FORM 10-K

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

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

For the fiscal year ended September 30, 2000

[ ] 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 of Incorporation)	(I.R.S. Employer Identification No.)
215 N. Main Street, Davenport, Iowa	52801
(Address of Principal Executive Offices)	(Zip Code)

Registrant's telephone number, including area code (319) 383-2100

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

Title of Each Class	Name of Each Exchange On Which Registered
Common Stock - $2.00 par value	New York Stock Exchange
Preferred Share Purchase Rights	New York Stock Exchange

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

Title of Class

Class B Common Stock - $2.00 par value

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 if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. [X]

State the aggregate market value of voting stock held by nonaffiliates of the registrant as of December 1, 2000. Common Stock and Class B Common Stock, $2.00 par value, $1,197,960,000.

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of December 1, 2000. Common Stock, $2.00 par value, 32,975,540 shares; and Class B Common Stock, $2.00 par value, 10,726,497 shares.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the Lee Enterprises, Incorporated Definitive Proxy Statement dated December 27, 2000 are incorporated by reference in Part III of this Form 10-K.

PART I

Item 1. Business

This Annual Report on Form 10-K contains certain forward-looking statements that are based largely on the Company's current expectations and are subject to certain risks, trends, and uncertainties that could cause actual results to differ materially from those anticipated. Among such risks, trends, and uncertainties are changes in advertising demand, newsprint prices, interest rates, regulatory rulings, other economic conditions, and the effect of acquisitions, investments, and dispositions on the Company's results of operations or financial condition. The words "believe," "expect," "anticipate," "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 as of the date of this filing.

Item 1(a). Recent business developments. On October 1, 2000 the Company consummated the sale of certain broadcasting properties for approximately $565,000,000, net of selling expenses. For additional information related to the disposition, see Note 2 of the Notes to Consolidated Financial Statements under Item 8, herein.

Item 1(b). The Company operates as a single industry segment publishing newspapers, classified and specialty publications, along with associated online services.

Item 1(c) Narrative description of business.

The Company and its subsidiaries publish the following:

Daily Newspapers:

Newspaper	City	State	Circulation Daily (M-F)	Circulation Sunday
Southern Illinoisian	Carbondale	Illinois	25,667	35,431
Herald & Review	Decatur	Illinois	34,708	42,842
Quad City Times	Davenport	Iowa	50,237	72,154
Globe Gazette	Mason City	Iowa	19,451	23,520
Muscatine Journal	Muscatine	Iowa	8,121	-
Winona Daily News	Winona	Minnesota	11,910	12,733
Billings Gazette	Billings	Montana	47,390	52,895
The Montana Standard	Butte	Montana	14,388	14,730
Ravalli Republic	Hamilton	Montana	4,600 *	-
Independent Record	Helena	Montana	13,123	13,933
Missoulian	Missoula	Montana	30,405	36,863
Beatrice Daily Sun	Beatrice	Nebraska	8,200	-
Columbus Telegram	Columbus	Nebraska	10,116	10,933
Fremont Tribune	Fremont	Nebraska	9,319 *	-
Lincoln Journal Star	Lincoln	Nebraska	74,862	83,469
The Bismarck Tribune	Bismarck	North Dakota	27,311	30,380
Democrat-Herald	Albany	Oregon	18,669	32,758 **
Ashland Daily Tidings	Ashland	Oregon	5,086	-
Corvallis Gazette-Times	Corvallis	Oregon	12,322	- **
Rapid City Journal	Rapid City	South Dakota	29,963	34,004
Baraboo News Republic ***	Baraboo	Wisconsin	3,812 *	-
Chippewa Herald	Chippewa Falls	Wisconsin	7,550 *	-
LaCrosse Tribune	LaCrosse	Wisconsin	31,390	40,505
Wisconsin State Journal ***	Madison	Wisconsin	88,171	158,492
Portage Daily Register ***	Portage	Wisconsin	4,645 *	-
The Journal Times	Racine	Wisconsin	29,636	31,091
Shawano Leader ***	Shawano	Wisconsin	5,981 *	6,292
Total paid daily and Sunday circulation			627,033	733,025

Source - Audit Bureau of Circulation (ABC): Average of 6 months ended March and September 2000.

* From publisher's statement.
** Combined edition with Democrat-Herald.
*** Published by Madison Newspapers, Inc., a 50%-owned affiliate.

The Company owns 50% of the capital stock of Madison Newspapers, Inc. and 17% of the nonvoting common stock of The Capital Times Company. The Capital Times Company owns the remaining 50% of the capital stock of Madison Newspapers, Inc.

Madison Newspapers, Inc. owns the Wisconsin State Journal, a morning newspaper published seven days each week, and The Capital Times, an afternoon paper published Monday through Saturday each week. Both newspapers are produced in the printing plant of Madison Newspapers, Inc., which maintains common advertising, circulation, delivery, and business departments for the two newspapers.

Central Wisconsin Newspapers, Inc., a wholly-owned subsidiary of Madison Newspapers, Inc., publishes three daily newspapers, seven weekly publications, and two classified publications.

The Company has a contract to furnish the editorial and news content for the Wisconsin State Journal. The Wisconsin State Journal is classified as one of the Lee Group of newspapers in the newspaper field and in the rating services.

Weekly Newspapers:

Newspaper	City	State	Day(s)	Circulation
Bettendorf News	Bettendorf	Iowa	Wednesday	7,800
Britt Tribune News	Britt	Iowa	Tuesday	1,750
Forest City Summit	Forest City	Iowa	Wednesday	3,200
Mitchell County Press-News	Osage	Iowa	Wednesday	3,300
Bigfork Eagle	Big Fork	Montana	Wednesday	1,600
Hungry Horse News	Columbia Falls	Montana	Thursday	6,500
Clark Fork Valley Press	Plains	Montana	Wednesday	1,500
Lake County Leader	Polson	Montana	Thursday	5,600
Mineral County Independent	Superior	Montana	Wednesday	11,000
Whitefish Pilot	Whitefish	Montana	Thursday	4,000
David City Banner Press	David City	Nebraska	Thursday	3,800
The Plattsmouth Journal	Plattsmouth	Nebraska	Thursday	5,500
Schuyler Sun	Schuyler	Nebraska	Thursday	2,950
Burt County Plaindealer	Tekamah	Nebraska	Tuesday	2,000
Mandan News	Mandan	North Dakota	Thursday	1,900
Cottage Grove Sentinel	Cottage Grove	Oregon	Wednesday	4,500
Lebanon Express	Lebanon	Oregon	Wednesday	3,500
Newport News-Times	Newport	Oregon	Wednesday and Friday	10,000
The Springfield News	Springfield	Oregon	Wednesday and Saturday	11,000
Business First *	Madison	Wisconsin	Tuesday	10,000
Juneau County Star-Times *	Mauston	Wisconsin	Wednesday and Saturday	2,900
Dunn County News	Menomonie	Wisconsin	Wednesday and Sunday	4,400
Oregon News *	Oregon	Wisconsin	Thursday	5,000
Reedsburg Times Press/Report *	Reedsburg	Wisconsin	Thursday and Saturday	2,400
Sauk Prairie Eagle *	Sauk City	Wisconsin	Thursday	2,400
Stoughton News *	Stoughton	Wisconsin	Thursday	5,000
Sun Prairie News *	Sun Prairie	Wisconsin	Thursday	9,000
Tomah Journal/Monitor Herald	Tomah	Wisconsin	Monday and Thursday	5,150
Vernon County Broadcaster	Viroqua	Wisconsin	Thursday	5,400
Coulee News	West Salem	Wisconsin	Thursday	2,100
Westby Times	Westby	Wisconsin	Thursday	1,600
Wisconsin Dells Events *	Wisconsin Dells	Wisconsin	Wednesday and Saturday	1,800
Total paid weekly circulation				148,550

Source: Company statistics

* Published by Madison Newspapers, Inc., a 50%-owned affiliate.

