust" established by the Company with an independent trustee, which administers the investment of amounts so credited for the benefit and at the direction of the trust beneficiaries until their accounts are distributed under the deferred compensation plan.

The Company also matches, on a dollar-for-dollar basis up to \$5,000 annually, charitable contributions made by directors.

EQUITY SECURITIES AND PRINCIPAL HOLDERS THEREOF

The following table sets forth information as of December 1, 1998 as to each person known by the Company to own beneficially more than five (5%) percent of the Common Stock or Class B Common Stock of the Company.

Beneficial Owners	Common Stock	Percent of Class	Class B Common Stock	Percent of Class
Ariel Capital Management, Inc. 307 North Michigan Avenue Chicago, IL 60601	1,766,245	5.39%	---	---
Harris Associates, L.P. Two North LaSalle St. Suite 500 Chicago, IL 60602	4,538,732	13.85%	---	---
Journal Limited Partnership 4230 So. 33rd Street Lincoln, NE 68506	2,216,435	6.76%	---	---
Reich & Tang Asset Management, L.P. 600 Fifth Avenue 8th Floor New York, NY 10020	1,682,363	5.13 %	---	---
Lloyd G. Schermer (1) c/o Lee Enterprises, Incorporated 215 N. Main Street Davenport, IA 52801	219,742	.67%	1,182,586	10.22%
Betty A. Schermer (2) c/o Lee Enterprises, Incorporated 215 N. Main Street Davenport, IA 52801	---	---	1,171,354	10.12%

(1) Includes (i) 109,722 Common and 403,028 Class B Common shares owned by a trust as to which Lloyd G. Schermer retains sole voting and investment powers; (ii) 82,210 Class B Common shares held by a charitable foundation as to which Lloyd G. Schermer has shared voting and investment power; (iii) 348,838 Class B Common shares held by a charitable trust as to which Lloyd G. Schermer has sole voting and shared investment power; and (iv) 110,020 Common and 110,020 Class B Common shares held by a trust and 238,490 Class B Common shares held by a charitable foundation as to which Lloyd G. Schermer shares voting and investment powers. Lloyd G. Schermer disclaims beneficial ownership of 110,020 Common and 779,558 Class B Common shares listed above, and of the Common and Class B Common shares beneficially owned by Betty A. Schermer listed above and described in footnote (2) below.

(2) Includes (i) 850,654 Class B Common shares owned by trusts under which Betty A. Schermer has sole voting and investment powers; (ii) 238,490 Class B Common shares owned by a charitable trust as to which Betty A. Schermer shares voting and investment powers, but disclaims all beneficial ownership; and (iii) 82,210 Class B Common shares held by a charitable foundation as to which Betty A. Schermer has shared voting and investment power, but disclaims all beneficial ownership. Betty A. Schermer also disclaims beneficial ownership of all Common and Class B Common shares beneficially owned by Lloyd G. Schermer listed and described in footnote (1) above.

The following table sets forth information as to the Common Stock and Class B Common Stock of the Company beneficially owned as of December 1, 1998 by each director, each of the named executive officers listed in the Summary Compensation Table below, and by all directors and executive officers as a group:

Name and Address of Beneficial Owner	Common Stock	Percent of Class	Class B Common Stock	Percent of Class
Richard F. Anderson(2) c/o Lee Enterprises, Incorporated 400 Putnam Bldg. Davenport, IA 52801	4,525	*	---	---
Larry L. Bloom (2) c/o Lee Enterprises, Incorporated 400 Putnam Bldg. Davenport, IA 52801	52,877	*	---	---
Rance E. Crain c/o Lee Enterprises, Incorporated 400 Putnam Bldg. Davenport, IA 52801	6,233	*	---	---
Richard D. Gottlieb (1)(2) c/o Lee Enterprises, Incorporated 400 Putnam Bldg. Davenport, IA 52801	510,536	1.56%	119,448	1.03%
J. P. Guerin (1) c/o Lee Enterprises, Incorporated 400 Putnam Bldg. Davenport, IA 52801	1,500	*	106,814	*
William E. Mayer c/o Lee Enterprises, Incorporated 400 Putnam Bldg. Davenport, IA 52801	---	*	---	*
Andrew E. Newman c/o Lee Enterprises, Incorporated 400 Putnam Bldg. Davenport, IA 52801	3,500	*	---	---
Gordon D. Prichett c/o Lee Enterprises, Incorporated 400 Putnam Bldg. Davenport, IA 52801	1,600	*	---	---
Charles E. Rickershauser, Jr. c/o Lee Enterprises, Incorporated 400 Putnam Bldg. Davenport, IA 52801	3,500	*	---	---
Ronald L. Rickman (2) c/o Lee Enterprises, Incorporated 400 Putnam Bldg. Davenport, IA 52801	272,659	*	79,746	*
Lloyd G. Schermer (1)(2) c/o Lee Enterprises, Incorporated 400 Putnam Building Davenport, IA 52801	219,742	*	2,033,240	17.57%
Gary N. Schmedding (1)(2) c/o Lee Enterprises, Incorporated 400 Putnam Bldg. Davenport, IA 52801	222,141	*	9,064	*
Phyllis Sewell c/o Lee Enterprises, Incorporated 400 Putnam Bldg. Davenport, IA 52801	3,400	*	2,900	*
Richard W. Sonnenfeldt(3) c/o Lee Enterprises, Incorporated 400 Putnam Bldg. Davenport, IA 52801	3,300	*	200	*
Mark Vittert	3,500	*	---	---

c/o Lee Enterprises,
Incorporated
400 Putnam Bldg.
Davenport, IA 52801

All present executive officers and directors as a group (20)	1,683,010	5.14%	2,941,400	25.41%
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* Less than one (1%) percent of the class.

- (1) The following directors and officers disclaim beneficial ownership of the following shares, included above, not owned personally by them or held for their benefit: Schermer, 110,020 Common Stock, 1,630,212 Class B Common Stock; Gottlieb, 18,341 Common Stock, 33,873 Class B Common Stock; Guerin, 2,850 Class B Common Stock; Schmedding, 6,538 Common Stock.
- (2) This table includes the following shares of common stock subject to acquisition within 60 days by the exercise of outstanding stock options: Gottlieb, 415,100 Common Stock; Rickman, 206,376 Common Stock; Schmedding, 187,652 Common Stock; Bloom, 41,622 Common Stock; and Anderson, 2,400 Common Stock.
- (3) Non-employee director who is retiring when his current term expires January 26, 1999.

COMPENSATION OF EXECUTIVE OFFICERS

The following tables and discussion summarize the compensation which the Company paid for services rendered in all capacities for the fiscal year ended September 30, 1998 to the chief executive officer of the Company and to each of the four other most highly compensated executive officers of the Company.

Summary Compensation Table

(a) Name and Principal Position	Annual Compensation			(e) Other Annual Compen- sation(\$) (3)	Long-Term Compensation (1)		(h) Payouts LTIP Payouts(\$) (6)	(i) All Other Compen- sation(\$) (7)
	(b) Year	(c) Salary(\$)	(d) Bonus(\$)		(f) Awards Restricted Stock Awards(\$) (4)	(g) Stock Options(#) (5)		
Richard D. Gottlieb President and Chief Executive Officer	1998	\$570,000	\$85,500	\$5,000	\$76,132	17,500	\$157,850	\$106,881
	1997	535,500	250,000	5,000	111,000	26,794 (5)	148,750	129,022
	1996	510,000	153,000	5,000	60,200	20,000	116,350	108,473
Ronald L. Rickman President-Publishing Group	1998	345,000	69,000	5,000	50,981	10,500	84,563	66,067
	1997	335,000	157,450	5,000	74,370	15,000	79,688	79,496
	1996	320,000	102,400	5,000	32,250	10,000	79,431	67,812
Gary N. Schmedding President-Broadcast Group	1998	278,000	69,500	5,000	23,112	7,000	84,563	54,829
	1997	278,000	30,580	5,000	33,300	8,000	79,688	48,422
	1996	265,000	58,300	5,000	32,250	10,000	50,344	51,064
Larry L. Bloom Sr. Vice President-Finance And Chief Financial Officer	1998	257,000	64,250	4,000	35,347	11,122 (5)	56,375	50,392
	1997	247,000	123,620	4,000	51,615	10,000	53,125	58,907
	1996	235,000	77,550	4,000	21,500	7,500	15,663	49,247
Richard F. Anderson(2) President-Pacific Northwest Publishing Group, Inc.	1998	220,000	44,000	0	23,791	5,600	0	40,717
	1997	---	---	---	34,687	8,000	---	---
	1996	---	---	---	---	---	---	---

- (1) The Executive Compensation Committee of the Company meets following the conclusion of the Company's fiscal year to determine, among other things, the amount of the annual bonus to be awarded and the long term compensation grants to be made, if any, for the fiscal year just concluded.

The Summary Compensation Table includes the value of shares of restricted stock and the number of stock option shares granted by the Executive Compensation Committee under the Company's 1990 Long Term Incentive Plan in each of the years indicated for the corresponding fiscal year.

