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

FORM 10-Q

[x] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

For The Quarterly Period Ended June 30, 2004

OR

[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

Commission File Number 1-6227

LEE ENTERPRISES, INCORPORATED

(Exact name of Registrant as specified in its Charter)

Delaware	42-0823980
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

201 N. Harrison Street, Suite 600, Davenport, Iowa 52801
(Address of principal executive offices)

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

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes [x] No [ ]

Indicate by check mark whether the Registrant is an accelerated filer (as defined in Rule 12b-2 of the Exchange Act). Yes [x] No [ ]

As of June 30, 2004, 36,641,955 shares of Common Stock and 8,526,240 shares of Class B Common Stock of the Registrant were outstanding.

LEE ENTERPRISES, INCORPORATED

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PART I FINANCIAL INFORMATION

Item 1. Financial Statements

LEE ENTERPRISES, INCORPORATED

CONSOLIDATED STATEMENTS OF INCOME
(Unaudited)

	Three Months Ended June 30		Nine Months Ended June 30	
(Thousands, Except Per Common Share Data)	2004	2003	2004	2003
Operating revenue:				
Advertising	$ 131,377	$ 121,890	$ 376,929	$ 354,886
Circulation	32,363	32,312	97,872	97,566
Other	12,226	10,762	34,493	32,096
	175,966	164,964	509,294	484,548
Operating expenses:				
Compensation	68,838	66,649	206,196	200,141
Newsprint and ink	16,334	14,912	46,556	42,272
Depreciation	5,179	4,418	14,801	13,497
Amortization of intangible assets	6,855	6,758	20,520	20,210
Other operating expenses	40,097	36,203	116,171	109,128
	137,303	128,940	404,244	385,248
Operating income, before equity in net income of associated companies	38,663	36,024	105,050	99,300
Equity in net income of associated companies	2,209	1,962	6,090	5,733
Operating income	40,872	37,986	111,140	105,033
Nonoperating income (expense), net:				
Financial income	243	373	808	916
Financial expense	(2,867)	(4,072)	(9,801)	(13,032)
Other, net	-	(408)	(294)	(795)
	(2,624)	(4,107)	(9,287)	(12,911)
Income from continuing operations before income taxes	38,248	33,879	101,853	92,122
Income tax expense	13,696	12,475	36,632	33,763
Income from continuing operations	24,552	21,404	65,221	58,359
Discontinued operations:				
Income (expense) from discontinued operations, net of income tax effect	-	54	(149)	200
Loss on disposition, net of income tax effect	(88)	-	(315)	(19)
	(88)	54	(464)	181
Net income	$ 24,464	$ 21,458	$ 64,757	$ 58,540
Earnings per common share:				
Basic:				
Continuing operations	$ 0.55	$ 0.48	$ 1.46	$ 1.32
Discontinued operations	-	-	(0.01)	-
Net income	$ 0.55	$ 0.48	$ 1.45	$ 1.32
Diluted:				
Continuing operations	$ 0.54	$ 0.48	$ 1.45	$ 1.31
Discontinued operations	-	-	(0.01)	-
Net income	$ 0.54	$ 0.48	$ 1.44	$ 1.32

Dividends per common share	$	0.18	$	0.17	$	0.54	$	0.51

The accompanying Notes are an integral part of the Consolidated Financial Statements.

LEE ENTERPRISES, INCORPORATED

CONSOLIDATED BALANCE SHEETS
(Unaudited)

(Thousands, Except Per Common Share Data)	June 30 2004	September 30 2003
ASSETS		
Current assets:		
Cash and cash equivalents	$ 8,251	$ 11,064
Accounts receivable, net	62,113	58,050
Receivable from associated companies	-	1,500
Inventories	10,111	9,413
Assets of discontinued operations	-	25,203
Other	9,540	8,979
Total current assets	90,015	114,209
Investments	32,203	29,472
Property and equipment, net	197,599	198,117
Goodwill	620,101	606,411
Other intangible assets	460,748	469,484
Other	1,717	3,684
	$1,402,383	$1,421,377
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Notes payable and current maturities of long-term debt	$ 11,600	$ 36,600
Accounts payable	19,315	19,790
Compensation and other accrued liabilities	32,675	33,007
Income taxes payable	7,061	16,553
Dividends payable	6,033	-
Liabilities of discontinued operations	-	8,675
Unearned revenue	28,906	27,291
Total current liabilities	105,590	141,916
Long-term debt, net of current maturities	223,000	268,600
Deferred items	213,161	207,884
Other	496	821
	542,247	619,221
Stockholder' equity:		
Serial convertible preferred stock, no par value; authorized 500 shares: none issued	-	-
Common Stock, $2 par value; authorized 60,000 shares; issued and outstanding: June 30, 2004 36,642 shares; September 30, 2003 35,497 shares	73,284	70,994
Class B Common Stock, $2 par value; authorized 30,000 shares; issued and outstanding: June 30, 2004 8,526 shares; September 30, 2003 9,124 shares	17,052	18,248
Additional paid-in capital	97,847	78,697
Unearned compensation	(4,656)	(2,457)
Retained earnings	676,609	636,674
	860,136	802,156
	$1,402,383	$1,421,377

The accompanying Notes are an integral part of the Consolidated Financial Statements.