Classified Publications:

Publication	City	State	Day(s)	Circulation
Dandy Dime	Tucson	Arizona	Friday	37,000
Nickel Want Ad Newspaper	Redding	California	Thursday	19,000
Flipside	Carbondale	Illinois	Thursday	11,000
Southern Hometown Shopper	Carbondale	Illinois	Wednesday	35,100
Prairie Shopper	Decatur	Illinois	Tuesday	44,200
The Extra	Decatur	Illinois	Tuesday	22,000
Thrifty Nickel	East Moline	Illinois	Thursday	11,700
Town & Country Advertiser	Britt	Iowa	Tuesday	4,700
Gateway Times	Clinton	Iowa	Saturday	10,000
Quad City Advertiser	Davenport	Iowa	Wednesday	25,000
Summit Advertiser	Forest City	Iowa	Wednesday	7,500
Winnebago/Hancock Shopper	Forest City	Iowa	Monday	10,700
Globe Advertiser	Mason City	Iowa	Tuesday	5,800
Mason City Shopper	Mason City	Iowa	Tuesday	28,200
Sunday Express	Muscatine	Iowa	Sunday	4,300
The Post	Muscatine	Iowa	Tuesday	20,500
Town & Country Shopper	Osage	Iowa	Wednesday	3,600
Neighbors Extra	Winona	Minnesota	Saturday	9,700
Thrifty Nickel	Billings	Montana	Thursday	30,000
Work for You	Billings	Montana	Wednesday	10,000
Yellowstone Shopper	Billings	Montana	Thursday	14,800
Mini Nickel	Bozeman	Montana	Thursday	27,500
Western Montana Shopper	Deer Lodge	Montana	Thursday	3,500
Consumers Press	Great Falls	Montana	Thursday	34,000
Post Script	Hamilton	Montana	Wednesday	16,000
The Adit	Helena	Montana	Wednesday	23,500
West Shore News	Lakeside	Montana	Wednesday	3,500
The Shopping News	Missoula	Montana	Wednesday	15,500
Western Montana Messenger	Missoula	Montana	Wednesday	33,000
The Advertiser	Polson	Montana	Wednesday	28,000
Penny Press	Beatrice	Nebraska	Tuesday	18,500
Plug Nickel	Beatrice	Nebraska	Wednesday	8,500
Sunland Weekend Extra	Beatrice	Nebraska	Saturday	15,000
Scout Shopper	Columbus	Nebraska	Tuesday	13,500
Tribune Marketplace	Fremont	Nebraska	Tuesday	21,000
Homefront Buyers Guide	Fremont	Nebraska	Friday	19,500
Neighborhood Extra	Lincoln	Nebraska	Saturday	62,000
Star Express	Lincoln	Nebraska	Wednesday	30,000
Stuff for You	Lincoln	Nebraska	Friday	5,000
Work for You	Lincoln	Nebraska	Tuesday	7,500
Consumer Connection	Plattsmouth	Nebraska	Tuesday	18,000
Nifty Nickel	Las Vegas	Nevada	Friday	50,000
Penny Saver	Albuquerque	New Mexico	Thursday	24,000
Quik Quarter/Thrifty Nickel	Albuquerque	New Mexico	Thursday	36,000
Tribune Extra	Bismarck	North Dakota	Wednesday	15,000
Circulation subtotal forward				892,800

Publication	City	State	Day(s)	Circulation
Circulation subtotal forwarded				892,800
Pennysaver	Dickinson	North Dakota	Wednesday	13,800
The Finder	Mandan	North Dakota	Wednesday	39,200
Minot Finder	Minot	North Dakota	Wednesday	18,000
This Week	Albany/Corvallis	Oregon	Wednesday	16,500
Ashland People	Ashland	Oregon	Tuesday	6,000
Nickel Want Ad Newspaper	Klamath Falls	Oregon	Thursday	19,000
Nickel Want Ad Newspaper	Medford	Oregon	Thursday	27,500
This Week	Newport	Oregon	Tuesday	10,000
Nickel Ads	Portland	Oregon	Friday	173,000
Rapid City Advertiser	Rapid City	South Dakota	Wednesday	28,000
Northern Hills Advertiser	Spearfish	South Dakota	Wednesday	15,000
Pioneer Shopper	St. George	Utah	Thursday	28,500
Little Nickel	Lynnwood	Washington	Wednesday and Thursday	320,000
Nickel Saver	Moses Lake	Washington	Thursday	21,500
Nickel Nik	Spokane	Washington	Friday	37,000
Buyline	Walla Walla	Washington	Thursday	20,000
Nickel Ads	Wenatchee	Washington	Thursday	26,500
Chippewa County Advertiser	Chippewa Falls	Wisconsin	Sunday	12,500
Your Family Shopper	Chippewa Falls	Wisconsin	Saturday	31,800
Tradin' Post Buyer's Guide	Eau Claire	Wisconsin	Monday	27,000
Foxxy Shopper	LaCrosse	Wisconsin	Tuesday	34,000
Tribune Extra	LaCrosse	Wisconsin	Wednesday	21,300
Work for You Extra **	Madison	Wisconsin	Sunday	40,000
Dunn County Reminder	Menomonie	Wisconsin	Thursday	22,000
Dunn County Shopper	Menomonie	Wisconsin	Sunday	16,000
Shopper Stopper **	Merrimac	Wisconsin	Tuesday	123,000
Pennysaver	Racine	Wisconsin	Monday	55,000
Foxxy Shopper	Sparta	Wisconsin	Tuesday	43,800
Tri-County Advertiser	Tomah	Wisconsin	Tuesday	12,200
Economy Shopper	West Salem	Wisconsin	Tuesday	18,900
Total non-paid weekly circulation				2,169,800

Source: Company statistics

** Published by Madison Newspapers, Inc., a 50%-owned affiliate.

Classified publications are weekly advertising publications available in racks or delivered free by carriers or third-class mail to all households in a particular geographic area. Classified publications offer advertisers a cost-effective local advertising system. Classified publications are particularly effective in larger markets with high media fragmentation in which metropolitan newspapers generally have low penetration.

Specialty Publications:

	City	State
Cars & Trucks	Tuscon	Arizona
Welcome Home	Carbondale	Illinois
Wheels for You	Decatur	Illinois
Thrifty Nickel Wheel Deals	East Moline	Illinois
Classic Images	Muscatine	Iowa
Films of the Golden Age	Muscatine	Iowa
Autofinder	Billings	Montana
Western Business	Billings	Montana
Prairie Star	Great Falls	Montana
Montana Magazine	Helena	Montana
Autofinder	Missoula	Montana
Wheels for You	Grand Island	Nebraska
Real Estate	Lincoln	Nebraska
Rentals for You	Lincoln	Nebraska
Wheels for You	Lincoln	Nebraska
Midwest Messenger	Tekamah	Nebraska
Farm & Ranch Guide	Bismarck	North Dakota
The Family Times	Corvallis	Oregon
Goldmine	Cottage Grove	Oregon
Mighty Mailer	Springfield	Oregon
Tri-State Neighbor	Sioux Falls	South Dakota
Homes	Moses Lake	Washington
Driveline	Spokane	Washington
Home Buyer's Guide	Spokane	Washington
Nickel Nik's RV/Truck Wheel Deals	Spokane	Washington
Nickel Nik's Wheel Deals	Spokane	Washington
Homes	Wenatchee	Washington
Enterpriser	LaCrosse	Wisconsin
Wheels for You	LaCrosse	Wisconsin
Home Buyers Guide	LaCrosse	Wisconsin
Ad World **	Madison	Wisconsin
AgriView **	Madison	Wisconsin
Apartment Showcase **	Madison/Milwaukee	Wisconsin
Nursing Matters **	Madison	Wisconsin
Wisconsin Reminder **	Mauston	Wisconsin
Cent Saver **	Portage	Wisconsin
Penny Saver **	Shawano	Wisconsin

** Published by Madison Newspapers, Inc., a 50%-owned affiliate.

Commercial Printing:

	City	State
William Street Press	Decatur	Illinois
Hawkeye Printing	Davenport	Iowa
Platen Press	Deer Lodge	Montana
Farcountry Press	Helena	Montana
Broadwater Printing	Townsend	Montana
Oak Creek Printing	Lincoln	Nebraska
Little Nickel Quik Print	Lynwood	Washington
Maple Street Press	Spokane	Washington

Online Services:

The Company's internet activities are comprised of websites and investments in three internet service companies. These activities are reported and managed as a part of the Company's publishing operations. The Company expects significant growth from these operations in 2001.

The Company has an 81% interest in INN Partners, L.C. d/b/a International Newspaper Network, a provider of web solutions for small daily and weekly newspapers and shoppers. The Company has a 6.3% interest in Ad One, LLC, a provider of integrated online classified solutions for the newspaper industry. The Company has an agreement to invest up to $1,500,000 in three-year subordinated convertible debentures of CityXpress.com Corp., an integrator of online editorial content with transactional and promotional opportunities.

The Company's strategy is to increase its share of local advertising in its existing markets, and over time, to increase circulation through internal expansion into contiguous markets and make selective acquisitions.

The basic raw material of newspapers, classified, and specialty publications is newsprint. The Company and its subsidiaries purchase newsprint from U.S. and Canadian producers. The Company believes it will continue to receive a supply of newsprint adequate to its needs. Newsprint prices are volatile and fluctuate based upon factors which include both the foreign and domestic production capacity and consumption. The price fluctuations can have a significant effect on the results of operations. For the quantitative impacts of these fluctuations, see "Management Discussion and Analysis of Financial Condition and Results of Operations" under Item 7, herein.

Publishing revenue has traditionally been highest in the quarter ended December 31 and, likewise, has been lowest in the quarter ended March 31.

The Company's newspapers, classified and specialty publications compete with newspapers having national or regional circulation, magazines, radio, television, other advertising media such as billboards, classified and specialty publications and direct mail, as well as other information content providers such as on-line services. In addition, several of the Company's daily and Sunday newspapers compete with other newspapers in nearby cities and towns.

OTHER MATTERS

In the opinion of management, compliance with present statutory and regulatory requirements respecting environmental quality will not necessitate significant capital outlays, or materially affect the earning power of the business of the Company, or cause material changes in the Company's business, whether present or intended.

In September 2000, the Company, its subsidiaries and associated companies had approximately 5,900 employees, including approximately 1,400 part-time employees. This included approximately 1,400 employees, including approximately 100 part-time employees, in the Company's Broadcast division which was sold on October 1, 2000.

Item 2. Properties

The Company's executive offices are located in facilities leased at 215 North Main Street, Davenport, Iowa.