- (2) Mr. Anderson became an executive officer of the Company in October 1997 and became an employee of the Company in September 1997.
- (3) Represents matching payments made by the Company to charitable organization designated by the executive officer.
- (4) The amounts shown represent shares of restricted stock in the following amounts granted to the named individuals in 1996, 1997 and 1998, respectively: Mr. Gottlieb, 2,800, 4,000 and 2,800 shares; Mr. Rickman, 1,500, 2,680 and 1,875 shares; Mr. Schmedding, 1,500, 1,200 and 850 shares; Mr. Bloom, 1,000, 1,860 and 1,300 shares; and Mr. Anderson, 0, 1,250 and 875 shares. The restricted stock awarded in 1996, 1997 and 1998 will vest on the third anniversary of the grant date. Holders of restricted stock are entitled to receive all cash dividends paid in respect thereof during the restricted period. At September 30, 1998, the number and market value of shares of restricted stock (including those awarded in November 1998) held by each of the named executive officers were as follows: Mr. Gottlieb, 9,600 shares (\$247,332); Mr. Rickman, 6,055 shares (\$157,601); Mr. Schmedding, 3,550 shares (\$88,662); Mr. Bloom, 4,160 shares (\$108,462); and Mr. Anderson, 2,125 shares (\$55,117).
- (5) Includes replacement (reload) options awarded at exercise of non-qualified options to Mr. Gottlieb in 1997: 1,794 shares, and Mr. Bloom in 1998: 4,122

shares.

- (6) The amounts shown represent the value at the end of the fiscal year of restricted stock awarded three years prior thereto and vesting within 60 days after the end of the fiscal year.
- (7) The amounts shown represent contributions by the Company on behalf of the named individuals to the Company's Retirement Account Plan and Supplemental Retirement Account.

Option Grants in Last Fiscal Year

Individual Grants

(a) Name	(b) Options Granted	(c) % of Total Options Granted to Employees in Fiscal Year	(d) Exercise Price (\$/Sh)	(e) Expiration Date	(f) Grant Date Present Value(\$)
	(1)				(2)
Richard D. Gottlieb	17,500	11.2%	\$ 27.1875	15-Nov-08	\$116,200
Ronald L. Rickman	10,500	6.7%	27.1875	15-Nov-08	69,720
Gary N. Schmedding	7,000	4.5%	27.1875	15-Nov-08	46,480
Larry L. Bloom	7,000	4.5%	27.1875	15-Nov-08	46,480
	1,229 (3)	0.8%	32.0625	21-Jul-03	8,333
	2,893 (3)	1.9%	32.0625	02-Nov-03	20,048
Richard F. Anderson	5,600	3.6%	27.1875	15-Nov-08	37,184

(1) The options granted to the named individuals were determined by the Executive Compensation Committee following review of each individual's performance in fiscal year 1998, and become exercisable in installments of 30% of the original grant on each of the first and second anniversaries of the grant date and 40% on the third anniversary. All options are for Common Stock and have an exercise price equal to the closing market price of the stock on the grant date. The lesser of 25% or the maximum number of shares permitted by law are designated as incentive stock options, and the balance are non-qualified options. All options were granted under the Company's 1990 Long Term Incentive Plan, the provisions of which, among other things, allow an optionee exercising an option to satisfy the exercise price and withholding tax obligations by electing to have the Company withhold shares of stock otherwise issuable under the option with a fair market value equal to such obligations. The Plan also permits an optionee exercising an option to satisfy the exercise price by delivering previously awarded restricted stock or previously awarded Common Stock. The limitations accompanying the restricted stock remain in effect and apply to the corresponding number of shares issued upon the stock option exercise until they lapse according to their original terms.

(2) The "grant date present value" is a hypothetical value determined using certain assumptions specified under the Black-Scholes Option Pricing Model. The assumptions used in calculating the values are as follows:

Factor	Original Option	Replacement Option	
		July	Nov.
Dividend Yield	2.06%	1.75%	1.75%
Volatility	16.45%	14.4%	14.4%
Risk-Free Interest Rate	5.12%	5.74%	5.74%
Expected life (years)	8	5.5	5.3

The Company's stock options are not transferable, are subject to a risk of forfeiture, and the actual value of the stock options that an executive officer may realize, if any, will depend on the excess of the market price on the date of exercise over the exercise price.

- (3) Replacement (reload) option awarded at exercise of incentive and non-qualified options with payment made with previously owned Common Stock. The exercise price of the replacement option is the closing market price of the Company's Common Stock on the award date, and the replacement option has a term equal to the remaining term of the options exercised.

Aggregated Option Exercises In Last Fiscal Year and Fiscal Year End Option Values

(a) Name	(b) Shares Acquired On Exercise (#)	(c) Value Realized (\$)	(d) Number of Unexercised Options at FY End (#) Exercisable /Unexercisable	(e) Value of Unexercised In-the-Money Options at FY End (\$) Exercisable/ Unexercisable
	(1)	(2)	(3)	(4)
Richard D. Gottlieb	50,000	\$625,000	385,600 72,500	\$4,338,780 160,125
Ronald L. Rickman	-0-	-0-	190,876 40,500	2,132,022 80,063
Gary N. Schmedding	5,000	100,625	174,252 30,000	2,006,139 80,063
Larry L. Bloom	6,400	106,800	30,372 28,250	204,797 60,047
Richard F. Anderson	-0-	-0-	-0- 13,600	-0- -0-

- (1) All options are for Common Stock and were granted under the Company's 1982 Incentive Stock Option Plan or the 1990 Long Term Incentive Plan.

- (2) Market value of underlying securities at exercise date minus the exercise price.

- (3) Options granted under the Company's 1990 Long Term Incentive Plan become exercisable in three installments over a period of three years from the date of grant. The number of unexercisable options shown includes those granted by the Executive Compensation Committee in November 1998 for the fiscal year just concluded.

- (4) Market value of underlying securities at September 30, 1998 (\$25.9375), minus the exercise price.

Long Term Incentive Plans - Awards in Last Fiscal Year

The Executive Compensation Committee made restricted stock awards and stock option grants under the Company's Long Term Incentive Plan in November 1998 which, as to the named executive officers, are shown in the Summary Compensation Table and the table of Option Grants in Last Fiscal Year. The Committee decided in November 1992 not to make any performance unit awards in future fiscal years under the Plan. The Plan, as amended and described in Proposal 2 below, eliminates performance units in future years.

Pension Plans

Under the Company's Retirement Account and Supplementary Benefit Plans, the Company matches employee contributions up to 5% of employee compensation and, in addition, contributes 6.2% of a participant's total compensation plus an additional 5.7% of such compensation in excess of \$68,400. These retirement plans are defined contribution plans and were adopted in 1980 to replace the Company's Pension Plan, a defined benefit plan. The Company and employee contributions are invested and the total amount standing to each employee's credit is paid following his or her retirement. The amounts credited in fiscal 1998 under the Retirement Account and Supplementary Benefit Plans to the accounts of the person listed in the Summary Compensation Table are listed in column (i) thereto.

The Company's Pension Plan was superseded in 1980 by the Retirement Account Plan. Annual benefits under the Pension Plan payable upon retirement at age 65 to the individuals listed in the Summary Compensation Table are follows: Mr. Gottlieb, none; Mr. Rickman, \$11,574; Mr. Schmedding, \$1,367; Mr. Bloom, none;

and Mr. Anderson, none.

Executive Agreements

The Company is obliged under written agreements to pay to Messrs. Gottlieb, Rickman, and Schmedding a multiple of three times the executive officer's base salary in the event of termination of his employment without cause. The Company decided in 1991 not to enter into such agreements in the future with its executive officers.

Change of Control Employment Agreements

After approval of the Board of Directors, the Company entered into employment agreements with its executive officers, including each of the named executive officers, as of May 7, 1998, which become effective upon a change of control or in the event of a termination of employment in anticipation of a change of control. The agreements extend for three years, but renew annually for a new three year period unless the Company gives prior notice of termination. The agreements provide that each such officer is to remain an employee for a three-year period following a change of control of the Company (the "Employment Period"). During the Employment Period, the officer is entitled to (i) an annual base salary, payable monthly in an amount at least equal to his or her highest monthly base salary during the year prior to the change of control, (ii) an annual bonus in an amount at least equal to his or her highest annual bonus in the three years prior to the change of control, and (iii) continued participation in the Company's incentive, savings, retirement and welfare benefit plans. The officer also is entitled to payment of expenses and fringe benefits to the extent paid or provided to (a) such officer prior to the change of control or (b) other peer executives of the Company.