LEE ENTERPRISES, INCORPORATED

CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

	Nine Months Ended June 30	
(Thousands)	2004	2003
Cash provided by operating activities:		
Net income	$ 64,757	$ 58,540
Results of discontinued operations	(464)	181
Income from continuing operations	65,221	58,359
Adjustments to reconcile income from continuing operations to net cash provided by operating activities of continuing operations:		
Depreciation and amortization	35,321	33,707
Stock compensation expense	4,357	3,447
Distributions less than current earnings of associated companies	(276)	(108)
Other, net	(12,125)	5,693
Net cash provided by operating activities	92,498	101,098
Cash required for investing activities:		
Purchases of property and equipment	(13,591)	(8,403)
Acquisitions, net	(4,543)	(482)
Proceeds from sales of assets	1,145	4,435
Other	(116)	(75)
Net cash required for investing activities	(17,105)	(4,525)
Cash required for financing activities:		
Payments on notes payable	-	(3,000)
Proceeds from long-term debt	78,000	26,000
Payments on long-term debt	(148,600)	(101,100)
Common stock transactions	10,884	5,090
Cash dividends paid	(18,277)	(22,635)
Net cash required for financing activities	(77,993)	(95,645)
Net cash provided by (required for) discontinued operations	(213)	5,651
Net increase (decrease) in cash and cash equivalents	(2,813)	6,579
Cash and cash equivalents:		
Beginning of period	11,064	14,381
End of period	$ 8,251	$ 20,960

The accompanying Notes are an integral part of the Consolidated Financial Statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

1 Basis of Presentation

The Consolidated Financial Statements included herein are unaudited. In the opinion of management, these financial statements contain all adjustments (consisting of only normal recurring items) necessary to present fairly the financial position of Lee Enterprises, Incorporated and subsidiaries (the Company) as of June 30, 2004 and its results of operations and cash flows for the periods presented. These Consolidated Financial Statements should be read in conjunction with the Consolidated Financial Statements and Notes thereto included in the Company's 2003 Annual Report on Form 10-K.

Because of seasonal and other factors, the results of operations for the three months and nine months ended June 30, 2004 are not necessarily indicative of the results to be expected for the full year.

Certain amounts as previously reported have been reclassified to conform with the current period presentation.

2 Acquisitions and Divestitures

In January 2004, the Company purchased two specialty publications at a cost of $1,400,000. In February 2004, the Company exchanged its daily newspapers in Freeport, Illinois and Corning, New York and cash totaling $2,406,000 for two daily newspapers in Burley, Idaho and Elko, Nevada and eight weekly and specialty publications. In March 2004, the Company purchased a specialty publication at a cost of $426,000. In June 2004, the Company purchased a specialty publication at a cost of $300,000. These acquisitions did not have a material effect on the Company's Consolidated Financial Statements.

All acquisitions are accounted for as a purchase and, accordingly, the results of operations since the respective dates of acquisition are included in the Consolidated Financial Statements. Results of Freeport, Illinois and Corning, New York have been classified as discontinued operations for all periods presented.

Results from discontinued operations consist of the following:

	Three Months Ended June 30		Nine Months Ended June 30	
(Thousands)	2004	2003	2004	2003
Operating revenue	$ -	$ 2,410	$ 3,142	$ 7,161
Income (expense) from, and gain (loss) on sale of, discontinued operations	(143)	91	2,196	299
Income tax expense (benefit)	(55)	37	2,660	118
	$ (88)	$ 54	$ (464)	$ 181

Income tax expense related to discontinued operations differs from the amounts computed by applying the U.S. federal income tax rate due primarily to nondeductible goodwill and basis differences in identified intangible assets associated with the February 2004 exchange transaction described above.

In July 2004, the Company purchased a specialty publication at a cost of $4,500,000.

3 Investments in Associated Companies

The Company has a 50% ownership interest in Madison Newspapers, Inc. (MNI), a company that publishes daily and Sunday newspapers and other publications in Madison, Wisconsin, and other Wisconsin locations. MNI conducts its business under the trade name Capital Newspapers.

Summarized financial information of MNI is as follows:

	Three Months Ended June 30		Nine Months Ended June 30	
(Thousands)	2004	2003	2004	2003
Operating revenue	$ 29,575	$ 28,794	$ 87,983	$ 84,592
Operating expenses, excluding depreciation and amortization	21,101	20,813	63,791	61,336
Depreciation and amortization	1,192	1,473	4,086	4,243
Operating income	7,282	6,508	20,106	19,013
Net income	4,418	3,924	12,180	11,466

Debt of MNI totaled $21,600,000 and $29,844,000 at June 30, 2004 and September 30, 2003, respectively.

In April 2004, the Company converted its notes receivable from CityXpress Corp (CityXpress) to common stock. The Company has a 36% ownership interest in CityXpress. The operations of, and the Company's investment in, CityXpress are not significant to the Consolidated Financial Statements.