All of the printing plants (except Madison, Wisconsin which is owned by Madison Newspapers, Inc. and a leased plant in Spokane, Washington) are owned by the Company. All printing plants (including Madison) are well maintained, are in good condition, and are suitable for the present office and publishing operations and are adequately equipped with typesetting, printing and other required equipment.

Item 3. Legal Proceedings

Not applicable.

Item 4. Submission of Matters to a Vote of Security Holders

Not applicable.

Executive Officers of the Company

The following table shows the names and ages of all executive officers of the Company, the period of service for each with the Company, the period during which each has held his or her present office and the office held by each.

Name	Age	Period of Service with Company	Period In Present Office	Present Office
Richard D. Gottlieb	58	37 years	9 months	Chairman and Chief Executive Officer
Mary E. Junck	53	2 years	9 months	President and Chief Operating Officer
Phil E. Blake	56	21 years	1 year	Vice President - Publishing
John VanStrydonck	47	19 years	3 months	Vice President - Publishing
Greg R. Veon	48	24 years	1 year	Vice President - Publishing
James W. Hopson	54	2 months	2 months	Vice President - Publishing
Vytenis P. Kuraitis	52	6 years	4 years	Vice President - Human Resources
Charles D. Waterman, III	54	11 years	11 years	Secretary
George C. Wahlig	53	11 years	1 month	Vice President - Finance, Interim Chief Financial Officer and Chief Accounting Officer
Gregory P. Schermer	46	12 years	3 years	Vice President - Interactive Media
Michael E. Phelps	54	8 months	8 months	Vice President - Sales & Marketing

Richard D. Gottlieb was elected Chairman in January 2000. He had been President and Chief Executive Officer since 1991. The Company anticipates that Mr. Gottlieb will retire as Chief Executive Officer in January 2001 and continue as a non-executive Chairman of the Board of Directors of the Company.

Mary E. Junck was elected Executive Vice President and Chief Operating Officer in May 1999 and President in January 2000. From May 1996 to April 1999 she was Executive Vice President of The Times Mirror Company and President of Eastern Newspapers. She was named Publisher and Chief Executive Officer of The Baltimore Sun in 1993. The Company anticipates that Ms. Junck will be elected President and Chief Executive Officer of the Company in January 2001.

Phil E. Blake was elected Vice President - Publishing in November 1999. For more than the past 5 years has been, publisher of the Wisconsin State Journal and publisher and treasurer of Madison Newspapers, Inc. Mr. Blake retired as publisher of the Wisconsin State Journal in July 2000, and will retire from the Company on December 31, 2000.

John VanStrydonck was elected Vice President - Publishing in June 2000; from September 1994 to June 2000 he was publisher of the Rapid City Journal and was Chairman and Chief Operating Officer of NAPP Systems from September 1994 until its sale by Lee in January 1997.

Greg R. Veon was elected Vice President - Publishing in November 1999; from November 1995 through November 1999 he was Vice President - Marketing; from 1992 through November 1995 he was Vice President and General Manager of KOIN-TV, Portland, Oregon.

James W. Hopson was elected Vice President - Publishing and publisher of the Wisconsin State Journal in July 2000. For more than the past 5 years he has been Chief Executive Officer of Thomson Newspapers Central Ohio Strategic Marketing Group.

Vytenis P. Kuraitis was elected Vice President - Human Resources in January 1997. From August 1994 through January 1997 he was Director of Human Resources.

Charles D. Waterman, III was elected Secretary of the Company in November 1989. He is presently, and for more than the past five years has been, a partner in the law firm of Lane & Waterman, Davenport, Iowa, general counsel of the Company.

George C. Wahlig was appointed interim Chief Financial Officer in September

2000. For more than 5 years he has been Vice President - Finance and Chief Accounting Officer.

Gregory P. Schermer was elected Vice President - Interactive Media in November 1997; from 1989 through November 1997 he was, and continues to serve as, corporate counsel for the Company.

Michael E. Phelps was elected Vice President - Sales and Marketing in February 2000. For more than the past 5 years he has been managing principal of Phelps, Cutler & Associates newspaper management consultants.

PART II

Item 5. Market for the Registrant's Common Stock and Related Stockholder Matters

COMMON STOCK PRICES AND DIVIDENDS

Lee Common Stock is listed on the New York Stock Exchange. Lee Class B Common Stock was issued to stockholders of record of the Company in 1986 pursuant to a 100% stock dividend and is converted at sale or the option of the holder into Lee Common Stock. The table below shows the high and low prices of Lee Common Stock for each quarter during the past three years, the closing price at the end of each quarter and the dividends paid per share.

	Quarter			
	4th	3rd	2nd	1st
STOCK PRICES				
2000				
High	$28 15/16	$26 3/16	$31 9/16	$32 1/4
Low	23 1/4	20 1/2	19 11/16	27 1/4
Closing	28 7/8	23 5/16	26 1/8	31 15/16
1999				
High	$31 1/16	$30 1/2	$31 7/16	$31 1/2
Low	26 1/8	27 1/2	26 5/16	21 13/16
Closing	27 3/8	30 1/2	29	31 1/2
1998				
High	$31 3/4	$33 7/8	$33 9/16	$29 13/16
Low	23 1/2	27 5/16	28	25 1/2
Closing	25 15/16	30 5/8	33 9/16	29 9/16
DIVIDENDS PAID				
2000	$ 0.16	$ 0.16	$ 0.16	$ 0.16
1999	0.15	0.15	0.15	0.15
1998	0.14	0.14	0.14	0.14

For a description of the relative rights of Common Stock and Class B Common Stock, see Note 7 of the Notes to Consolidated Financial Statements under Item 8, herein.

At September 30, 2000, the Company had 3,185 holders of Common Stock and 2,064 holders of Class B Common Stock.

Item 6. Selected Financial Data

FIVE YEAR FINANCIAL PERFORMANCE

Year Ended September 30:	2000	1999	1998	1997	1996
	(In Thousands Except Per Share Data)				
OPERATIONS					
Operating revenue	$ 431,513	$ 413,846	$ 391,261	$ 326,197	$ 309,572
Income from continuing operations	$ 69,875	$ 56,821	$ 47,674	$ 49,879	$ 40,363
Discontinued operations	4,738	11,152	14,559	12,866	21,032
Gain (loss) on disposition of discontinued operations	9,050	--	--	1,485	(15,948)
	13,788	11,152	14,559	14,351	5,084
Net income	$ 83,663	$ 67,973	$ 62,233	$ 64,230	$ 45,447
PER SHARE AMOUNTS					
Weighted average shares:					
Basic	44,005	44,273	44,829	46,393	46,973
Diluted	44,360	44,861	45,557	47,243	47,899
Basic:					
Income from continuing operations	$ 1.59	$ 1.29	$ 1.07	$ 1.07	$ 0.86
Discontinued operations	0.11	0.25	0.32	0.28	0.44
Gain (loss) on disposition of discontinued operations	0.20	--	--	0.03	(0.33)
Net income	$ 1.90	$ 1.54	$ 1.39	$ 1.38	$ 0.97
Diluted:					
Income from continuing operations	$ 1.58	$ 1.27	$ 1.05	$ 1.06	$ 0.84
Discontinued operations	0.11	0.25	0.32	0.27	0.44
Gain (loss) on disposition of discontinued operations	0.20	--	--	0.03	(0.33)
Net income	$ 1.89	$ 1.52	$ 1.37	$ 1.36	$ 0.95
Dividends	$ 0.64	$ 0.60	$ 0.56	$ 0.52	$ 0.48
OTHER DATA					
Total assets	$ 746,233	$ 679,513	$ 660,585	$ 650,963	$ 527,416
Debt, including current maturities	222,932	204,625	219,481	203,735	95,503
Stockholders' equity	395,167	354,329	319,759	319,390	324,954

Item 7. Management Discussion and Analysis of Financial Condition and Results of Operations

This Management Discussion and Analysis of Financial Condition and Results of Operations contains certain forward-looking statements that are based largely on the Company's current expectations and are subject to certain risks, trends, and uncertainties that could cause actual results to differ materially from those anticipated. Among such risks, trends, and uncertainties are changes in advertising demand, newsprint prices, interest rates, and other economic conditions and the effect of acquisitions, investments, and dispositions on the Company's results of operations or financial condition. The words "believe," "expect," "anticipate," "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 as of the date of this filing.

Operating results are summarized below:

	2000	1999	1998
	(Dollars in Thousands, Except Per Share Data)		
Operating revenue	$431,513	$413,846	$391,261
Percent change	4.3%	5.8%	19.9%
Income before depreciation, amortization, interest and taxes (EBITDA) *	131,793	124,955	113,990
Percent change	5.5%	9.6%	15.7%
Operating income	102,467	97,369	87,899
Percent change	5.2%	10.8%	7.3%
Non-operating (income) expense, net	(7,748)	10,205	12,715
Income from continuing operations	69,875	56,821	47,674
Percent change	23.0%	19.2%	(4.4%)
Earnings per share, continuing operations			
Basic	1.59	1.29	1.07
Percent change	23.3%	20.6%	0.0%
Diluted	1.58	1.27	1.05
Percent change	24.4%	21.0%	(0.9%)

* EBITDA is not a financial performance measurement under generally accepted accounting principles (GAAP), and should not be considered in isolation or a substitute for GAAP performance measurements. EBITDA is also not reflected in the Company's consolidated statement of cash flows, but it is a common and meaningful alternative performance measurement for comparison to other companies in the newspaper industry. The computation excludes other non-operating items which are primarily the gain on sale of businesses.