If during the Employment Period, the officer's employment is terminated other than for "Cause" or disability or the officer terminates his or her employment for "Good Reason", including a detrimental change in responsibilities or a reduction in salary or benefits, the officer will be entitled to the following benefits: (i) all accrued and unpaid compensation; (ii) a severance payment equal to three times the sum of such officer's (a) annual base salary, and (b) highest recent annual bonus; (iii) payment equal to the retirement contribution that the officer would have been eligible to receive from the Company under the terms of the Company's Retirement Account Plan and Supplemental Retirement Account (or successor plan or program then in effect), determined as if the officer were fully vested thereunder and had continued (after the date of termination) to be employed for an additional three years at the officer's highest recent annual compensation for purposes of determining the basic contributions and supplemental contributions; (iv) the amount of any forfeited benefits under the Company's Savings Plan; and (v) any legal fees and expenses incurred by the officer in asserting legal rights in connection with the agreement. The officer shall also be entitled to continued welfare benefits for three years and outplacement services. Subject to certain limits on payments, the agreement also requires tax "gross-up" payments to the officer to mitigate any excise tax imposed on the officer under Sections 280G and 4999 of the Internal Revenue Code of 1986, as amended (the "Code"), and any penalties and interest in connection with a change of control. These payments would be in addition to awards of restricted stock, stock options and stock appreciation rights or amounts payable in lieu thereof under the Company's 1990 Long Term Incentive Plan which, in the event of a change of control and subject to certain limitations contained in the agreements, provides for early exercise and vesting and issuance or payment of such awards. The officer is entitled to receive such amounts in a lump-sum payment within 30 days of termination.

A change of control includes certain mergers and acquisitions, liquidation or dissolution of the Company, changes in the membership of the Company's Board of Directors and acquisition of securities of the Company.

Performance Presentation

The omitted graphical presentation compared the yearly percentage change in the cumulative total shareholder return of the Company, the Standard & Poor's (S & P) 500 Stock Index, and the S & P Publishing/Newspapers Index, in each case for the five years ending September 30, 1998 (with 1993 as the measurement point). Total shareholder return is measured by dividing (a) the sum of (i) the cumulative amount of dividends declared for the measurement period, assuming dividend reinvestment and (ii) the difference between the issuer's share price at the end and the beginning of the measurement period, by (b) the share price at the beginning of the measurement period.

The data points used for the omitted graph were as follows:

	1993	1994	1995	1996	1997	1998
Lee	\$100.00	\$112.69	\$145.03	\$156.24	\$197.81	\$184.26
S&P Publishing/Newspapers-Index	\$100.00	\$100.61	\$123.31	\$160.01	\$242.34	\$236.42
S&P 500	\$100.00	\$103.68	\$134.52	\$161.87	\$227.34	\$247.91

The (S & P) 500 Stock Index includes 500 U.S. companies in the industrial, transportation, utilities and financial sectors and is weighted by market capitalization. The S & P Publishing/Newspapers Index, which is also weighted by market capitalization, includes the following six publishing companies: Gannett Co., Inc., Knight-Ridder, Inc., The New York Times Company, The Times Mirror Company, Dow Jones & Company, Inc. and The Tribune Company.

Report of the Executive Compensation Committee of the Board of Directors on Executive Compensation

The Committee

The Executive Compensation Committee of the Board of Directors (the "Committee") is composed of four independent outside directors. No executive officer of the Company is a member of the board of directors of any company with which a member of the Committee is affiliated. The Board of Directors has delegated to the Committee the authority to review, consider and determine the compensation of the Company's executive officers and other key employees and, in accordance with Rule 16b-3 of the Exchange Act, make the final determination regarding awards of stock options, restricted stock, and other stock-based awards to such persons.

Compensation Policies

The Committee operates on the principle that the compensation of the Company's executive management, including its Chief Executive Officer and the other executive officers named in the Summary Compensation Table, should be competitive with compensation of executive management at comparable companies but should not be at the top of any range derived from such comparisons. The Committee also follows a policy of basing a significant portion of the cash compensation of senior executive officers on the operating performance of the Company, and of other members of the executive management team on the performance of the enterprises, units or functions over which they exercise significant management responsibility. The Committee's policies are designed to assist the Company in attracting and retaining qualified executive management by providing competitive levels of compensation that integrate the Company's annual and long term performance goals, reward strong corporate performance, and recognize individual initiative and achievement. The Committee also believes that stock ownership by management and stock-based performance compensation arrangements are beneficial in the linking of management's and stockholders' interest in the enhancement of stockholder value.

The Company's executive compensation program is comprised of three elements: (1) base salary; (2) annual incentive bonus; and (3) long-term incentive compensation.

Base Salary

Salary levels for executive management are set so as to reflect the duties and level of responsibilities inherent in the position, and to reflect competitive conditions in the lines of business in which the Company is engaged in the geographic areas where services are being performed. Comparative salaries paid by other companies in the industries and locations where the Company does business are considered in establishing the salary for a given position. The Company participates annually in the Towers Perrin Media Industry Compensation Survey (the "Towers Survey"), which is widely used in its industry and gives relevant compensation information on executive positions. The Company strives to place fully competent and highly performing executives at the median level of compensation, as reported annually in the Towers Survey.

The Towers Survey provides annual compensation analyses for executives in the media industry based on revenues, industry segments including publishing and broadcasting, and market type and size. The statistical information, including revenues and compensation levels, provided by survey participants is utilized by the Towers Survey to develop statistical equations based on revenues, industry segments and markets. These equations, along with other data, are used by the Company to determine the median and other levels of compensation of the executive management of media companies with profiles comparable to that of the Company. Base salaries for executives named in the Summary Compensation Table are reviewed annually by the Committee taking into account the competitive level of pay as reflected in the Towers Survey. In setting base salaries, the Committee also considers a number of factors relating to the particular executive, including individual performance, level of experience, ability and knowledge of the job. These factors are considered subjectively in the aggregate and none of the factors is accorded a specific weight. Base salaries were increased in 1998 for executive management by 4.0% on a composite basis. The Committee believes the base salary levels are reasonable and necessary to retain these key employees.

Annual Incentive Bonus Program

The purpose of the annual incentive bonus program is to motivate and reward executive management so that they consistently achieve specific financial targets and are compensated for the accomplishment of certain non-financial objectives. These targets and objectives are reviewed and approved by the Committee annually in conjunction with its review of the Company's strategic and operating plans. A target bonus level, stated as a percent of annual base salary, is established for each member of the executive management team other than executive officers, by the executive officer exercising responsibility over an enterprise unit or function. For executive officers other than the Chief Executive Officer, the bonus level and achievement targets are determined by the Chief Executive Officer and approved by the Committee. Similarly, the Committee determines the annual bonus opportunity and performance objectives of the Chief Executive Officer. While the annual incentive bonus awards for executives other than the Chief Executive Officer are generally approved upon the recommendation of the Chief Executive Officer, the Committee retains the right to adjust the recommended bonus awards to reflect its evaluation of the Company's overall performance.

Long Term Incentives

Under the Company's 1990 Long Term Incentive Plan, the Committee is authorized, in its discretion, to grant stock options, restricted stock awards, and performance units payable in cash or restricted stock of the Company in such proportions and upon such terms and conditions as the Committee may determine. The Committee meets following the end of each year to evaluate the performance of the Company for the preceding fiscal year and determine long term incentive awards of executive management of the Company for the fiscal year just ended.

Under the Plan, grants to executives are based on criteria established by the Committee, including responsibility level, base salary, current market practice and the market price of the Company's stock at the time of grant. The number of stock options and/or restricted shares then determined is reviewed by the Committee and may be increased or decreased to reflect the criteria noted above, the individual executive's role in accomplishment of the Company's operating objectives, and that individual's potential for long term growth and contribution to the Company's strategic objectives. Grant guidelines for stock options and restricted stock are established for all participants (including the chief executive officer) with the objective of providing a target total compensation opportunity, including base salary and the target annual incentive bonus, equal to the median of the peer group. Depending on stock price performance and Company performance, actual total compensation for any given year could be at, above or below the median of the peer group. The number of options or restricted shares previously granted to or held by an executive is not a factor in determining individual grants.

The number of stock options granted to each executive officer in 1998 was determined by dividing a specified dollar amount of the target award for the grant by a hypothetical fair market value of the stock option as of the grant date, based upon the Black-Scholes Option Pricing Model. All stock options granted have an exercise price equal to the fair market value of the Common Stock at time of grant and are exercisable within a 10 year period. In order to assure the retention of high level executives and to tie the compensation of those executives to the creation of long term value for stockholders, the Committee has provided that stock options generally vest in specified portions over a three year period.

The awards of restricted stock to executive officers and other key employees in 1998 represent shares of Common Stock which the recipient cannot sell or otherwise transfer until the applicable restriction period lapses. The number of shares of restricted stock awarded was determined by dividing a specified dollar amount of the target award by the fair market value of the Company's Common Stock on the date the awards are approved. Restricted stock awards are also intended to increase the ownership of executives in the Company, through which the value of long term stockholder ownership and growth can be enhanced.

Compliance with Internal Revenue Code Section 162(m)

Section 162(m) of the Internal Revenue Code generally disallows a tax deduction to public companies for compensation over \$1 million paid to certain executive officers in any taxable year beginning on or after January 1, 1994. Performance-based compensation and payments in respect of binding obligations entered into prior to February 17, 1993 are not subject to the deduction limit if certain requirements are met. The Company has structured the performance-based portion of the compensation of its executive officers in a manner that complies with section 162(m).

Compensation of Chief Executive Officer

The Committee determined the 1998 base salary for the Company's Chief Executive Officer, Richard D. Gottlieb, in a manner consistent with the base salary guidelines applied to executive officers of the Company as described above. The annual bonus paid to Mr. Gottlieb for 1998 was based upon a subjective evaluation of the performance of the Company in relation to past years and the performance of comparable media companies, and to a lesser extent, his accomplishment of certain non-financial performance objectives. Consistent with the philosophy expressed above, the Committee awarded a bonus below the target determined at the beginning of the year because the Company did not achieve its planned performance targets.