4 Goodwill and Other Intangible Assets

Changes in the carrying amount of goodwill are as follows:

(Thousands)	Nine Months Ended June 30, 2004
Goodwill, beginning of period, as previously reported	$ 611,011
Goodwill included in assets of discontinued operations	(4,600)
Goodwill, beginning of period, as reclassified	606,411
Goodwill related to acquisitions	13,690
Goodwill, end of period	$ 620,101

Identified intangible assets related to continuing operations consist of the following:

(Thousands)	June 30 2004	September 30 2003
Nonamortized intangible assets:		
Mastheads	$ 25,527	$ 24,915
Amortizable intangible assets:		
Noncompete covenants and consulting agreements	28,460	28,441
Less accumulated amortization	(25,814)	(24,168)
	2,646	4,273
Customer and newspaper subscriber lists	520,343	509,190
Less accumulated amortization	(87,768)	(68,894)
	432,575	440,296
	$ 460,748	$ 469,484

Annual amortization of intangible assets related to continuing operations for the five years ending June 2009 is estimated to be $25,818,000, $23,211,000, $23,175,000, $22,845,000 and $22,094,000, respectively.

5 Stock Ownership Plans

A summary of activity related to the Company's stock option plan is as follows:

(Thousands, Except Per Common Share Data)	Shares	Weighted Average Exercise Price
Outstanding at September 30, 2003	1,177	$ 30.39
Granted	245	44.25
Exercised	(430)	27.46
Cancelled	(13)	35.88
Outstanding at June 30, 2004	979	$ 35.07

Options to purchase 1,215,000 shares of common stock with a weighted average exercise price of $30.31 per share were outstanding at June 30, 2003.

6 Income Taxes

The provision for income taxes includes deferred taxes and is based upon estimated annual effective tax rates in the tax jurisdictions in which the Company operates.

7 Earnings Per Common Share

The following table sets forth the computation of basic and diluted earnings per common share:

	Three Months Ended June 30		Nine Months Ended June 30	
(Thousands, Except Per Common Share Data)	2004	2003	2004	2003
Income (loss) applicable to common stock:				
Continuing operations	$ 24,552	$ 21,404	$ 65,221	$ 58,359
Discontinued operations	(88)	54	(464)	181
Net income	$ 24,464	$ 21,458	$ 64,757	$ 58,540
Weighted average common shares	45,107	44,517	44,950	44,437
Less non-vested restricted stock	223	166	217	160
Basic average common shares	44,884	44,351	44,733	44,277
Dilutive stock options and restricted stock	321	223	299	167
Diluted average common shares	45,205	44,574	45,032	44,444
Earnings per common share:				
Basic:				
Continuing operations	$ 0.55	$ 0.48	$ 1.46	$ 1.32
Discontinued operations	-	-	(0.01)	-
Net income	$ 0.55	$ 0.48	$ 1.45	$ 1.32
Diluted:				
Continuing operations	$ 0.54	$ 0.48	$ 1.45	$ 1.31
Discontinued operations	-	-	(0.01)	-
Net income	$ 0.54	$ 0.48	$ 1.44	$ 1.32

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

The following discussion includes comments and analysis relating to the Company's results of operations and financial condition as of and for the three months and nine months ended June 30, 2004. This discussion should be read in conjunction with the Consolidated Financial Statements and related Notes thereto and the 2003 Annual Report on Form 10-K.

FORWARD-LOOKING STATEMENTS

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

NON-GAAP FINANCIAL MEASURES

Operating Cash Flow

Operating cash flow, which is defined as operating income before depreciation, amortization, and equity in net income of associated companies, and operating cash flow margin (operating cash flow divided by operating revenue) represent non-GAAP financial measures that are used in the analyses below. The Company believes that operating cash flow and the related margin percentage are useful measures of evaluating its financial performance because of their focus on the Company's results from operations before depreciation and amortization. The Company also believes that these measures are several of the alternative financial measures of performance used by investors, rating agencies and financial analysts to estimate the value of a company and evaluate its ability to meet debt service requirements.

A reconciliation of operating cash flow to operating income, the most directly comparable measure under accounting principles generally accepted in the United States of America (GAAP), is included in the table below:

	Three Months Ended June 30		Nine Months Ended June 30	
(Thousands)	2004	2003	2004	2003
Operating cash flow	$ 50,697	$ 47,200	$ 140,371	$ 133,007
Depreciation and amortization	12,034	11,176	35,321	33,707
Operating income, before equity in net income of associated companies	38,663	36,024	105,050	99,300
Equity in net income of associated companies	2,209	1,962	6,090	5,733
Operating income	$ 40,872	$ 37,986	$ 111,140	$ 105,033

Same Property Comparisons

Certain information below, as noted, is presented on a same property basis, which is exclusive of acquisitions and divestitures consummated in the current or prior year. The Company believes such comparisons provide meaningful information for an understanding of changes in its revenue and operating expenses. Same property comparisons exclude Madison Newspapers, Inc. (MNI). The Company owns 50% of the capital stock of MNI, which for financial reporting purposes is reported using the equity method of accounting. Same property comparisons also exclude corporate office costs.