Operating revenue consists of the following:

	2000	1999	1998
	(Dollars in Thousands)		
Advertising revenue:			
Retail advertising:			
Retail - "run-of-press"	$ 110,996	$ 108,203	$ 106,889
Retail - preprint and other	48,944	46,344	44,477
Total retail advertising	159,940	154,547	151,366
Percent change	3.5%	2.1%	21.9%
National	9,318	8,737	7,613
Percent change	6.6%	14.8%	8.2%
Classified	101,061	95,854	87,622
Percent change	5.4%	9.4%	34.5%
Other	5,894	5,254	4,783
Percent change	12.2%	9.8%	26.4%
Total advertising	276,213	264,392	251,384
Percent change	4.5%	5.2%	25.6%
Circulation revenue	80,468	83,102	83,091
Percent change	(3.2%)	- %	2.8%
Other revenue	65,455	57,114	48,419
Percent change	14.6%	18.0%	29.2%

The following advertising and circulation revenue results are presented exclusive of acquisitions and dispositions.

Retail "run-of-press" advertising is advertising by merchants in the local community which is printed in the newspaper, rather than "preprints", which are printed separately by the Company or others and inserted into the newspaper. Retail revenue increased .5% in 2000, .4% in 1999, and decreased (.3%) in 1998. Retail revenue increases were caused primarily by an increase in volume as a result of the continuing emphasis on price incentives in return for larger or more frequent ads.

Total revenue realized from retail and national merchants includes preprints, which have lower-priced, higher-volume distribution rates. Preprint revenue increased 2.9% in 2000, 4.2% in 1999, and 4.4% in 1998.

Classified advertising revenue increased approximately 4.9% in 2000, 5.3% in 1999, and 8.1% in 1998. In 2000 growth in advertising revenue was in the employment and automotive categories. In 1999 growth in advertising revenue was in the automotive and to a lesser extent in the employment categories. This growth offset a decrease in real estate. In 1998 continued significant growth in employment and real estate advertising offset a small reduction in automotive.

In total, advertising revenue increased 3.1%, 3.2%, and 3.6%.

In 2000 circulation revenue decreased (2.4%) primarily as a result of a decrease in units. In 1999 circulation revenue decreased by (.3%) as a result of a decrease in volume offset by higher rates. In 1998 circulation revenue decreased (.8%) as a result of a decrease in volume.

Other revenue consists of revenue from commercial printing, products, and services delivered outside the newspaper (which include activities such as target marketing, special event production, and online service) and editorial service contracts with Madison Newspapers, Inc.

Other revenue by category is as follows:

	2000	1999	1998
	(In Thousands)		
Commercial printing	$ 26,789	$ 23,774	$ 22,278
New revenue:			
Niche publications	13,929	10,702	5,500
Internet/online	3,250	1,597	924
Other	12,543	12,297	11,349
Total new revenue	29,722	24,596	17,773
Editorial service contracts	8,944	8,744	8,368
	$ 65,455	$ 57,114	$ 48,419

In 2000, 1999, and 1998, exclusive of the effects of acquisitions and dispositions, other revenue increased 6.2%, 16.5%, and 3.6%, respectively. Commercial printing increased (decreased) by (5.4%), 2.7%, and (4.3%), respectively, due primarily to changes in sales volumes. Niche publications revenue increased 24.6%, 95.3%, and 28.8%, respectively, with the introduction of new products. Internet/online revenue increased 103.7%, 73.8%, and 336.9%, respectively, due to growth in advertising revenue.

The following table sets forth the percentage of revenue of certain items.

	2000	1999	1998
Revenue	100.0%	100.0%	100.0%
Compensation costs	36.8	36.4	36.1
Newsprint and ink	9.0	9.0	10.5
Other operating expenses	23.7	24.4	24.2
	69.5	69.8	70.8
Income before depreciation, amortization, interest and taxes	30.5	30.2	29.2
Depreciation and amortization	6.8	6.7	6.7

Operating margin wholly-owned properties	23.7%	23.5%	22.5%

Exclusive of the effects of acquisitions and dispositions, in 2000 costs other than depreciation and amortization increased by 2.0%. Newsprint and ink costs decreased by (2.7%) due primarily to lower prices paid for newsprint in the first six months of the fiscal year. Compensation costs increased 4.0% primarily due to an increase in average compensation rates. Other operating costs increased .9%.

Exclusive of the effects of acquisitions, in 1999 costs other than depreciation and amortization increased by 2.7%. Newsprint and ink costs decreased by (10.0%) due to lower prices for newsprint offset by a slight increase in usage. Compensation costs increased 5.2% due to an increase in average compensation and hours worked. Other operating costs increased 4.6%.

Exclusive of the effects of acquisitions, in 1998 costs other than depreciation and amortization increased 4.9%. Newsprint and ink costs increased 12.1% due to higher prices for newsprint and greater consumption. Compensation costs increased 5.0% due to an increase in average compensation and hours worked. Other operating costs increased 2.0%.

NON-OPERATING INCOME AND EXPENSE

Financial expense decreased by approximately $(220,000) in 2000 primarily due to payments on long-term debt and increased capitalized interest of $686,000 offset by interest on short-term borrowings and increased deferred compensation costs. Financial expense decreased by approximately $(1,748,000) in 1999 primarily due to payments on long-term debt and a $500,000 increase in capitalized interest offset by additional deferred compensation costs. Financial expense increased by approximately $6,300,000 in 1998 due to borrowings to finance The Pacific Northwest Group acquisition. Interest on deferred compensation arrangements for executives and others is offset by financial income earned on the invested funds held in trust. Financial income and expense included $858,000, $501,000, and $24,000 in 2000, 1999, and 1998, respectively, as a result of these arrangements.

In 2000, financial income increased by approximately $1,339,000 due primarily to an increase in income earned on short-term investments, notes receivable, and deferred compensation funds. Financial income remained relatively unchanged in 1999 and 1998.

In 2000, other non-operating income, net consists primarily of a $18,439,000 gain from the sale of publishing properties and losses related to its 6.3% interest in Ad One, LLC, a provider of integrated online classified solutions for the newspaper industry. In 1999, other non-operating income, net represents the gain from the sale of a shopper publication.

INCOME TAXES

Income taxes were 36.6%, 34.8%, and 36.6% of pretax income in 2000, 1999, and 1998, respectively. In 1999 income taxes were reduced by $1,500,000 due to a settlement of a contingency. Exclusive of the settlement, income taxes were 36.5% of pretax income.

DISCONTINUED OPERATIONS

On October 1, 2000, the Company consummated the sale of substantially all of its broadcasting properties for approximately $565,000,000, net of selling expenses. The results for the broadcast properties have been classified as discontinued operations for all periods presented. For additional information related to the disposition, see Note 2 of the Notes to Consolidated Financial Statements under Item 8, herein.

LIQUIDITY, CAPITAL RESOURCES AND COMMITMENTS

Cash provided by operations totaled $126,889,000 in 2000. The Company has a $50,000,000 revolving credit arrangement with banks which expires in 2003. The major sources and uses of cash in 2000 were as follows:

	(In Thousands)
Sources of cash:	
Operations	$ 126,889
Short-term borrowings	30,500
Proceeds from sale of properties	8,775
All other	5,139
	171,303
Uses of cash:	
Acquisitions, net	71,609
Purchase of property and equipment	32,494
Cash dividends paid	28,288
Purchase of Lee Enterprises, Incorporated stock	20,021

	152,412
Increase in cash	$ 18,891

Capital expenditures for new and improved facilities and equipment are expected to be approximately $12,000,000 in 2001.

The Company anticipates that funds necessary for capital expenditures and other requirements will be available from internally generated funds, net after-tax proceeds from the sale of its broadcast properties, which are expected to be approximately $390,000,000, and the Company's revolving credit agreements.

Under the terms of its senior note agreement, the Company will be required to repay the outstanding balance of $173,400,000 on October 1, 2001 unless the Company reinvests the net proceeds of the broadcast sale or obtains a waiver of that provision of the agreement. Covenants under these agreements are not considered restrictive to normal operations or anticipated stockholder dividends.

DIVIDENDS AND COMMON STOCK PRICES

The current quarterly cash dividend is 17 cents per share, an annual rate of 68 cents.

During the fiscal year ended September 30, 2000, the Company paid dividends of $28,288,000 or 33.8% of fiscal year 2000 net income. The Company will continue to review its dividend policy to assure that it remains consistent with its capital demands. Covenants under borrowing arrangements are not considered restrictive to payment of dividends. Lee Common Stock is listed on the New York Stock Exchange. The table under Item 5 herein shows the high and low prices of Lee Common Stock for each quarter during the past three years. It also shows the closing price at the end of each quarter and the dividends paid in the quarter.

INFLATION

The net effect of inflation on operations has not been material in the last several years because of efforts by the Company to lessen the effect of rising costs through a strategy of improving productivity, controlling costs and, where conditions permit, increasing selling prices.