The Committee made long term compensation awards of stock options and restricted stock to Mr. Gottlieb in 1998 by applying the same criteria described for the determination of such awards to other executive officers of the Company. The Committee did not consider past stock options and restricted stock grants to Mr. Gottlieb in determining the amount of his 1998 grants. The Committee did consider the 1998 performance of the Company, as more particularly described above, in the final determination of such grants.

Executive Compensation Committee Participation

The current members of the Executive Compensation Committee are Phyllis Sewell, Chairman, Mark Vittert, Rance E. Crain and Andrew E. Newman.

PROPOSAL 2 PROPOSAL TO APPROVE THE AMENDMENT, RESTATEMENT AND EXTENSION OF THE 1990 LONG TERM INCENTIVE PLAN

Introduction. The Company is proposing to amend, restate and extend its 1990 Long Term Incentive Plan ("LTIP") which was approved by the stockholders in 1990. Although the LTIP has no expiration date, no incentive stock options may be granted under the LTIP after October 1, 1999. The Board of Directors of the Company believes that the Company's LTIP has proved to be an important means of attracting, retaining and motivating individuals of exceptional training, experience and ability. The Board of Directors also believes that it is vitally important to the success of the Company to continue to provide its key employees with long-term compensation incentives and equity opportunities linked, of course, to the success of the Company's operations and a commensurate return to the stockholders.

In furtherance of this goal, the stockholders are being asked to approve the amendment, restatement and extension of the LTIP (the "Restated LTIP") effective October 1, 1999.

Decrease Shares Available for Awards. Under the proposal to adopt the Restated LTIP, the number of shares available for future grant or issuance would be

reduced to 2,250,000 shares of the Company's Common Stock, which amount will be adjusted for stock splits and dividends and certain other corporate changes in accordance with the Restated LTIP and increased by outstanding options or awards issued under the LTIP which in the future may be forfeited, surrendered or otherwise terminated, unexercised or not vested, and by shares tendered in payment of the option exercise price or withholding taxes in respect of which replacement options are granted. Shares would also be reserved for issuance in respect of all outstanding stock options and restricted stock awards at the effective date of the Restated LTIP.

At the 1990 annual meeting, the stockholders authorized the Company to issue 4,000,000 shares of Common Stock (after adjustment for stock splits and dividends), together with all awards, forfeitures and shares reserved for issuance under the Company's 1982 Incentive Stock Option Plan (the "1982 Stock Plan"), under the LTIP. As of December 1, 1998, after giving effect to the 1998 option grants and restricted stock awards under the LTIP, and after taking into account actual and anticipated forfeitures or other termination of such options and awards, approximately 1,625,691 shares are subject to outstanding options and awards. If all of the shares subject to outstanding options under the 1982 Stock Plan (which was replaced by the LTIP in 1989) and awards under LTIP, plus the 2,250,000 shares to be reserved under the Restated LTIP, were ultimately acquired by participants out of authorized or unissued shares and retained by such participants, they would have acquired an additional 3,875,691 shares, representing 10.57% of the Common Stock and 8.03% of the total of Common and Class B Common Stock outstanding at December 1, 1998, as adjusted for such issuance.

Eliminate Performance Units. Unlike the existing LTIP, the Restated LTIP eliminates the issuance and award of performance units.

The Board's Executive Compensation Committee and the Board believe the reduction of authorized shares is appropriate and sufficient to satisfy the purposes of the Restated LTIP during its extension. The Board of Directors believes that it is essential to the strength of the Company's long-term competitive position for its management and other key employees to have an ownership interest in a substantial percentage of its stock, consistent with the sizable employee equity ownership of the Company's peers. It is expected that, in the normal course of events, many of such shares will be reintroduced to the market as employees retire or otherwise sell or dispose of such shares as permitted by the Restated LTIP.

The closing price of the Company's Common Stock on December 1, 1998 was \$28.5625 as reported for New York Stock Exchange-Composite Transactions.

The following summary sets forth the principal features of the Restated LTIP. This summary is qualified in its entirety by the complete text of the Restated LTIP set forth in Exhibit A to this Proxy Statement.

The attention of the stockholders is directed to that Exhibit so they may acquaint themselves fully with all of the terms and conditions of the Restated LTIP.

Principal Terms of Restated LTIP

The Restated LTIP is to be administered by the Executive Compensation Committee (the "Committee") of the Board of Directors. No member of the Committee is eligible to receive any benefits under the Restated LTIP. All management directors are eligible. The Committee will have broad authority to interpret and amend the Restated LTIP, to make all determinations necessary or advisable for the administration of the Restated LTIP, and to issue and reissue awards under terms and conditions it may deem appropriate. The Restated LTIP places an annual limit of 200,000 shares of the Company's Common Stock available for stock options that may be granted to any one participant. All key employees of the Company, its subsidiaries, and designated affiliates are eligible for awards under the Restated LTIP. In 1998 there were approximately 123 recipients of LTIP awards.

Under the Restated LTIP the Committee will have the power to fix and accelerate vesting periods. The Committee presently intends to fix such periods in general so that they are not less than one year.

Purchase Price and other Terms

Incentive and Non-Qualified Stock Options. Incentive stock options are defined in Section 422 of the Code. Non-qualified stock options granted under the Restated LTIP are designed so that they do not meet the requirements of Section 422 of the Code. The Committee may grant both types of stock options, except that incentive stock options can only be granted to participants who are employees of the Company or a subsidiary.

The option price for incentive and non-qualified stock options will be determined by the Committee. For incentive stock options, it may not be less than 100% of the stock's fair market value on the date granted. For non-qualified stock options, the option price may not be less than 50% of the stock's fair market value on the date granted.

Fair market value on any given date for this and other purposes of the Restated LTIP, in the Committee's discretion, will be either i) the average of the high and low prices of the Common Stock of the Company, or ii) the closing price of the Common Stock, on the date on which it is to be valued under the terms of the Restated LTIP, as reported for New York Stock Exchange-Composite Transactions.

The terms and conditions of each award to a participant will dictate the number of stock options granted and the amount of Common Stock that a participant may purchase.

Under the terms of the Company's current forms of Incentive and Non-Qualified Stock Option Agreements, incentive and non-qualified stock options become

exercisable in installments of 30% of the shares subject to the option one year after the date of grant, an additional 30% after two years and the final 40% after three years.

If participants do not exercise the options when they become initially exercisable, the terms of the agreements permit participants to carry them forward. These options may be exercised at any time prior to ten (10) years from the original grant date.

The forms of Incentive and Non-Qualified Stock Option Agreements provide that each participant will forfeit option awards upon termination of employment for any reason other than death, permanent and total disability or retirement (as defined in the Agreements), unless otherwise determined by the Committee.

For most participants who are not affiliates of the Company, there are no resale restrictions with respect to incentive and non-qualified stock options after exercise, except for limitations imposed by applicable tax laws discussed below.

Restricted Stock. The Committee has the sole authority to determine the number of shares of restricted stock a participant may receive as an award and the purchase price, if any, to be paid by a participant for such restricted stock. Participants have not paid any purchase price for restricted stock awarded under the LTIP, and the Committee expects to continue this practice under the Restated LTIP. Prior to the lapse of restrictions on shares of restricted stock, a participant will have all other rights of a stockholder with respect to the shares, including all dividends paid in respect thereof, subject to the conditions and restrictions generally applicable to restricted stock or specifically set forth in the participant's restricted stock agreement governing the terms of the award of restricted stock.

The Company's current form of Restricted Stock Agreement requires that each participant who receives an award of restricted stock must remain in the employ of the Company for a period of three (3) years or other period as designated by the Committee before restrictions on transfer lapse. Shares of restricted stock may not be sold, assigned, transferred, pledged or otherwise encumbered during the restricted period. At the end of the restricted period, participants (other than affiliates of the Company) are free to dispose of the formerly restricted Common Stock and any resale restrictions lapse.

If a participant surrenders currently owned shares of restricted stock issued under the Restated LTIP as payment of the option exercise price of a non-qualified stock option, the shares received for surrendered restricted stock remain restricted in accordance with the original terms of the form of Restricted Stock Agreement. Any additional Common Stock received upon the exercise will be subject to the same forfeiture restrictions, unless otherwise determined by the Committee, in its sole discretion, at or after grant.

During the term of the Restated LTIP a change in the outstanding shares of Common Stock may occur because of a stock dividend or split, recapitalization, merger, consolidation, spin-off, combination or exchange of shares or other corporate change or distribution to holders of the Company's Common Stock other than cash dividends. In such circumstances, the Committee may make such substitution or adjustment, if any, as it deems equitable to the number or kind of shares of Common Stock or other securities available for issuance under the Restated LTIP. This may include substitution or adjustment of the number of outstanding stock options or option prices and the number of outstanding awards of other types.