CRITICAL ACCOUNTING POLICIES

The Company's discussion and analysis of its financial condition and results of operations are based upon the Company's Consolidated Financial Statements, which have been prepared in accordance with GAAP. The preparation of these financial statements requires the Company to make estimates and judgments that affect the reported amounts of assets, liabilities, revenues and expenses, and related disclosure of contingent assets and liabilities. On an on-going basis, the Company evaluates its estimates, including those related to intangible assets and income taxes. The Company bases its estimates on historical experience and on various other assumptions that are believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions. Additional information follows with regard to certain of the most critical of the Company's accounting policies.

Goodwill and Other Intangible Assets

In assessing the recoverability of the Company's goodwill and other intangible assets, the Company must make assumptions regarding estimated future cash flows and other factors to determine the fair value of the respective assets. The Company analyzes its goodwill and indefinite life intangible assets for impairment on an annual basis or more frequently if impairment indicators are present.

Income Taxes

Deferred income taxes are provided using the liability method, whereby deferred income tax assets are recognized for deductible temporary differences and loss carryforwards and deferred income tax liabilities are recognized for taxable temporary differences. Temporary differences are the difference between the reported amounts of assets and liabilities and their tax bases. Deferred income tax assets are reduced by a valuation allowance when, in the opinion of management, it is more likely than not that some portion or all of the deferred income tax assets will not be realized. Deferred income tax assets and liabilities are adjusted for the effects of changes in tax laws and rates on the date of enactment.

The Company files income tax returns with various state tax jurisdictions and the Internal Revenue Service. From time to time the Company is audited by those agencies, and those audits may result in proposed adjustments. The Company has considered the alternative interpretations that may be assumed by the various taxing agencies and does not anticipate any material adverse impact on its earnings as a result of such audits.

Revenue Recognition

Advertising revenues are recorded when advertisements are placed in the publication and circulation revenues are recorded as newspapers are delivered over the subscription term. Other revenue is recognized when the related product or service has been delivered. Unearned revenue arises in the ordinary course of business from advance subscription payments for newspapers.

EXECUTIVE SUMMARY

The Company directly, and through its ownership of associated companies, publishes 44 daily newspapers in 19 states and approximately 200 weekly, classified and specialty publications, along with associated online services. The Company was founded in 1890, incorporated in 1950, and listed on the New York Stock Exchange in 1978. Before 2001, the Company also operated a number of network-affiliated and satellite television stations.

The Company is focused on five key strategic priorities. They are to:

- Grow revenue creatively and rapidly;
- Improve readership and circulation;
- Emphasize strong local news;
- Drive the Company's online strength; and
- Exercise careful cost controls.

Certain aspects of these priorities are discussed below.

In April 2002, the Company acquired ownership of 15 daily newspapers and a 50% interest in the Sioux City, Iowa daily newspaper (SCN) by purchasing Howard Publications, Inc. (Howard). This acquisition was consistent with the strategy the Company announced in 2000 to buy daily newspapers with daily circulation of 30,000 or more. In July 2002, the Company acquired the remaining 50% of SCN. These acquisitions increased the Company's circulation by more than 75 percent, to 1.1 million daily and 1.2 million on Sunday, and increased its revenue by nearly 50 percent. In February 2004, two daily newspapers acquired in the Howard acquisition were exchanged for two daily newspapers in Burley, Idaho and Elko, Nevada.

More than 70% of the Company's revenue is derived from advertising. The Company's strategies are to increase its share of local advertising through increased sales pressure in its existing markets and, over time, to increase circulation through internal expansion into contiguous markets, as well as make selective acquisitions. Acquisition efforts are focused on newspapers with daily circulation of 30,000 or more, as noted above, and other publications that expand the Company's operating revenue.

Results for the three months and nine months ended June 30, 2004 improved over the prior year due to the Company's continuing emphasis on its strategic priorities, as described above, and the improvement in the overall economic environment, both of which positively influenced advertising revenue.

THREE MONTHS ENDED JUNE 30, 2004

Operating results, as reported in the Consolidated Financial Statements, are summarized below:

	Three Months Ended June 30		Percent Change	
(Thousands, Except Per Common Share Data)	2004	2003	Total	Same Property
Advertising revenue:				
Retail	$ 71,207	$ 68,408	4.1%	3.1%
National	4,541	3,943	15.2	13.3
Classified:				
Daily newspapers:				
Employment	11,889	9,697	22.6	21.9
Automotive	10,165	10,465	(2.9)	(3.0)
Real estate	8,975	8,200	9.5	9.1
All other	8,709	7,781	11.9	10.2
Other publications	9,773	8,936	9.4	5.9
Total classified	49,511	45,079	9.8	8.6
Niche publications	3,114	2,225	40.0	38.5
Online	3,004	2,235	34.4	33.9
Total advertising revenue	131,377	121,890	7.8	6.6
Circulation	32,363	32,312	0.2	(0.6)
Commercial printing	5,301	4,840	9.5	7.1
Online services and other	6,925	5,922	16.9	16.8
Total operating revenue	175,966	164,964	6.7	5.6
Compensation	68,838	66,649	3.3	4.0
Newsprint and ink	16,334	14,912	9.5	10.0
Other operating expenses	40,097	36,203	10.8	8.2
	125,269	117,764	6.4	6.1
Operating cash flow	50,697	47,200	7.4	4.7
Depreciation and amortization	12,034	11,176	7.7	4.4
Operating income, before equity in net income of associated companies	38,663	36,024	7.3	4.8
Equity in net income of associated companies	2,209	1,962	12.6	NA
Operating income	40,872	37,986	7.6	NA
Non-operating expense, net	(2,624)	(4,107)	(36.1)	NA
Income from continuing operations before income taxes	38,248	33,879	12.9	NA
Income tax expense	13,696	12,475	9.8	NA
Income from continuing operations	$ 24,552	$ 21,404	14.7%	NA
Earnings per common share:				
Basic	$ 0.55	$ 0.48	14.6%	NA
Diluted	0.54	0.48	12.5	NA