QUARTERLY RESULTS

The Company's largest source of publishing revenue, retail run-of-press advertising, is seasonal and tends to fluctuate with retail sales in markets served. Historically, retail run-of-press advertising is higher in the first and third fiscal quarters. Newspaper classified advertising revenue (which includes real estate and automobile ads) is lowest in January and February, which are included in the second fiscal quarter.

Quarterly results of operations are summarized under Item 8, herein.

Item 8. Financial Statements and Supplementary Data

FINANCIAL STATEMENTS

CONSOLIDATED BALANCE SHEETS

ASSETS	September 30, 2000	1999	1998
	(Dollars in Thousands)		
Current Assets:			
Cash and cash equivalents	$ 29,427	$ 10,536	$ 16,941
Trade receivables, less allowance for doubtful accounts 2000 $3,344; 1999 $4,460; 1998 $4,110	41,212	67,122	60,443
Receivables from associated companies	1,500	1,438	1,437
Inventories	4,280	3,625	3,878
Other	7,380	19,822	16,892
Net assets of discontinued operations	167,767	--	--
Total current assets	251,566	102,543	99,591
Investments:			
Associated companies	19,155	16,326	14,107
Other	15,021	15,819	12,364
	34,176	32,145	26,471
Property and Equipment:			
Land and improvements	11,473	14,103	13,856
Buildings and improvements	63,893	67,342	65,945
Equipment	172,366	246,484	219,491
	247,732	327,929	299,292
Less accumulated depreciation	120,376	188,726	170,920
	127,356	139,203	128,372
Intangibles and Other Assets:			
Intangibles	332,520	396,392	398,111
Other	615	9,230	8,040
	333,135	405,622	406,151
	$746,233	$679,513	$660,585

See Notes to Consolidated Financial Statements.

LIABILITIES AND STOCKHOLDERS' EQUITY	September 30, 2000	1999	1998
	(Dollars in Thousands)		
Current Liabilities:			
Notes payable and current maturities of long-term debt	$ 49,532	$ 17,620	$ 33,453
Accounts payable	14,242	11,764	14,277
Compensation and other accruals	27,603	26,551	26,966
Income taxes payable	7,799	5,378	6,475
Unearned income	18,451	18,135	16,890
Total current liabilities	117,627	79,448	98,061
Long-Term Debt, net of current maturities	173,400	187,005	186,028
Deferred Items:			
Retirement and compensation	13,418	13,781	13,117
Income taxes	46,621	44,950	43,620
	60,039	58,731	56,737
Stockholders' Equity:			
Capital stock:			
Serial convertible preferred, no par value; authorized 500,000 shares; issued none	--	--	--
Common, $2 par value; authorized 60,000,000 shares; issued and outstanding 2000 33,070,000 shares	66,140	66,142	65,144
Class B, common, $2 par value; authorized 30,000,000 shares; issued and outstanding 2000 10,740,000 shares	21,480	22,376	23,556
Additional paid-in capital	37,330	32,641	28,715
Unearned compensation	(1,227)	(961)	(650)
Retained earnings	271,444	234,131	202,994
	395,167	354,329	319,759
	$746,233	$679,513	$660,585

CONSOLIDATED STATEMENTS OF INCOME

	Year Ended September 30,		
	2000	1999	1998
	(In Thousands Except Per Share Data)		
Operating revenue:			
Advertising	$ 276,213	$ 264,392	$ 251,384
Circulation	80,468	83,102	83,091
Other	65,455	57,114	48,419
Equity in net income of associated companies	9,377	9,238	8,367
	431,513	413,846	391,261
Operating expenses:			
Compensation costs	158,884	150,462	141,261
Newsprint and ink	38,625	37,447	41,165
Depreciation	14,546	13,766	12,403
Amortization of intangibles	14,780	13,820	13,688
Other	102,211	100,982	94,845
	329,046	316,477	303,362
Operating income	102,467	97,369	87,899
Non-operating (income) expense, net:			
Financial expense	12,643	12,863	14,611
Financial (income)	(3,259)	(1,920)	(1,896)
Other, net	(17,132)	(738)	--
	(7,748)	10,205	12,715
Income from continuing operations before taxes on income	110,215	87,164	75,184
Income taxes	40,340	30,343	27,510
Income from continuing operations	69,875	56,821	47,674
Discontinued operations:			
Income from discontinued operations, net of income tax effect	4,738	11,152	14,559
Gain on disposition of discontinued operations, net of income tax effect	9,050	--	--
	13,788	11,152	14,559
Net income	$ 83,663	$ 67,973	$ 62,233
Earnings per share:			
Basic:			
Income from continuing operations	$ 1.59	$ 1.29	$ 1.07
Income from discontinued operations	0.31	0.25	0.32
Net income	$ 1.90	$ 1.54	$ 1.39
Diluted:			
Income from continuing operations	$ 1.58	$ 1.27	$ 1.05
Income from discontinued operations	0.31	0.25	0.32
Net income	$ 1.89	$ 1.52	$ 1.37

See Notes to Consolidated Financial Statements.

CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY

	Year Ended September 30,					
	Amount			Shares		
	2000	1999	1998	2000	1999	1998
	(In Thousands Except Per Share Data)					
Common Stock:						
Balance, beginning	$ 66,142	$ 65,144	$ 66,719	33,071	32,572	33,359
Conversion from Class B Common Stock	770	1,116	649	385	558	325
Shares issued	478	286	286	239	143	143
Shares reacquired	(1,250)	(404)	(2,510)	(625)	(202)	(1,255)
Balance, ending	$ 66,140	$ 66,142	$ 65,144	33,070	33,071	32,572
Class B Common Stock:						
Balance, beginning	$ 22,376	$ 23,556	$ 24,298	11,188	11,778	12,149
Conversion to Common Stock	(770)	(1,116)	(649)	(385)	(558)	(325)
Shares reacquired	(126)	(64)	(93)	(63)	(32)	(46)
Balance, ending	$ 21,480	$ 22,376	$ 23,556	10,740	11,188	11,778
Additional Paid-In Capital:						
Balance, beginning	$ 32,641	$ 28,715	$ 25,629			
Shares issued	4,689	3,926	3,086			
Balance, ending	$ 37,330	$ 32,641	$ 28,715			
Unearned Compensation:						
Balance, beginning	$ (961)	$ (650)	$ (493)			
Restricted shares issued	(1,364)	(1,081)	(714)			
Restricted shares canceled	283	45	7			
Amortization	815	725	550			
Balance, ending	$ (1,227)	$ (961)	$ (650)			
Retained Earnings:						
Balance, beginning	$ 234,131	$ 202,994	$ 203,237			
Net income	83,663	67,973	62,233			
Cash dividends per share 2000 $.64; 1999 $.60; 1998 $.56	(28,288)	(26,623)	(25,160)			
Shares reacquired	(18,062)	(10,213)	(37,316)			
Balance, ending	$ 271,444	$ 234,131	$ 202,994			
Stockholders' Equity	$ 395,167	$ 354,329	$ 319,759	43,810	44,259	44,350

See Notes to Consolidated Financial Statements.

CONSOLIDATED STATEMENTS OF CASH FLOWS

	Year Ended September 30, 2000	1999	1998
	(In Thousands)		
Cash Provided by Operating Activities:			
Net income	$ 83,663	$ 67,973	$ 62,233
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	41,263	39,748	37,576
Gain on sale of publishing properties	(18,439)	(738)	--
Distributions less than earnings of associated companies	(2,891)	(2,220)	(1,922)
Change in assets and liabilities, net of effects from business acquisitions:			
(Increase) decrease in receivables	3,727	(6,154)	(3,131)
(Increase) decrease in inventories and other	1,424	(749)	1,427
Increase (decrease) in accounts payable, accrued expenses and unearned income	7,831	(2,117)	2,370
Increase (decrease) in income taxes payable	2,421	(1,097)	1,721
Other, primarily deferred items	7,890	3,206	465
Net cash provided by operating activities	126,889	97,852	100,739
Cash (Required for) Investing Activities:			
Acquisitions, net	(71,609)	(15,416)	(11,944)
Purchase of property and equipment	(32,494)	(32,431)	(26,725)
Proceeds from sale of publishing properties	8,775	492	--
Other	929	(3,867)	(952)
Net cash (required for) investing activities	(94,399)	(51,222)	(39,621)
Cash (Required for) Financing Activities:			
Purchase of common stock	(20,021)	(11,830)	(51,388)
Cash dividends paid	(28,288)	(26,623)	(25,160)
Proceeds from long-term borrowings	--	--	185,000
Proceeds from (payments on) short-term notes payable, net	30,500	6,000	(145,000)
Principal payments on long-term borrowings	--	(25,000)	(25,000)
Other	4,210	4,418	3,208
Net cash (required for) financing activities	(13,599)	(53,035)	(58,340)
Net increase (decrease) in cash and cash equivalents	18,891	(6,405)	2,778
Cash and cash equivalents:			
Beginning	10,536	16,941	14,163
Ending	$ 29,427	$ 10,536	$ 16,941

See Notes to Consolidated Financial Statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Note 1. Nature of Business and Significant Accounting Policies

Nature of business:

As of September 30, 2000, operating divisions and associated companies publish 28 daily newspapers and more than 100 other weekly, classified and specialty publications and operate more than 75 Web sites.