Stock Appreciation Rights. Stock Appreciation Rights ("SARs") will be issued in tandem with incentive stock option awards. SARs are exercisable in the discretion of the participant for a limited period following a "change of control" for a price based upon the price paid in the transaction (including any price paid in an initial tender offer that is followed by a merger). The Restated LTIP provides for the "cash-out" payment to be made in the Company's Common Stock, as opposed to cash, if necessary to preserve the appropriate accounting for the transaction. In addition, to protect such change-of-control benefits, the Restated LTIP precludes adverse amendments to the Restated LTIP following a change of control.

LTIP Benefits. Awards under the LTIP in 1998 to the Named Executive Officers are set forth in the columns "Long Term Compensation Awards Payouts" in the Summary Compensation Table, in the Option Grants in Last Fiscal Year table, and in the Aggregate Option Exercises in Last Fiscal Year and Fiscal Year-end Option Values table. The table below sets forth the LTIP awards made to the indicated groups during 1998 under the LTIP. The executive officer group includes the Named Executive Officers. Non-employee directors do not participate in the LTIP.

	Dollar Value(\$)	Stock Options(#)	Dollar Value(\$)	Restricted Stock Awards(#)
Executive Officer Group	\$509,050	76,222	\$282,096	10,375
Non-Executive Officer Employee Group	\$528,307	79,420	\$659,455	23,850

Awards under the Restated LTIP with respect to 1999 and future years are not determinable.

Payment for Securities Purchased Under the Plan

Stock Options. Payment of the purchase price of Common Stock to be purchased under the Restated LTIP may be made in cash, by note, by the tender of already owned shares of Common Stock (valued at the fair market value on the exercise date) or by a combination of cash and shares of Common Stock.

Payment to exercise vested stock options may be made by delivering previously awarded restricted stock. Such restricted stock must have been held by a participant for at least 1 year before it can be used as payment to exercise stock options. The limitations (e.g. holding period) accompanying the restricted

stock will remain in effect and applicable to the corresponding number of shares issued upon a stock option exercise until they lapse according to their original terms.

Any additional Common Stock received upon the exercise of the options and surrender of the restricted stock as payment will be subject to the same forfeiture provisions to which the restricted stock is subject, unless otherwise determined by the Committee, in its sole discretion, at or after grant.

The foregoing forms of payment are all subject to such rules as the Executive Compensation Committee of the Board of Directors may, from time to time, adopt.

Replacement Stock Options. Under the Restated LTIP, the Committee is authorized to issue "accelerated ownership non-qualified stock options". A participant may surrender shares of Common Stock which he or she has owned for at least one year at the time of stock option exercise to pay for shares purchased under the option or as payment for applicable withholding taxes. At that time, a new, non-qualified stock option will be granted to the participant for the number of shares that were turned in. Shares tendered at the time of exercise will be available for issuance under future grants.

The new grant, or "replacement" option, is priced at the current fair market value at the date of exercise of the original option, but is limited to the term remaining under the original option which the participant exercised.

The "replacement" option may not be exercised for one year after its grant, which effectively limits its benefit to situations where the exercise of stock options awarded under the Restated LTIP (which have a ten year term from the date of grant) occur not later than nine years from the original grant date.

Dividends, Equivalents, and Voting Rights; Cash Payments. The Committee may provide that any award of restricted stock or other stock-based awards under the Restated LTIP may earn dividends, dividend equivalents and voting rights prior to either vesting or earnout and cash payments in lieu of or in addition to an award.

Payment of Withholding Taxes. The Company may deduct from all amounts paid in cash any taxes required by law or other amounts authorized by a participant to be withheld.

The Committee may permit a participant who receives an award in the form of Common Stock to satisfy the obligation for such withholding or deduction in either of two ways. First, the Committee may permit the participant to deliver shares of Common Stock already owned. Second, the Committee may permit the Company to retain from the participant's distribution of Common Stock awarded the number of shares of Common Stock having a fair market value equal to the amount to be withheld or deducted.

Resale Restrictions. No Restated LTIP award (including stock options or restricted stock) may be assigned or transferred, and no right or interest of any participant may be subject to any lien, obligation or liability of the participant. An exception is permitted for a transfer under a will or according to the laws of descent or distribution.

Award Agreements. All stock options and restricted stock granted under the Restated LTIP will be evidenced by written agreements between the Company and the participant which may include such additional terms and conditions not inconsistent with the Restated LTIP as the Committee may specify.

Change of Control. The Restated LTIP provides, upon the occurrence of a change of control: (a) accelerated exercisability and vesting of stock option and restricted stock awards; (b) cash-outs of non-qualified stock option and restricted stock awards and, in the case of incentive stock options, any stock appreciation rights; (c) appropriate adjustments or prorations of awards, and (d) assumption of the awards by a successor to the Company or the issuance of substitute awards. These provisions are generally available to participants, unless the Committee determines otherwise at the time of grant or accounting treatment necessary to preserve the appropriate accounting for the change-of-control transaction precludes their use.

Preferred Share Purchase Rights. One preferred share purchase right (a "Right") for each share of the Company's Common Stock will be issued in connection with awards of stock options and restricted stock under the Restated LTIP. Each Right entitles the registered holder to purchase from the Company one one-thousandth of a share of Series A Participating Convertible Preferred Stock, without par value, of the Company at a price of \$150 per one one-thousandth of a Preferred Share, subject to adjustment in a change of control.

Amendment and Termination. The Board of Directors may amend, suspend or terminate the Restated LTIP or any portion thereof and any award hereunder at any time, provided that no amendment shall be made without stockholder approval which shall (i) increase (except as required for stock dividends, splits, etc.) the total number of shares reserved for issuance pursuant to the Restated LTIP; (ii) change the class of employees eligible to be participants; (iii) decrease the minimum option prices stated therein (other than to change the manner of determining fair market value to conform to any then applicable provision of the Code and regulations thereunder); (iv) extend the expiration date of the Restated LTIP as it applies to incentive stock options; or (v) withdraw the administration of the Restated LTIP from the Committee. The Committee may, however, amend the Restated LTIP in such manner as may be necessary so as to have the Restated LTIP conform with applicable law and rules and regulations thereunder. Also, following a change of control the Board may not amend the Restated LTIP in a manner that would adversely affect any outstanding award of a participant without the written consent of such participant.

The Restated LTIP has no fixed termination date, except incentive stock options may not be issued after October 1, 2009, and may be terminated by the Board at any time. Termination of the Restated LTIP will not affect the status of any awards outstanding at the date of termination.

Federal Tax Treatment

Incentive Stock Options. Upon the grant or exercise of incentive stock options, no income will be realized by the participant for Federal income tax purposes, and the Company will not be entitled to any deduction. The excess of the fair market value of the shares as of the date of exercise over the option price will constitute an "adjustment" to arrive at certain participants' alternative minimum taxable income for purposes of determining their alternative minimum tax.

In connection with the exercise of an option, if the shares are not disposed of within the one-year period beginning on the date of the transfer of such shares to the participant or within the two-year period beginning on the date of the grant of option (the "Statutory Holding Periods"), any profit realized by the participant upon the disposition of such shares will be taxed as capital gain and no deduction will be allowed to the Company. The income tax rates attributable to such capital gain will be determined by the applicable holding period rules.

If the shares are disposed of within the one-year period from the date of transfer of such shares to the participant or within the two-year period from the date of the grant of the option (a "Disqualifying Disposition"), the excess of the fair market value of the shares on the date of exercise or, if less, the fair market value on the date of disposition, over the exercise price will be taxable as ordinary income of the participant at the time of disposition, and the Company will be entitled to a corresponding deduction.

Non-Qualified Stock Options. Upon the grant of a "non-qualified" stock option, no regular taxable income will be realized by the participant. Upon the exercise of such an option, the amount by which the fair market value of the shares at the time of exercise exceeds the exercise price will be taxed as ordinary compensation to the participant and the Company will be entitled to a corresponding income tax deduction. The participant will then receive a basis in the new shares equal to their fair market value at the time of exercise.

Combination Awards. The Committee may award both non-qualified and incentive stock options to participants of the Restated LTIP. The income tax consequences generally, in each instance, are measured by the difference between the grant price set forth in the Stock Option Agreement provided to award recipients and the price of the Company's Common Stock at the time of exercise. As previously noted, however, the nature of the tax treatment will depend upon the type of stock option exercised and applicable holding period rules.

Restricted Stock. Unless a participant elects otherwise, an award of restricted stock will not be taxed at the time of grant so long as the restricted stock is not transferable and is subject to a "substantial risk of forfeiture" within the meaning of Section 83 of the Code. Upon lapse of the risk of forfeiture, a participant will be taxed at ordinary income tax rates on the current fair market value of the restricted stock. The participant's basis in the restricted stock will be equal to the amount taxed as ordinary income and, on subsequent disposition of the formerly restricted Common Stock, the participant will realize capital gain or loss. Payroll tax withholding will be required at the time of the ordinary income recognition. The Company will be entitled to a corresponding income tax deduction. Within 30 days of receiving the restricted stock a participant may also make an election pursuant to Section 83(b) of the Code in which case he would recognize income equal to the value of the stock when it was received. This amount will also become his basis.