Sundays generate substantially more advertising and circulation revenue than any other day of the week. The quarter ended June 30, 2004 had the same number of Sundays as the prior year quarter.

In total, acquisitions accounted for $1,739,000 of revenue and $1,498,000 of operating expenses other than depreciation and amortization in the three months ended June 30, 2004.

Advertising Revenue

For the quarter ended June 30, 2004, total same property revenue increased $9,263,000, or 5.6%, and total same property advertising revenue increased $8,104,000 or 6.6%. Same property retail revenue increased $2,087,000 or 3.1%. Same property average retail rate, excluding preprint insertions, increased 2.5%. Preprint insertion revenue increased 2.0%.

Same property classified advertising revenue increased 8.6% for the quarter ended June 30, 2004. Higher margin employment advertising at the daily newspapers increased 21.9% on a same property basis, the third consecutive quarterly increase, and same property real estate classified revenue increased 9.1%. Same property automotive classified advertising decreased 3.0%. Same property average classified rates increased 5.3%.

Advertising lineage, as reported on a same property basis for the Company's daily newspapers, consists of the following:

	Three Months Ended June 30		
(Thousands Of Inches)	2004	2003	Percent Change
Retail	2,564	2,502	2.5%
National	141	123	14.6
Classified	2,995	2,871	4.3
	5,700	5,496	3.7%

Advertising in niche publications increased 38.5% on a same property basis, due to new publications in existing markets and penetration of new and existing markets. Online advertising increased 33.9% on a same property basis, due to expanded use of the Company's online business model and cross-selling with the Company's print publications. These categories are a strategic focus for the Company, and have been experiencing higher rates of growth.

Circulation and Other Revenue

Same property circulation revenue decreased $183,000, or 0.6%, in the current year quarter. The Company's unaudited average daily newspaper circulation units, including MNI, decreased 0.2% and Sunday circulation increased 0.8% for the three months ended June 2004, compared to the prior year quarter. The Company remains focused on growing circulation units and revenue through a number of initiatives.

Same property commercial printing revenue increased $346,000, or 7.1%. Same property online services and other revenue increased $996,000, or 16.8%.

Operating Expenses and Results of Operations

Same property compensation expense increased $2,453,000, or 4.0%, in the current year quarter. Same property full-time equivalent employees decreased 1.1% year over year, offsetting normal salary increases, higher incentive compensation from increasing revenue and overtime. Same property newsprint and ink costs increased $1,455,000, or 10.0%, in the current year quarter due to newsprint price increases combined with an increase in usage. Newsprint prices have been increasing since the summer of 2002. Same property newsprint volume increased 1.7%. Same property other operating costs, which are comprised of all operating expenses not considered to be compensation, newsprint and ink, depreciation or amortization, increased $2,825,000, or 8.2%, in the current year quarter. Costs of new niche publications and expenses to increase circulation using sources other than telemarketing contributed to the growth in other operating expenses. Depreciation and amortization expense increased $483,000, or 4.4% on a same property basis.

Operating cash flow improved 7.4% to $50,697,000 the current year quarter from $47,200,000 in the prior year. Operating cash flow margin increased to 28.8% from 28.6% in the prior year. Same property operating cash flow increased 4.7%. Equity in net income of associated companies increased to $2,209,000 in the current year quarter from $1,962,000 in the prior year quarter. Operating income increased 7.6% to $40,872,000. Operating income margin increased to 23.2% from 23.0%.

Nonoperating Income and Expense

Financial expense decreased $1,205,000 due primarily to debt reduction from operating cash flow.

Overall Results

The Company's effective income tax rate declined to 35.8% from 36.8% in the prior year quarter due primarily to the favorable resolution of outstanding state tax issues. As a result of all of the above, earnings per diluted common share from continuing operations increased 12.5% to $0.54 per share from $0.48 per share in the prior year quarter.