Significant accounting policies:

Accounting estimates: The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Principles of consolidation: The consolidated financial statements include the accounts of the Company and its wholly-owned subsidiaries. All significant intercompany items have been eliminated.

Inventories: Newsprint inventories are priced at the lower of cost or market with cost being determined primarily by the last-in, first-out method. Newsprint inventories as of September 30, 2000, 1999, and 1998 were less than replacement cost by $4,481,000, $4,710,000, and $4,815,000, respectively.

Investments: Investments in the common stock or joint venture capital of associated companies are reported at cost plus the Company's share of undistributed earnings since acquisition, less amortization of intangibles and share of losses.

Long-term loans to associated companies are included in investments in associated companies.

Other investments primarily consist of various marketable securities held in trust under a deferred compensation arrangement. These investments are classified as trading securities and carried at fair value with gains and losses reported in the consolidated statements of income.

Property and equipment: Property and equipment is carried at cost. Equipment, except for printing presses, is depreciated primarily by declining-balance methods. The straight-line method is used for all other assets. The estimated useful lives in years are as follows:

	Years
Buildings and improvements	5 - 25
Publishing:	
Printing presses	15 - 20
Other major equipment	3 - 11

The Company capitalizes interest as part of the cost of constructing major facilities.

Intangibles: Intangibles include covenants not to compete, consulting agreements, customer lists, newspaper subscriber lists, and the excess costs over fair value of net assets of businesses acquired.

The excess costs over fair value of net tangible assets include $6,493,000 incurred prior to October 31, 1970, which is not being amortized. Excess costs related to specialty publications are being amortized over 10 to 15 year periods. Intangibles representing non-compete covenants, consulting agreements, customer lists, and newspaper subscriber lists are being amortized over periods of 3 to 40 years. The remaining costs are being amortized over a period of 40 years. All intangibles are amortized by the straight-line method.

The Company reviews its intangibles and other long-lived assets annually to determine potential impairment. In performing the review, the Company estimates the future cash flows expected to result from the use of the asset and its eventual disposition. If the sum of the expected future cash flows (undiscounted and without interest charges) is less than the carrying amount of the asset, an impairment is recognized. The amount of impairment is measured based upon projected discounted future cash flows using a discount rate reflecting the Company's average cost of funds.

Unearned income: Unearned income arises in the ordinary course of business from advance subscription payments for newspapers. Revenue is recognized in the period in which it is earned.

Advertising costs: Advertising costs, which are not material, are expensed as incurred.

Income taxes: Deferred taxes are provided on a liability method whereby deferred tax assets are recognized for deductible temporary differences and loss carryforwards and deferred tax liabilities are recognized for taxable temporary differences. Temporary differences are the differences between the reported amounts of assets and liabilities and their tax basis. Deferred 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 tax assets will not be realized. Deferred tax assets and liabilities are adjusted for the effects of changes in tax laws and rates on the date of enactment.

Cash and cash equivalents: For the purpose of reporting cash flows, the Company considers all highly liquid debt instruments purchased with an original maturity of three months or less at date of acquisition to be cash equivalents.

Restricted stock: The Company amortizes as compensation cost the value of restricted stock, issued under a long-term incentive plan, by the straight-line method over the three-year restriction period.

Reclassification: Certain items on the consolidated statements of income for the years ended September 30, 1999 and 1998 have been reclassified, with no effect on income or earnings per share, to be consistent with the classifications adopted for the year ended September 30, 2000.

Note 2. Discontinued Operations and Subsequent Event

On March 1, 2000, the Company decided to discontinue the operations of the Broadcast division. On May 7, 2000 the Company entered into an agreement to sell substantially all of its broadcasting operations, consisting of eight network-affiliated and seven satellite television stations, to Emmis Communications Corporation and closed October 1, 2000. The net proceeds are approximately $565,000,000 resulting in an after-tax gain for financial reporting purposes of approximately $250,000,000. The results for the Broadcast operations have been classified as discontinued operations for all periods presented in the consolidated statements of income. The assets and liabilities of discontinued operations have been classified in the consolidated balance sheet as "net assets of discontinued operations" as of September 30, 2000.

The income from discontinued operations consists of the following:

	Year Ended September 30,		
	2000	1999	1998
	(In Thousands)		
Income from discontinued operations	$23,620	$19,371	$24,948
Income taxes	9,832	8,219	10,389
	$13,788	$11,152	$14,559

As of September 30, 2000, the assets and liabilities of the Broadcast division consisted of the following (in thousands):

Assets:	
Accounts receivable, net	$ 23,493
Program rights and other	8,190
Property and equipment, net	29,775
Intangibles and other assets	122,310
	183,768
Liabilities:	
Current liabilities	13,072
Deferred items and other	2,929
	16,001
Net assets of discontinued operations	$167,767

Note 3. Acquisitions and Dispositions of Publishing Properties

On October 1, 1999 the Company acquired a daily newspaper and specialty publications in Beatrice, Nebraska and received $9,300,000 of cash in exchange for all the assets used in, and liabilities related to, the publication, marketing, and distribution of two daily newspapers and the related specialty and classified publications in Kewanee, Geneseo, and Aledo, Illinois and Ottumwa, Iowa.

In addition, the Company acquired three daily newspapers, eleven weekly newspapers, and fifteen classified or specialty publications in 2000, one daily newspaper, two weekly, and four classified or specialty publications in 1999, and five classified or specialty publications and one commercial printer in 1998.

All acquisitions were accounted for as a purchase and the results of operations since the date of acquisition are included in the consolidated financial statements. These acquisitions and dispositions had the effect of increasing revenue and operating income by approximately $8,300,000 and $150,000, respectively, for the year ended September 30, 2000, as compared to the prior year.

The purchase price of business acquisitions was allocated as follows:

	Year Ended September 30, 2000	1999	1998
	(In Thousands)		
Noncash working capital operations	$ 1,475	$ (100)	$ 377
Property and equipment	8,197	1,207	1,326
Intangibles	74,745	16,048	11,485
Other long-term assets	54	--	--
Issuance of note payable	(432)	(1,000)	(1,194)
Deferred items	(1,170)	(739)	(50)
	82,869	15,416	11,944
Less fair value of assets exchanged	11,260	--	--
Total cash purchase price	$ 71,609	$ 15,416	$ 11,944

Proceeds from the sale of properties consisted of the following:

	Year Ended September 30, 2000
	(In Thousands)
Noncash working capital	$ 111
Property and equipment	764
Intangible assets	721
	1,596
Gain recognized on sale of properties	18,439
	20,035
Less fair value of assets exchanged	11,260
Proceeds from sale of properties	$ 8,775

Note 4. Investments in Associated Companies

The Company has a 50% ownership interest in Madison Newspapers, Inc., a newspaper company which publishes daily, Sunday, and weekly publications in Madison and three other daily newspapers, seven weekly publications, and various other classified publications in Wisconsin and interest in Internet service ventures.

Summarized financial information of Madison Newspapers, Inc. is as follows:

Combined Associates	2000	1999	1998
	(In Thousands)		
ASSETS			
Current assets	$28,102	$30,337	$25,732
Investments and other assets	34,025	6,011	5,919
Property and equipment, net	14,044	9,531	9,997
	$76,171	$45,879	$41,648
LIABILITIES AND STOCKHOLDERS' EQUITY			
Current liabilities	$23,394	$14,023	$14,472
Long-term debt	16,000	--	--
Stockholders' equity	36,777	31,856	27,176
	$76,171	$45,879	$41,648
Revenue	$97,279	$90,626	$85,302
Income before depreciation, amortization, interest, and income taxes	32,482	31,920	29,439
Operating income	29,781	29,325	26,671
Net income	18,791	18,461	16,881

Current receivables from associated companies consist of dividends from Madison Newspapers, Inc. Certain information relating to Company investment in Madison Newspapers, Inc. is as follows:

	2000	1999	1998
	(In Thousands)		
Share of:			
Stockholders' equity	$18,388	$15,928	$13,588
Undistributed earnings	18,164	15,704	13,364

Note 5. Debt

The Company has a $50,000,000 unsecured revolving loan agreement with a bank group which expires in 2003. Interest rates float at rates specified in the agreement. The Company has borrowings of $37,500,000 and $6,000,000 under this agreement as of September 30, 2000 and 1999, respectively.

The Company has long-term obligations, net of current maturities, as follows:

	September 30,		
	2000	1999	1998
	(In Thousands)		
Insurance companies senior notes payable, 6.14% to 6.64%, due in varying amounts from 2001 to 2013	$173,400	$185,000	$185,000
Program contracts, noninterest bearing, due through 2002	--	2,005	1,028
	$173,400	$187,005	$186,028

Aggregate maturities during the next five years are $11,600,000, $11,600,000, $11,600,000, $36,600,000, and $11,600,000. Under the terms of its senior note agreement, the Company will be required to repay the outstanding balance of $173,400,000 on October 1, 2001 unless the Company reinvests the net proceeds of its broadcast sale or obtains a waiver of that provision of the agreement. Covenants under these agreements are not considered restrictive to normal operations or anticipated stockholder dividends.