Deferred Cash or Stock Awards. Participants who receive awards which are payable in cash or Common Stock of the Company at a future date will be taxed at ordinary income tax rates on the amount of cash and the then fair market value of the Common Stock at the time of payment or constructive receipt. A participant's basis in the Common Stock will be equal to the amount taxed as ordinary income, and on subsequent disposition a participant will realize capital gain or loss.

Treatment of Restricted Stock. In any year in which a participant recognizes ordinary income, the Company will receive a corresponding deduction provided that the applicable withholding and employment tax requirements are met and the total compensation paid to a participant in that taxable year is reasonable.

The IRS treats dividends received by a participant from his or her restricted stock during the restricted period as wages to a participant. The dividends are deductible by the Company unless an election under Section 83(b) of the Code has been made by a participant.

Because of the broad discretion granted the Committee to deal with the reserved shares and to fix the terms and conditions of their issuance, it is not possible to consider all of the various alternatives possible and some tax consequences may differ from the principles set forth above.

The Restated LTIP is not qualified under Section 401(a) of the Code.

The affirmative vote of a majority of the voting power of all Common Stock and Class B Common Stock present in person or by proxy, voting as a single class, a quorum being present, will be required for the approval of the foregoing proposal.

THE BOARD OF DIRECTORS RECOMMENDS A VOTE FOR THE PROPOSAL TO APPROVE THE ADOPTION OF THE AMENDMENT, RESTATEMENT AND EXTENSION OF THE 1990 LONG TERM INCENTIVE PLAN.

RELATIONSHIP WITH INDEPENDENT PUBLIC ACCOUNTANTS

The firm of McGladrey & Pullen LLP, Certified Public Accountants, has been designated by the Board of Directors of the Company to audit the financial statements of the Company, its divisions and subsidiaries, for the fiscal year to end September 30, 1999. Said firm has audited the Company's accounts since

1960 and is considered to be well qualified.

Representatives of McGladrey & Pullen will be present at the 1999 annual meeting and will be afforded the opportunity to make a statement, if they desire to do so, and will be available to respond to appropriate questions.

STOCKHOLDER PROPOSALS FOR 2000 ANNUAL MEETING

Proposals of stockholders with regard to nominees for the Board of Directors or other matters intended to be presented at the 2000 annual meeting of the Company must be received by the Company to be considered for inclusion in its proxy statement and form of proxy relating to that meeting by October 1, 1999.

SECTION 16(a) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE

Section 16(a) of the Securities Exchange Act of 1934 (the "Act") requires the Company's directors and executive officers and persons who own more than ten percent of the Company's Common Stock or Class B Common Stock to file initial reports of ownership and reports of changes in that ownership with the Securities and Exchange Commission and the New York Stock Exchange. Specific due dates for these reports have been established, and the Company is required to disclose in its proxy statement any failure to file by these dates during the Company's 1998 fiscal year.

Based solely on review of the copies of such reports furnished to the Company and written representations that no other reports were required, the Company believes that all filing requirements applicable to its executive officers and directors were satisfied, except that Mr. Gregory P. Schermer was late in filing one report of a single transaction and Mr. C.D. Waterman, III was late in filing one report of a single transaction involving a third-party gift of shares to a trust of which he is a co-trustee but has no beneficial ownership.

OTHER MATTERS

The Management of the Company knows of no matters to be presented at the meeting other than those set forth in the Notice of Annual Meeting. However, if any other matters properly come before the meeting, your proxy, if signed and returned, will give discretionary authority to the persons designated in it to vote in accordance with their best judgment.

The cost of the solicitation of proxies will be borne by the Company. In addition to solicitation by mail, some of the officers and regular employees of the Company may, without extra remuneration, solicit proxies personally or by telephone, electronic transmission, facsimile or by telegram. The Company may also request brokerage houses, nominees, custodians and fiduciaries to forward proxy materials to the beneficial owners of stock held of record and will reimburse such persons for their expenses. The Company has retained Morrow & Co., Inc. to aid in the solicitation of proxies, for which the Company will pay an amount that it has estimated will not exceed \$7,000 plus expenses.

/s/ Richard D. Gottlieb

RICHARD D. GOTTLIEB
President and Chief Executive Officer

EXHIBIT A

LEE ENTERPRISES, INCORPORATED
1990 LONG-TERM INCENTIVE PLAN
(Amended, Restated and Extended
Effective October 1, 1999)

Section 1: GENERAL PROVISIONS

1.1 Purposes

The purposes of the 1990 Long-Term Incentive Plan, as amended, restated and extended (the "Plan") of Lee Enterprises, Incorporated (the "Company") are to promote the interests of the Company and its stockholders by (i) attracting and retaining executives and other key employees of outstanding ability; (ii) strengthening the Company's capability to develop, maintain and direct a competent management team; (iii) motivating executives and other key employees, by means of performance-related incentives, to achieve longer-range performance goals; (iv) providing incentive compensation opportunities which are competitive with those of other major corporations; and (v) enabling such employees to participate in the long-term growth and financial success of the Company.

1.2 Definitions

"Affiliate" - means any corporation or other entity (i) which is not a Subsidiary but as to which the Company possesses a direct or indirect ownership interest and has representation on the board of directors or any similar governing body; and (ii) which is designated by the Board of Directors as an "Affiliate" for purposes of this Plan.

"Award" - means a grant or award under Sections 2 through 3, inclusive, of the Plan.

"Board of Directors" - means the board of directors of the Company.

"Code" - means the Internal Revenue Code of 1986 as amended from time to time.

"Committee" - means the Executive Compensation Committee of the Board of Directors.

"Common Stock" - means the Common Stock, \$2.00 par value, of the Company, which may be authorized and unissued shares or may be reacquired shares of such Common Stock, together with a Preferred Share Purchase Right.

"Corporation" - means the Company, its divisions, Subsidiaries and Affiliates.

"Class B Common Stock" - means the Class B Common Stock, \$2.00 par value, of the Company.

"Common Shares" - means the shares of Common Stock and Class B Common Stock treated as one class.

"Disability Date" - means the date on which a Participant is deemed disabled under the employee benefit plans of the Corporation applicable to the Participant.

"Employee" - means any key employee of the Corporation.

"Fair Market Value" - means, as the Committee shall determine, either (i) the average of the high and low prices of the Common Stock, or (ii) the closing price of the Common Stock, on the date on which it is to be valued hereunder as reported for New York Stock Exchange-Composite Transactions.

"Non-Employee Director" - has the meaning set forth in Rule 16b-3(3)(i) promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934, or any successor definition adopted by the Commission.

"Normal Retirement Date" - has the meaning set forth in the pension or retirement plan of the Corporation applicable to the Participant, or such other date as may be mutually agreed upon in writing by the Committee and the Participant.

"Participant" - means an Employee who is selected by the Committee to receive an Award under the Plan.

"Preferred Share Purchase Right" - means the right to the holders of "Common Stock" issued pursuant to the Plan to purchase from the Company one one-thousandth of a share of Series A Participating Convertible Preferred Stock, without par value, of the Company at a price of \$150.00 per one one-thousandth of a Preferred Share, subject to adjustment in a "Change of Control".

"Restricted Period" - means a period of three (3) years, or such other period of years selected by the Committee, during which a grant of Restricted Stock may be forfeited to the Company.

"Restricted Stock" - means shares of Common Stock contingently granted

to a Participant under Section 3 of the Plan.

"Stock Appreciation Rights" - shall have the meaning specified in Section 1.6(b).

"Subsidiary" - means any corporation in which the Company possesses directly or indirectly fifty percent (50%) or more of the total combined voting power of all classes of its stock having voting power; provided that with respect to incentive stock options granted hereunder, the term "subsidiary" shall be as defined in Section 425(f) or any successor provision of the Code.

1.3 Administration

The Plan shall be administered by the Committee, which shall at all times consist of three (3) or more members, each of whom shall be a Non-Employee Director. The Committee shall have sole and complete authority to adopt, alter and repeal such administrative rules, guidelines and practices governing the operation of the Plan as it shall from time to time deem advisable, and to interpret the terms and provisions of the Plan. The Committee may delegate to one or more executive officers of the Company the power to make Awards to Participants who are not executive officers or directors of the Company, provided the Committee shall fix the maximum amount of such Awards for the group and a maximum amount for any one Participant. The Committee's decisions are binding upon all parties.

1.4 Eligibility

All Employees who have demonstrated significant management potential or who have contributed, or are deemed likely to contribute, in a substantial measure to the successful performance of the Corporation, as determined by the Committee, are eligible to be Participants in the Plan.

1.5 Shares Reserved

(a) There shall be reserved for issuance pursuant to the Plan a total of two million two hundred fifty thousand (2,250,000) shares of Common Stock, together with sufficient shares to cover outstanding grants under (i) the Company's 1982 Incentive Stock Option Plan and (ii) the Plan as of October 1, 1999. In the event that (x) a stock option expires or is terminated unexercised as to any shares covered thereby, (y) shares are forfeited for any reason under the Plan, or (z) shares are tendered as consideration for the exercise of options under Section 2.3 or for withholding of taxes under Section 1.7, such shares shall thereafter be again available for issuance pursuant to the Plan. In the event that a stock option is surrendered for payment pursuant to Section 1.6(b) hereof, the shares covered by the stock option shall not thereafter be available for issuance pursuant to the Plan.