NINE MONTHS ENDED JUNE 30, 2004

Operating results, as reported in the Consolidated Financial Statements, are summarized below:

	Nine Months Ended June 30		Percent Change	
(Thousands, Except Per Common Share Data)	2004	2003	Total	Same Property
Advertising revenue:				
Retail	$ 211,315	$ 203,999	3.6%	3.0%
National	13,822	11,752	17.6	16.7
Classified:				
Daily newspapers:				
Employment	31,430	27,595	13.9	13.6
Automotive	29,546	30,210	(2.2)	(2.2)
Real estate	25,468	22,994	10.8	10.6
All other	21,958	20,672	6.2	5.1
Other publications	27,174	25,588	6.2	4.3
Total classified	135,576	127,059	6.7	6.0
Niche publications	8,227	6,222	32.2	31.7
Online	7,989	5,854	36.5	36.1
Total advertising revenue	376,929	354,886	6.2	5.6
Circulation	97,872	97,566	0.3	(0.1)
Commercial printing	14,803	14,214	4.1	2.7
Online services and other	19,690	17,882	10.1	10.0
Total operating revenue	509,294	484,548	5.1	4.5
Compensation	206,196	200,141	3.0	3.4
Newsprint and ink	46,556	42,272	10.1	9.6
Other operating expenses	116,171	109,128	6.5	5.6
	368,923	351,541	4.9	4.9
Operating cash flow	140,371	133,007	5.5	3.8
Depreciation and amortization	35,321	33,707	4.8	2.7
Operating income, before equity in net income of associated companies	105,050	99,300	5.8	4.1
Equity in net income of associated companies	6,090	5,733	6.2	NA
Operating income	111,140	105,033	5.8	NA
Non-operating expense, net	(9,287)	(12,911)	(28.1)	NA
Income from continuing operations before income taxes	101,853	92,122	10.6	NA
Income tax expense	36,632	33,763	8.5	NA
Income from continuing operations	$ 65,221	$ 58,359	11.8%	NA
Earnings per common share:				
Basic	$ 1.46	$ 1.32	10.6%	NA
Diluted	1.45	1.31	10.7	NA

Sundays generate substantially more advertising and circulation revenue than any other day of the week. The nine month period ended June 30, 2004 had the same number of Sundays as the same period in the prior year.

In total, acquisitions accounted for $2,818,000 of revenue and $2,405,000 of operating expenses other than depreciation and amortization in the nine months ended June 30, 2004.

Advertising Revenue

For the nine months ended June 30, 2004, total same property revenue increased $21,928,000, or 4.5%, and total same property advertising revenue increased $19,854,000, or 5.6%. Same property retail revenue increased $6,137,000, or 3.0%. Same property average retail rate, excluding preprint insertions, increased 2.5%. Preprint insertion revenue increased 4.3%.

Same property classified advertising revenue increased 6.0% for the nine month period ended June 30, 2004. Higher margin employment advertising at the daily newspapers increased 13.6% on a same property basis, and same property real estate classified revenue increased 10.6%. Same property automotive classified advertising decreased 2.2%. Same property average classified rates increased 2.8%.

Advertising lineage, as reported on a same property basis for the Company’s daily newspapers, consists of the following:

	Nine Months Ended June 30		
(Thousands Of Inches)	2004	2003	Percent Change
Retail	7,738	7,712	0.3%
National	412	355	16.1
Classified	8,269	7,980	3.6
	16,419	16,047	2.3%

Advertising in niche publications increased 31.7% on a same property basis, due to new publications in existing markets and penetration of new and existing markets. Online advertising increased 36.1% on a same property basis, due to expanded use of the Company’s online business model and cross-selling with the Company’s print publications. Both of these categories are a strategic focus for the Company, and have been experiencing higher rates of growth.

Circulation and Other Revenue

Same property circulation revenue decreased $110,000, or 0.1%, in the current year nine month period. The Company’s unaudited average daily newspaper circulation units, including MNI, were essentially unchanged and Sunday circulation increased 0.6% for the nine months ended June 2004, compared to the prior year. The Company remains focused on growing circulation units and revenue through a number of initiatives.

Same property commercial printing revenue increased $389,000, or 2.7%. Same property online services and other revenue increased $1,795,000, or 10.0%.

Operating Expenses and Results of Operations

Same property compensation expense increased $6,283,000, or 3.4%, in the current year nine month period. Same property full-time equivalent employees decreased 1.3% year over year, offsetting normal salary increases. Same property newsprint and ink costs increased $4,027,000, or 9.6%, in the current year nine month period due to newsprint price increases combined with an increase in usage. Newsprint prices have been increasing since the summer of 2002. Same property newsprint volume increased 1.9%. Same property other operating costs, which are comprised of all operating expenses not considered to be compensation, newsprint and ink, depreciation or amortization, increased $5,768,000, or 5.6%, in the current year nine month period. A $550,000 accrual for the prospect that the Company, among many others, will be required to refund approved critical vendor payments received from Kmart Corporation following its bankruptcy proceedings in 2002 increased this category of costs in the current year nine month period. Costs of new niche publications and expenses to increase circulation using sources other than telemarketing also contributed to the growth in costs. Depreciation and amortization expense increased $878,000, or 2.7% on a same property basis.

Operating cash flow improved 5.5% to $140,371,000 in the current year nine month period from $133,007,000 in the prior year. Operating cash flow margin increased to 27.6% from 27.4% in the prior year. Same property operating cash flow increased 3.8%. Equity in net income of associated companies increased to $6,090,000 in the current year nine month period from $5,733,000 in the prior year. Operating income increased 5.8% to $111,140,000. Operating income margin increased to 21.8% from 21.7%.

Nonoperating Income and Expense

Financial expense decreased $3,231,000 primarily due to debt reduction from operating cash flow.