Note 6. Retirement and Compensation Plans

Substantially all the Company's employees are covered by a qualified defined contribution retirement plan. The Company has other retirement and compensation plans for executives and others. Retirement and compensation plan costs, including interest on deferred compensation costs, charged to operations were $10,400,000 in 2000, $9,700,000 in 1999, and $8,300,000 in 1998.

Note 7. Common Stock, Class B Common Stock, and Preferred Share Purchase Rights

Class B Common Stock has ten votes per share on all matters and generally votes as a class with Common Stock (which has one vote per share). The transfer of Class B Common Stock is restricted; however, Class B Common Stock is at all times convertible into shares of Common Stock on a share-for-share basis. Common Stock and Class B Common Stock have identical rights with respect to cash dividends and upon liquidation. All outstanding Class B Common Stock converts to Common Stock when the shares of Class B Common Stock total less than 5,600,000 shares.

On May 7, 1998, the Board of Directors adopted a Shareholder Rights Plan ("Plan"). Under the Plan, the Board declared a dividend of one Preferred Share Purchase Right ("Right") for each outstanding Common and Class B Common share (collectively "Common Shares") of the Company. The Rights are attached to and automatically trade with the outstanding shares of the Company's Common Shares.

The Rights will become exercisable only in the event that any person or group of affiliated persons becomes a holder of 20% or more of the Company's outstanding Common Shares, or commences a tender or exchange offer which, if consummated, would result in that person or group of affiliated persons owning at least 20% of the Company's outstanding Common Shares. Once the Rights become exercisable, they entitle all other shareholders to purchase, by payment of a $150 exercise price, one one-thousandth of a share of Series A Participating Preferred Stock, subject to adjustment, with a value of twice the exercise price. In addition, at any time after a 20% position is acquired and prior to the acquisition of a 50% position, the Board of Directors may require, in whole or in part, each outstanding Right (other than Rights held by the acquiring person or group of affiliated persons) to be exchanged for one share of Common Stock or one one-thousandth of a share of Series A Preferred Stock. The Rights may be redeemed at a price of $0.001 per Right at any time prior to their expiration on May 31, 2008.

Note 8. Stock Option, Restricted Stock, and Stock Purchase Plans

At September 30, 2000, the Company has three stock-based compensation plans which are described below. As permitted under generally accepted accounting principles, grants under those plans are accounted for following APB Opinion No. 25 and related interpretations. Accordingly, no compensation cost has been recognized for grants under the stock option or the stock purchase plans. Had compensation costs for all of the stock-based compensation plans been determined based on the grant date fair values of awards (the method described in FASB Statement No. 123), reported net income and earnings per common share would have been reduced to the pro forma amounts shown below:

	2000	1999	1998
	(Thousands, Except Per Share Data)		
Net income:			
As reported	$ 83,663	$ 67,973	$ 62,233
Pro forma	82,035	66,600	60,945
Earnings per share:			
Basic:			
As reported	$ 1.90	$ 1.54	$ 1.39
Pro forma	1.86	1.50	1.36
Diluted:			
As reported	1.89	1.52	1.37
Pro forma	1.85	1.49	1.34

Stock option and restricted stock plans:

The Company has reserved 4,910,000 shares of Common Stock for issuance to key employees under an incentive and nonstatutory stock option and restricted stock plan approved by stockholders. Options have been granted at a price equal to the fair market value on the date of grant, and are exercisable in cumulative installments over a ten-year period. The fair value of each grant is estimated at the grant date using the Black-Scholes option-pricing model with the following weighted-average assumptions for grants in 2000, 1999, and 1998, respectively: dividend rates of 2.0% to 2.52%, 2.06%, and 1.95%; price volatility of 18.5% to 19.4%, 18.5%, and 14.5%; risk-free interest rates based upon the life of the option ranging from 6.03% to 6.72%, 4.84% to 6.03%, and 5.29% to 5.77%; and expected lives based upon the life of the option ranging from .7 to 8 years.

A summary of the stock option plan is as follows:

	Number of Shares 2000	1999	1998
	(In Thousands)		
Under option, beginning of year	1,258	1,491	1,509
Granted	282	185	190
Terminated and canceled	(26)	(21)	(5)
Exercised	(336)	(397)	(203)
Under option, end of year	1,178	1,258	1,491
Options exercisable, end of year	767	945	1,110

	Average Price 2000	1999	1998
Granted during the year	$29.11	$27.62	$27.18
Exercised during the year	14.15	15.45	15.88
Under option, end of year	22.72	19.09	17.15
Weighted-average fair value per option of options granted	7.75	6.55	6.95

A further summary of options outstanding as of September 30, 2000 is as follows:

	Options Outstanding			Options Exercisable	
Range of Exercise Prices	Number Outstanding (In Thousands)	Weighted-Average Remaining Contractual Life (In Years)	Weighted-Average Exercise Price	Number Exercisable (In Thousands)	Weighted-Average Exercise Price
$11 to $14	106	1.1	$11.04	106	$11.04
$15 to $20	371	3.8	17.38	371	17.38
$20 to $23	102	6.3	21.58	95	21.49
$25 to $30	582	7.9	28.16	178	27.01
$31 to $34	17	2.1	32.46	17	32.46
	1,178	5.8	22.72	767	19.58

Restricted stock is subject to an agreement requiring forfeiture by the employee in the event of termination of employment within three years of the grant date for reasons other than normal retirement, death or disability. In 2000, 1999, and 1998, the Company granted 46,000, 39,000, and 26,000 shares, respectively, of restricted stock to employees. As of September 30, 2000, 92,000 shares of restricted stock were outstanding.

At September 30, 2000, 3,732,000 shares were available for granting of stock options or issuance of restricted stock.

Stock purchase plan:

The Company has 1,072,000 shares of Common Stock available for issuance pursuant to an employee stock purchase plan. April 30, 2001 is the exercise date for the current offering. The purchase price is the lower of 85% of the fair market value at the date of the grant or the exercise date, which is one year from the date of the grant. The weighted-average fair values per share of purchase rights granted in 2000, 1999, and 1998 computed using the Black-Scholes option-pricing model were $5.32, $6.34, and $6.65, respectively.

In 2000, 1999, and 1998 employees purchased 124,000, 97,000, and 95,000 shares, respectively, at a per share price of $19.31 in 2000, $24.78 in 1999, and $20.98 in 1998.

Note 9. Income Tax Matters

Components of income tax expense consist of the following:

	Year Ended September 30,		
	2000	1999	1998
	(In Thousands)		
Paid or payable on currently taxable income:			
Federal	$36,036	$30,633	$29,943
State	6,612	5,652	5,525
Net increase due to deferred income taxes	7,524	2,277	2,431
	$50,172	$38,562	$37,899

The total tax provision has been allocated to the following financial statement items:

	Year Ended September 30,		
	2000	1999	1998
	(In Thousands)		
Income from continuing operations	$40,340	$30,343	$27,510
Discontinued operations	9,832	8,219	10,389
	$50,172	$38,562	$37,899

Income tax expense for the years ended September 30, 2000, 1999, and 1998 is different from the amounts computed by applying the U.S. federal income tax rate to income before income taxes. The reasons for these differences are as follows:

	% of Pretax Income		
	2000	1999	1998
Computed "expected" income tax expense	35.0%	35.0%	35.0%
State income taxes, net of federal tax benefit	4.0	3.9	3.9
Net income of associated companies taxed at dividend rates	(1.9)	(2.7)	(2.6)
Goodwill amortization	1.3	1.6	1.7
Other	(0.9)	(1.6)	(0.2)
	37.5%	36.2%	37.8%

Foreign taxes are not material.

Net deferred tax liabilities consist of the following components as of September 30, 2000, 1999, and 1998:

	2000	1999	1998
	(In Thousands)		
Deferred tax liabilities:			
Property and equipment	$10,190	$ 8,863	$ 8,334
Equity in undistributed earnings of affiliates	1,457	1,267	1,096
Deferred gain on sale of broadcast properties	3,266	3,308	3,308
Identifiable intangible assets	38,168	34,163	32,653
Other	178	2,831	2,981
	53,259	50,432	48,372
Deferred tax assets:			
Accrued compensation	8,181	8,309	7,747
Receivable allowance	1,341	1,060	728
Loss carryforwards acquired	--	5,588	6,774
Capital loss carryforward	4,161	7,591	8,121
Other	1,443	1,708	1,745
	15,126	24,256	25,115
Less valuation allowance	4,161	13,179	15,325
	10,965	11,077	9,790

$42,294	$39,355	$38,582

The components giving rise to the net deferred tax liabilities described above have been included in the accompanying balance sheets as of September 30, 2000, 1999, and 1998 as follows:

	2000	1999	1998
	(In Thousands)		
Current assets	$ 4,327	$ 5,595	$ 5,038
Noncurrent liabilities	(46,621)	(44,950)	(43,620)
	$(42,294)	$(39,355)	$(38,582)

The Company provided a valuation allowance due to limitations imposed by the tax laws on the Company's ability to realize the benefit of capital loss and net operating loss carryforwards. During the year ended September 30, 2000, management determined the valuation allowance and tax contingency on the acquired loss carryforward of SJL of Kansas Corp (SJL), which was sold on October 1, 2000, should be reduced by $1,155,000 and $1,312,000, respectively, with a corresponding $2,467,000 reduction to goodwill. The remaining net operating loss carryforwards of $11,142,000 will be transferred to the acquiror on October 1, 2000. Therefore, the deferred taxes for the net operating loss and the valuation allowance for $4,433,000 have been eliminated. During the years ended September 30, 2000 and 1999, $3,430,000 and $2,146,000, respectively, of the valuation allowance was transferred to the tax contingency which is included in income taxes payable with no effect on tax expense.