(b) In the event of any change in the outstanding shares of Common Stock by reason of any stock dividend or split, recapitalization, merger, consolidation, spin-off, combination or exchange of shares or other corporate change, or any distributions to common shareholders other than cash dividends, the Committee shall make such substitution or adjustment, if any, as it deems to be equitable to accomplish fairly the purposes of the Plan and to preserve the intended benefits of the Plan to the Participants and the Corporation, as to the number (including the number specified in Section 1.5(a) above) or kind of shares of Common Stock or other securities issued or reserved for issuance pursuant to the Plan, including the number of outstanding stock options, the option prices thereof, and the number of outstanding Awards of other types.

1.6 Change of Control

(a) Notwithstanding any other provision of the Plan to the contrary, in the event of a Change of Control:

any stock options and Stock Appreciation Rights outstanding as of the date such Change of Control is determined to have occurred, and which are not then exercisable and vested, shall become fully exercisable and vested to the full extent of the original grant; and

the restrictions and deferral limitations applicable to any Restricted Stock shall lapse, and such Restricted Stock shall become free of all restrictions and become fully vested and transferable to the full extent of the original grant; provided, that, if payment of cash under this paragraph would make a Change of Control transaction ineligible for pooling-of-interests accounting under APB No. 16 that but for such cash payment would otherwise be eligible for such accounting treatment, the Committee shall have the ability to substitute for the cash payable pursuant to this paragraph, Common Stock with a Fair Market Value equal to the cash that would otherwise be payable hereunder.

(b) Notwithstanding any other provision of the Plan to the contrary, during the 60-day period from and after a Change of Control (the "Exercise Period"), unless the Committee shall determine otherwise at the time of grant (or, with respect to Stock Options outstanding as of May 7, 1998, on May 7, 1998), an optionee shall have the right, whether or not the Stock Option is fully exercisable and in lieu of the payment of the exercise price for the shares of Common Stock being purchased under the Stock Option and by giving notice to the Company, to elect (within the Exercise Period) to surrender all or part of the Stock Option to the Company and to receive cash, within 30 days of such notice, in an amount equal to the amount by which the Change of Control Price per share of Common Stock on the date of such election shall exceed the exercise price per share of Common Stock under the Stock Option multiplied by the number of shares of Common Stock granted under the Stock Option as to which the right granted under this Section 1.6(b) shall have been exercised ("Stock Appreciation Rights"). Notwithstanding the foregoing, if any right granted pursuant to this Section 1.6(b) would make a Change of Control transaction ineligible for pooling-of-interests accounting under APB No. 16 that but for the nature of such grant would otherwise be eligible for such accounting treatment, the Committee shall have the ability to substitute for the cash payable pursuant

to such right Common Stock with a Fair Market Value equal to the cash that would otherwise be payable hereunder or, if payment of such Common Stock would similarly make such transaction ineligible for pooling of interests accounting, eliminate such right.

(c) For purposes of the Plan, "Change of Control Price" means the higher of (i) the highest reported sales price, regular way, of a share of Common Stock in any transaction reported on the New York Stock Exchange - Composite Tape or other national exchange on which such shares are listed or on NASDAQ during the 60-day period prior to and including the date of a Change of Control or (ii) if the Change of Control is the result of a tender or exchange offer or a Business Combination, the highest price per share of Common Stock paid in such tender or exchange offer or Business Combination; provided, however, that in the case of incentive stock options and Stock Appreciation Rights relating to incentive stock options, the Change of Control Price shall be in all cases the Fair Market Value of the Common Stock on the date such incentive stock option or Stock Appreciation Right is exercised. To the extent that the consideration paid in any such transaction described above consists all or in part of securities or other noncash consideration, the value of such securities or other noncash consideration shall be determined in the sole discretion of the Board.

(d) For purposes of this Plan, a "Change of Control" means:

(i) the acquisition by any individual, entity or group (within the meaning of Section 13(d)(3) or 14(d)(2) of the Securities Exchange Act of 1934, as amended (the "Exchange Act")) (a "Person") of beneficial ownership (within the meaning of Rule 13d-3 promulgated under the Exchange Act) of 20% or more of the Common Shares; provided, however, that for purposes of this subsection (1), the following acquisitions shall not be deemed to result in a Change of Control: (A) any acquisition directly from the Company, (B) any acquisition by the Company, (C) any acquisition by any employee benefit plan (or related trust) sponsored or maintained by the Company or any corporation controlled by the Company or (D) any acquisition by any corporation pursuant to a transaction that complies with clauses (A), (B) and (C) of subsection (3) below; or

(ii) individuals who, as of the date hereof, constitute the Board (the "Incumbent Board") cease for any reason to constitute at least a majority of the Board; provided, however, that any individual becoming a director subsequent to the date hereof whose election, or nomination for election by the Company's shareholders, was approved by a vote of at least a majority of the directors then comprising the Incumbent Board shall be considered as though such individual were a member of the Incumbent Board, but excluding, for this purpose, any such individual whose initial assumption of office occurs as a result of an actual or threatened election contest with respect to the election or removal of directors or other actual or threatened solicitation of proxies or consents by or on behalf of a Person other than the Board; or

(iii) consummation of a reorganization, merger or consolidation or sale or other disposition of all or substantially all of the assets of the Company or the acquisition of assets of another corporation ("Business Combination") unless, following such Business Combination, (A) all or substantially all of the individuals and entities who were the beneficial owners of the Common Shares immediately prior to such Business Combination beneficially own, directly or indirectly, more than 60% of the Common Shares or, with respect to an entity other than the Company, the combined voting power of the then outstanding voting securities entitled to vote generally in the election of directors of the corporation resulting from such Business Combination (including, without limitation, a corporation that as a result of such transaction owns the Company or all or substantially all of the Company's assets either directly or through one or more subsidiaries) in substantially the same proportions as their ownership, immediately prior to such Business Combination of the Common Shares, (B) no Person (excluding any corporation resulting from such Business Combination or any employee benefit plan (or related trust) of the Company or any corporation resulting from such Business Combination) beneficially owns, directly or indirectly, 20% or more of the Common Shares or, with respect to an entity other than the Company, the combined voting power of the then outstanding voting securities of such corporation, except to the extent that such ownership existed prior to the Business Combination and (C) at least a majority of the members of the board of directors of the corporation resulting from such Business Combination will have been members of the Incumbent Board at the time of the execution of the initial agreement, or of the action of the Board, providing for such Business Combination; or

(iv) approval by the shareholders of the Company of a complete liquidation or dissolution of the Company.

1.7 Withholding

The Corporation shall have the right to deduct from all amounts paid in cash (whether under this Plan or otherwise) any taxes required by law or other amounts authorized by a Participant to be withheld therefrom. In the case of payments of Awards in the form of Common Stock, at the Committee's discretion the Participant may be required to pay to the Corporation the amount of any taxes required to be withheld with respect to such Common Stock, or, in lieu thereof, the Corporation shall have the right to retain (or the Participant may be offered the opportunity to elect to tender) the number of shares of Common Stock whose Fair Market Value on the date such taxes are required to be withheld equals the amount required to be withheld.

1.8 Nontransferability

No Award shall be assignable or transferable, and no right or interest

of any Participant shall be subject to any lien, obligation or liability of the Participant, except by will or the laws of descent and distribution.

1.9 No Right to Employment

No person shall have any claim or right to be granted an Award, and the grant of an Award shall not be construed as giving a Participant the right to be retained in the employ of the Corporation. Further, the Corporation expressly reserves the right at any time to dismiss a Participant free from any liability, or from any claim under the Plan, except as provided herein or in any agreement entered into with respect to an Award.

1.10 Construction of the Plan

The validity, construction, interpretation, administration and effect of the Plan and of its rules and regulations, and rights relating to the Plan, shall be determined solely in accordance with the laws of Delaware, without regard to conflict of law principles.

1.11 Amendment

(a) The Board of Directors may amend, suspend or terminate the Plan or any portion thereof and any Award hereunder at any time, provided that no amendment shall be made without stockholder approval which shall (i) increase (except as provided in Section 1.5(b) hereof) the total number of shares reserved for issuance pursuant to the Plan; (ii) change the class of Employees eligible to be Participants; (iii) decrease the minimum option prices stated herein (other than to change the manner of determining Fair Market Value to conform to any then applicable provision of the Code or regulations thereunder); (iv) extend the expiration date of the Plan as it applies to incentive stock options; or (v) withdraw the administration of the Plan from a committee consisting of three or more members, each of whom is a Non-Employee Director. Notwithstanding anything to the contrary contained herein, the Committee may amend the Plan in such manner as may be necessary so as to have the Plan conform with applicable law and rules and regulations thereunder. Notwithstanding anything in this Plan to the contrary, following a Change of Control the Board may not amend the Plan in a manner that would adversely affect any outstanding Award of a Participant without the written consent of such Participant.

(b) The Committee with the Participant's consent may amend, modify or terminate any outstanding Award at any time prior to payment or exercise in any manner not inconsistent with the terms of the Plan, including without limitation, to change the date or dates as of which (i) a stock option becomes exercisable; (ii) or a Restricted Stock becomes nonforfeitable; or (iii) to cancel and reissue an Award under such different terms and conditions as it determines appropriate.