Overall Results

The Company’s effective income tax rate declined to 36.0% from 36.7% in the prior year due primarily to favorable resolution of outstanding state tax issues. As a result of all of the above, earnings per diluted common share from continuing operations increased 10.7% to $1.45 per share from $1.31 per share in the prior year.

LIQUIDITY AND CAPITAL RESOURCES

Cash provided by operating activities of continuing operations was $92,498,000 for the nine months ended June 30, 2004 and $101,098,000 for the same period in 2003. Increased income from continuing operations was more than offset by changes in working capital, accounting for the change between years.

Cash required for investing activities totaled $17,105,000 for the nine months ended June 30, 2004, and $4,525,000 in the same period in 2003. Increased capital expenditures, additional funds required for acquisitions and lower proceeds from the sale of assets account for the change between years.

The Company anticipates that funds necessary for future capital expenditures, and other requirements, will be available from internally generated funds, availability under its existing credit agreement or, if necessary, by accessing the capital markets.

Cash required for financing activities totaled $77,993,000 during the nine months ended June 30, 2004, and $95,645,000 in the prior year. Net debt repayments totaling $70,600,000 and $75,100,000 and dividends were the primary uses of funds in the current year and prior year periods, respectively. The Company’s cash dividend payments have been influenced primarily by timing.

Cash required by discontinued operations totaling $213,000 in the current year primarily reflects the operating cash flow of businesses sold. Cash provided for discontinued operations totaled $5,651,000 during the nine months ended June 30, 2003 and primarily reflects net proceeds from the sale of businesses.

Cash and cash equivalents decreased $2,813,000 for the nine months ended June 30, 2004 and increased $6,579,000 for the same period in 2003.

INFLATION

The Company has not been significantly impacted by inflationary pressures over the last several years. The Company anticipates that changing costs of newsprint, its basic raw material, may impact future operating costs. Price increases (or decreases) for the Company’s products are implemented when deemed appropriate by management. The Company continuously evaluates price increases, productivity improvements and cost reductions to mitigate the impact of inflation.

In July 2004, several newsprint manufacturers announced price increases of $50 per metric ton, effective for deliveries in September 2004. The final extent of changes in prices, if any, is subject to negotiation between such manufacturers and the Company. See Item 3.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

The Company is exposed to market risk stemming from changes in interest rates and commodity prices. Changes in these factors could cause fluctuations in earnings and cash flows. In the normal course of business, exposure to certain of these market risks is managed as described below.

INTEREST RATES

The Company’s debt structure and interest rate risk are managed through the use of fixed and floating rate debt. The Company’s primary exposure is to the London Interbank Offered Rate (LIBOR). A one percent increase to LIBOR would decrease income from continuing operations before income taxes on an annualized basis by approximately $1,210,000, based on floating rate debt outstanding at June 30, 2004, excluding MNI.

Interest rate risk in the Company’s investment portfolio is managed by investing only in securities with maturity at date of acquisition of 180 days or less. Only high-quality investments are considered.

COMMODITIES

Certain materials used by the Company are exposed to commodity price changes. The Company manages this risk through instruments such as purchase orders and non-cancelable supply contracts. The Company is also involved in continuing programs to mitigate the impact of cost increases through identification of sourcing and operating efficiencies. Primary commodity price exposures are newsprint and, to a lesser extent, ink.

A $10 per metric ton newsprint price increase would result in an annualized reduction in income from continuing operations before income taxes of approximately $1,107,000, based on anticipated consumption in 2004, excluding MNI.

SENSITIVITY TO CHANGES IN VALUE

The estimate that follows is intended to measure the maximum potential impact on fair value of fixed rate debt of the Company in one year from adverse changes in market interest rates under normal market conditions. The calculation is not intended to represent the actual loss in fair value that the Company expects to incur. The estimate does not consider favorable changes in market rates. The position included in the calculation is fixed rate debt, which totals $113,600,000 at June 30, 2004.

The estimated maximum potential one-year loss in fair value from a 100 basis point movement in interest rates on market risk sensitive instruments outstanding at June 30, 2004 is approximately $5,049,000. There is no impact on reported results from such changes in interest rates.

Item 4. Controls and Procedures

In order to ensure that the information that must be disclosed in filings with the Securities and Exchange Commission is recorded, processed, summarized and reported in a timely manner, the Company has disclosure controls and procedures in place. The Chief Executive Officer, Mary E. Junck, and Chief Financial Officer, Carl G. Schmidt, have reviewed and evaluated disclosure controls and procedures as of June 30, 2004, and have concluded that such controls and procedures are appropriate and that no changes are required.

There have been no significant changes in internal controls, or in other factors that could affect internal controls, since June 30, 2004.

PART II OTHER INFORMATION

Item 2(e). Issuer Purchases of Equity Securities

During the three months ended June 30, 2004, the Company purchased shares of Common Stock, as noted in the table below, in transactions with participants in its 1990 Long-Term Incentive Plan. The transactions resulted from the withholding of shares to fund the exercise price and/or taxes related to the exercise of stock options: 55,618 shares; and forfeitures of restricted Common Stock upon a participant's termination of employment with the Company: 500 shares.