1.12 Dividends, Equivalents and Voting Rights; Cash Payments

Awards may provide the Participant with (i) dividends or dividend equivalents and voting rights prior to either vesting or earnout; and (ii) to the extent determined by the Committee, cash payments in lieu of or in addition to an Award.

1.13 Effective Date

The Plan shall be effective on October 1, 1999, subject to ratification by the stockholders of the Company. No incentive stock options may be granted under the Plan after October 1, 2009.

Section 2: STOCK OPTIONS

2.1 Authority of Committee

Subject to the provisions of the Plan, the Committee shall have sole and complete authority to determine the Employees to whom stock options shall be granted, the number of shares to be covered by each stock option and the conditions and limitations, if any, in addition to those set forth in Section 2.3 hereof, applicable to the exercise of the stock option. The number of shares of Common Stock with respect to which stock options may be granted to any Participant during any fiscal year shall not exceed 200,000 (subject to adjustment as provided in Section 1.5(b) hereof). The Committee shall have the authority to grant stock options that are intended to be, and qualify as, incentive stock options under ss.422A of the Code, or to grant non-qualified stock options, or to grant both types of stock options, except that incentive stock options can only be granted to Participants who are Employees of the Company or a Subsidiary. In the case of incentive stock options, the terms and conditions of such grants shall be subject to and comply with such grant and vesting limitations as may be prescribed by Section 422A(d) of the Code, as from time to time amended, and any implementing regulations. Unless the Committee provides otherwise at the time of grant, or at anytime as provided in Section 1.6, an incentive stock option shall be issued in tandem with a Stock Appreciation Right and exercisable except as otherwise provided in the Plan.

2.2 Option Price

The Committee shall establish the option price at the time each stock option is granted, which price shall not be less than 100% of the Fair Market Value of the Common Stock on the date of grant in the case of incentive stock options or 50% of the Fair Market Value in the case of non-qualified stock options. The option price shall be subject to adjustment in accordance with the provisions of Section 1.5(b) hereof.

2.3 Exercise of Options

(a) The Committee may determine that any stock option shall become exercisable in installments and may determine that the right to exercise such stock option as to such installments shall expire on different dates or on the same date. Incentive stock options may not be exercisable later than ten years

after their date of grant.

(b) In the event a Participant ceases to be an Employee with the consent of the Committee, or upon the occurrence of his or her death, Normal Retirement Date (or, if approved in writing by the Committee, his or her actual retirement date) or Disability Date, his or her stock options shall be exercisable at any time prior to a date established by the Committee at the date of grant. Except as otherwise provided by the Committee, if a Participant ceases to be an Employee for any other reason, his or her rights under all stock options shall terminate no later than the thirtieth (30th) day after such cessation of employment.

(c) Each stock option shall be confirmed by a stock option agreement executed by the Company and by the Participant. The option price of each share as to which an option is exercised shall be paid in full at the time of such exercise. Such payment shall be made in cash, by tender of shares of Common Stock owned by the Participant valued at Fair Market Value as of the date of exercise, subject to such limitations on the tender of Common Stock as the Committee may impose, or by a combination of cash and shares of Common Stock. In addition, the Committee may provide the Participant with assistance in financing the option price and applicable withholding taxes, on such terms and conditions as it determines appropriate.

(d) Stock options granted under the Plan may include the right to acquire an Accelerated Ownership Non-Qualified Stock Option ("AO"). If an option grant contains an AO, and if a Participant pays all or part of the purchase price of the option with shares of Common Stock held by the Participant for at least one (1) year, then upon exercise of the option the Participant shall be granted the additional option to purchase, at the Fair Market Value as of the date of the AO grant, the number of shares of Common Stock equal to the number of whole shares of Common Stock used by the Participant in payment of the purchase price and the number of whole shares of Common Stock, if any, withheld by the Company as payment for applicable withholding taxes. An AO may be exercised no earlier than one (1) year after its grant and no later than the date of expiration of the option to which the AO is related.

(e) Stock options may be exercised during the option term (as specified in the option agreement), by giving written notice of exercise to the Company specifying the number of shares to be purchased. Such notice shall be accompanied by payment in full of the purchase price, either by check, note or such other type of instrument as may be determined from time to time to be acceptable by the Committee or in accordance with procedures established by the Committee. As determined by, or in accordance with procedures established by, the Committee, in its sole discretion, at or after grant, payment in full or in part may also be made in the case of the exercise of a non-qualified stock option in the form of Restricted Stock subject to an Award hereunder (based, in each case, on the Fair Market Value of the Common Stock on the date the option is exercised, as determined by the Committee). If payment of the option exercise price of a non-qualified stock option is made in whole or in part in the form of Restricted Stock, such Restricted Stock (and any replacement shares relating thereto) shall remain (or be) restricted, as the case may be, in accordance with the original terms of the Restricted Stock award in question, and any additional Common Stock received upon the exercise shall be subject to the same forfeiture restrictions, unless otherwise determined by, or in accordance with procedures established by, the Committee, in its sole discretion, at or after grant.

Section 3: RESTRICTED STOCK

3.1 Authority of Committee

Subject to the provisions of the Plan, the Committee shall have sole and complete authority to determine the Employees to whom shares of Restricted Stock shall be granted, the number of shares of Restricted Stock to be granted to each Participant, the duration of the Restricted Period during and the conditions under which the Restricted Stock may be forfeited to the Company, the purchase price, if any, to be paid by a Participant for such Restricted Stock, and the terms and conditions of the Award in addition to those contained in Section 3.2. Such determinations shall be made by the Committee at the time of the grant.

3.2 Terms and Conditions

Shares of Restricted Stock may not be sold, assigned, transferred, pledged or otherwise encumbered, except as provided in Section 2.3(e), during the Restricted Period. Certificates issued in respect of shares of Restricted Stock shall be registered in the name of the Participant and deposited by him or her, together with a stock power endorsed in blank, with the Company. At the expiration of the Restricted Period, the Company shall deliver such certificates to the Participant or his or her legal representative.

3.3 Termination of Employment

Unless otherwise provided by the Committee at the time of the grant of Restricted Stock, in the event a Participant voluntarily terminates his or her employment with the Corporation during the Restricted Period, or upon the occurrence of his or her death, during the Restricted Period, Normal Retirement Date (or, if approved in writing by the Committee, his or her actual retirement date) or Disability Date during the Restricted Period, the restrictions imposed hereunder shall lapse with respect to such shares of Restricted Stock. In the event a Participant ceases to be an Employee for any other reason during the Restricted Period, unless otherwise provided by the Committee, all shares of Restricted Stock shall thereupon be forfeited to the Company.

[X] Please mark your
vote as in this
Example

LEE ENTERPRISES, INCORPORATED

PROXY FOR ANNUAL MEETING--JANUARY 26, 1999

COMBINED PROXY FOR COMMON STOCK AND CLASS B COMMON STOCK

Lloyd G. Schermer and Richard D. Gottlieb, or either of them, each with power of substitution, are authorized to vote all shares of Common Stock and Class B Common Stock which the undersigned is entitled to vote at the annual meeting of stockholders of Lee Enterprises, Incorporated to be held January 26, 1999 and at any adjournment thereof, on the following matters:

1. Election of Directors:

Nominee	Term
Rance E. Crain	3 years
Richard D. Gottlieb	3 years
Phyllis Sewell	3 years
Lloyd G. Schermer	1 year

2. To amend, restate and extend the Company's 1990 Long Term Incentive Plan as described in Proposal 2 in the Proxy Statement.

3. In their discretion, upon such other matters as may properly come before the meeting.

You are encouraged to specify your choices by marking the appropriate boxes, SEE REVERSE SIDE, but you need not mark any boxes if you wish to vote in accordance with the Board of Directors' recommendations. The above-named proxies cannot vote your shares unless you sign and return this card.

FOLD AND DETACH HERE

Please mark your
Votes as in this
Example.

THIS PROXY IS SOLICITED BY THE BOARD OF DIRECTORS. EVERY PROPERLY SIGNED PROXY WILL BE VOTED AS DIRECTED. UNLESS OTHERWISE DIRECTED, PROXIES WILL BE VOTED FOR ITEMS 1 AND 2, AND IN THE DISCRETION OF THE BOARD OF DIRECTORS IN CONNECTION WITH ITEM 3.

The Board of Directors Recommends a vote FOR:

1. ELECTION OF DIRECTORS

3. In their discretion, upon such other matters as may properly come before the meeting.

FOR all nominees meeting. listed on the reverse (except as marked to the contrary below).	[] WITHHOLD AUTHORITY to vote for all nominees listed on the reverse.	For []	Against []	Abstain []
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For, except vote withheld from the following nominee(s):

2. To amend, restate and extend the Company's 1990 Long Term Incentive Plan as described in Proposal 2 in the Proxy Statement; and

For	Against	Abstain
[]	[]	[]

(PLEASE sign exactly as your name appears hereon. Executors, administrators, trustees, custodians, etc. should give full title. If shares are registered in joint names, each owner should sign.)

SIGNATURE(S) 199
DATE

SIGNATURE(S) 199
DATE

FOLD AND DETACH HERE