Month	Total Number of Shares Purchased Or Forfeited	Average Price Per Share
April 2004	53,218	$47.78
May 2004	2,900	45.24
	56,118	$47.64

The Company is not currently engaged in share repurchases related to a publicly announced plan or program.

Item 6. Exhibits and Reports on Form 8-K

EXHIBITS

Exhibit 31 Rule 13a-14(a)/15d-14(a) Certifications

Exhibit 32 Section 1350 Certification

REPORTS ON FORM 8-K

The following report on Form 8-K was filed during the three months ended June 30, 2004.

Date of Report	Item(s)	Disclosure(s)
April 16, 2004	9 and 12	Earnings for the three months and six months ended March 31, 2004.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

LEE ENTERPRISES, INCORPORATED

/s/ Carl G. Schmidt

DATE: August 9, 2004

Carl G. Schmidt
Vice President, Chief Financial Officer and Treasurer
(Principal Financial and Accounting Officer)

Exhibit 31

CERTIFICATION OF CHIEF EXECUTIVE OFFICER

I, Mary E. Junck, certify that:

1. I have reviewed this quarterly report on Form 10-Q (Quarterly Report) of Lee Enterprises, Incorporated (Registrant);

2. Based on my knowledge, this Quarterly Report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this Quarterly Report;

3. Based on my knowledge, the Consolidated Financial Statements, and other financial information included in this Quarterly Report, fairly present in all material respects the financial condition, results of operations and cash flows of the Registrant as of, and for, the periods presented in this Quarterly Report;

4. The Registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the Registrant and have:

   a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this Quarterly Report is being prepared;

   b) evaluated the effectiveness of the Registrant's disclosure controls and procedures and presented in this Quarterly Report our conclusions about the effectiveness of the disclosure controls and procedures as of the end of the period covered by this Quarterly Report based on such evaluation; and

   c) disclosed in this Quarterly Report any change in the Registrant's internal control over financial reporting that occurred during the Registrant's most recent fiscal quarter (the Registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the Registrant's internal control over financial reporting;

5. The Registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Registrant's auditors and the Audit Committee of Registrant's Board of Directors (or persons performing the equivalent function):

   a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to affect the Registrant's ability to record, process, summarize and report financial information; and

   b) any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant's internal control over financial reporting

Date: August 9, 2004

/s/ Mary E. Junck

Mary E. Junck
Chairman, President and Chief Executive Officer

Exhibit 31

CERTIFICATION OF CHIEF FINANCIAL OFFICER

I, Carl G. Schmidt, certify that:

1. I have reviewed this quarterly report on Form 10-Q (Quarterly Report) of Lee Enterprises, Incorporated (Registrant);

2. Based on my knowledge, this Quarterly Report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this Quarterly Report;

3. Based on my knowledge, the Consolidated Financial Statements, and other financial information included in this Quarterly Report, fairly present in all material respects the financial condition, results of operations and cash flows of the Registrant as of, and for, the periods presented in this Quarterly Report;

4. The Registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the Registrant and have:

    a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this Quarterly Report is being prepared;

    b) evaluated the effectiveness of the Registrant's disclosure controls and procedures and presented in this Quarterly Report our conclusions about the effectiveness of the disclosure controls and procedures as of the end of the period covered by this Quarterly Report based on such evaluation; and

    c) disclosed in this Quarterly Report any change in the Registrant's internal control over financial reporting that occurred during the Registrant's most recent fiscal quarter (the Registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the Registrant's internal control over financial reporting;

5. The Registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Registrant's auditors and the Audit Committee of Registrant's Board of Directors (or persons performing the equivalent function):

    a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to affect the Registrant's ability to record, process, summarize and report financial information; and

    b) any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant's internal controls over financial reporting

Date: August 9, 2004

/s/Carl G. Schmidt

Carl G. Schmidt
Vice President, Chief Financial Officer and Treasurer

Exhibit 32

The following statement is being furnished to the Securities and Exchange Commission solely for purposes of Section 906 of the Sarbanes-Oxley Act of 2002 (18 U.S.C. 1350), which carries with it certain criminal penalties in the event of a knowing or willful misrepresentation.

Securities and Exchange Commission
450 Fifth Street, NW
Washington, DC 20549

Re: Lee Enterprises, Incorporated

Ladies and Gentlemen:

In accordance with the requirements of Section 906 of the Sarbanes-Oxley Act of 2002 (18 U.S.C. 1350), each of the undersigned hereby certifies that to our knowledge:

(i) this quarterly report on Form 10-Q for the period ended June 30, 2004 (Quarterly Report), fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m or 78o(d)); and

(ii) the information contained in this Quarterly Report fairly presents, in all material respects, the financial condition and results of operations of Lee Enterprises, Incorporated for the periods presented in the Quarterly Report.

Dated as of this 9th day of August, 2004

/s/ Mary E. Junck	/s/ Carl G. Schmidt
Mary E. Junck Chairman, President and Chief Executive Officer	Carl G. Schmidt Vice President, Chief Financial Officer and Treasurer

A signed original of this written statement required by Section 906 has been provided to Lee Enterprises, Incorporated and will be retained by Lee Enterprises, Incorporated and furnished to the Securities and Exchange Commission upon request.