Note 10. Fair Value of Financial Instruments

The following methods and assumptions were used to estimate the fair value of each class of financial instruments for which it is practicable to estimate that value.

The carrying amounts of cash and cash equivalents, temporary investments, receivables, and accounts payable approximate fair value because of the short maturity of those instruments. The carrying value of other investments consisting of debt and equity securities in a deferred compensation trust are carried at fair value based upon quoted market prices, and $4,040,000 of equity securities, consisting primarily of the Company's 17% ownership of the nonvoting common stock of The Capital Times Company, which are carried at cost, as the fair value is not readily determinable. The remaining $2,194,000 is an investment in debt and equity securities of Ad One, LLC (a 6.3% interest) which is being accounted for similar to the equity method.

The fair value of the Company's debt is estimated based on the quoted market prices for the same or similar issues or on the current rates offered to the Company for debt of the same remaining maturities. The estimated fair values of the Company's debt instruments are as follows:

	Carrying Amount	Fair Value
	(In Thousands)	
September 30:		
2000	$222,932	$216,262
1999	204,625	202,047
1998	219,481	245,784

Note 11. Earnings Per Share

The following table sets forth the computation of basic and diluted earnings per share (in thousands except per share amounts):

	Year Ended September 30,		
	2000	1999	1998
Numerator:			
Income applicable to common shares:			
Income from continuing operations	$ 69,875	$ 56,821	$ 47,674
Income from discontinued operations	13,788	11,152	14,559
	$ 83,663	$ 67,973	$ 62,233
Denominator:			
Basic-weighted average common shares outstanding	44,005	44,273	44,829
Dilutive effect of employee stock options	355	588	728
Diluted outstanding shares	44,360	44,861	45,557
Basic earnings per share:			
Income from continuing operations	$ 1.59	$ 1.29	$ 1.07
Income from discontinued operations	0.31	0.25	0.32
Net income	$ 1.90	$ 1.54	$ 1.39
Diluted earnings per share:			
Income from continuing operations	$ 1.58	$ 1.27	$ 1.05
Income from discontinued operations	0.31	0.25	0.32
Net income	$ 1.89	$ 1.52	$ 1.37

Note 12. Other Information

Balance sheet information:

Other current assets consist of the following:

	September 30,		
	2000	1999	1998
	(In Thousands)		
Program rights	$ --	$ 9,650	$ 8,140
Deferred income taxes	4,327	5,595	5,038
Other	3,053	4,577	3,714
	$ 7,380	$ 19,822	$ 16,892

Intangibles consist of the following:

	September 30,		
	2000	1999	1998
	(In Thousands)		
Goodwill	$296,130	$345,937	$332,821
Less accumulated amortization	54,170	71,503	63,584
	241,960	274,434	269,237
Noncompete covenants and consulting agreements	23,878	28,023	28,213
Less accumulated amortization	22,552	25,497	23,522
	1,326	2,526	4,691
Customer lists, broadcasting licenses and agreements, and newspaper subscriber lists	113,084	159,805	157,011
Less accumulated amortization	23,850	40,373	32,828
	89,234	119,432	124,183
	$332,520	$396,392	$398,111

Compensation and other accruals consist of the following:

	September 30, 2000	1999	1998
	(In Thousands)		
Compensation	$ 9,136	$ 11,214	$ 12,092
Vacation pay	4,695	5,402	4,384
Retirement and stock purchase plans	4,915	5,324	5,005
Interest	6,022	9	519
Other	2,835	4,602	4,966
	$ 27,603	$ 26,551	$ 26,966

Cash flows information:

	Year Ended September 30, 2000	1999	1998
	(In Thousands)		
Cash payments for:			
Interest, net of capitalized interest 2000 $1,389; 1999 $703; 1998 $169	$ 6,630	$ 13,373	$ 15,731
Income taxes	$ 42,345	$ 39,528	$ 33,747
Program rights were acquired by issuing long-term contracts as follows	$ 7,794	$ 12,417	$ 9,017
Issuance of restricted common stock, net	$ 1,081	$ 1,006	$ 682
Accounts payable for stock acquired	$ (317)	$ 317	$(10,926)
Note received in connection with sale of businesses	$ --	$ 525	$ --
Capital expenditures related to broadcast properties	$ 7,102	$ 7,493	$ 6,825

SUPPLEMENTARY DATA

QUARTERLY RESULTS (UNAUDITED)

	4th	3rd	2nd	1st
	(In Thousands Except Per Share Data)			
2000 Quarter:				
Operating revenue	$ 111,928	$ 109,925	$ 100,973	$ 108,687
Income from continuing operations	$ 15,787	$ 15,955	$ 11,737	$ 26,396
Income from discontinued operations	3,558	4,218	1,864	4,148
Net income	$ 19,345	$ 20,173	$ 13,601	$ 30,544
Earnings per share:				
Basic:				
Income from continuing operations	$ 0.36	$ 0.36	$ 0.27	$ 0.60
Income from discontinued operations	0.08	0.10	0.04	0.09
Net income	$ 0.44	$ 0.46	$ 0.31	$ 0.69
Diluted:				
Income from continuing operations	$ 0.36	$ 0.36	$ 0.27	$ 0.59
Income from discontinued operations	0.08	0.10	0.04	0.09
Net income	$ 0.44	$ 0.46	$ 0.31	$ 0.68
1999 Quarter:				
Operating revenue	$ 105,622	$ 105,163	$ 96,524	$ 106,537
Income from continuing operations	$ 15,556	$ 16,436	$ 11,007	$ 13,822
Income from discontinued operations	1,366	3,008	961	5,817
Net income	$ 16,922	$ 19,444	$ 11,968	$ 19,639
Earnings per share:				
Basic:				
Income from continuing operations	$ 0.35	$ 0.37	$ 0.25	$ 0.31
Income from discontinued operations	0.03	0.07	0.02	0.13
Net income	$ 0.38	$ 0.44	$ 0.27	$ 0.44
Diluted:				
Income from continuing operations	$ 0.35	$ 0.36	$ 0.25	$ 0.31
Income from discontinued operations	0.03	0.07	0.02	0.13
Net income	$ 0.38	$ 0.43	$ 0.27	$ 0.44
1998 Quarter:				
Operating revenue	$ 100,315	$ 100,544	$ 90,398	$ 100,004
Income from continuing operations	$ 12,209	$ 12,808	$ 9,373	$ 13,284
Income from discontinued operations	2,738	5,283	3,238	3,300
Net income	$ 14,947	$ 18,091	$ 12,611	$ 16,584
Earnings per share:				
Basic:				
Income from continuing operations	$ 0.27	$ 0.29	$ 0.21	$ 0.30
Income from discontinued operations	0.06	0.12	0.07	0.07
Net income	$ 0.33	$ 0.41	$ 0.28	$ 0.37
Diluted:				
Income from continuing operations	$ 0.27	$ 0.28	$ 0.21	$ 0.29
Income from discontinued operations	0.06	0.12	0.07	0.07
Net income	$ 0.33	$ 0.40	$ 0.28	$ 0.36

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Item 9. Changes In and Disagreements With Accountants on Accounting and Financial Disclosure

Not applicable.

PART III

The information called for by Part III of this Form 10-K is omitted in accordance with General Instruction G because the Company will file with the Commission a definitive proxy statement pursuant to Regulation 14A not later than 120 days after the close of the Company's fiscal year ended September 30, 2000.

PART IV

Item 14. Exhibits, Financial Statement Schedules, and Reports on Form 8-K

Page Number

(a) 1. Financial Statements

Independent Auditor's Report

Financial Statements
- Consolidated balance sheets as of September 30, 2000, 1999 and 19998
- Consolidated statements of income years ended September 30, 2000, 1999 and 1998
- Consolidated statements of stockholders' equity years ended September 30, 2000, 1999 and 1998
- Consolidated statements of cash flows years ended September 30, 2000, 1999 and 1998
- Notes to consolidated financial statements

(a) 2. Financial Statements Schedule

Schedule

II - Valuation and qualifying accounts years ended September 30, 2000, 1999 and 1998

All other schedules have been omitted as not required, not applicable; not deemed material or because the information is included in the Notes to Financial Statements.

(a) 3. Exhibits (listed by numbers corresponding to the Exhibit Table of Item 601 in Regulation S-K).

21 Subsidiaries
23 Consent of McGladrey & Pullen, LLP
24 Power of Attorney
27 Financial Data Schedule

(b) The following reports on Form 8-K were filed for the three months ended September 30, 2000.

None

* * * * *

For the purposes of complying with the amendments to the rules governing Form S-8 (effective July 13, 1991) under the Securities Act of 1933, the undersigned registrant hereby undertakes as follows, which undertaking shall be incorporated by reference into registrant's Registration Statements on Form S-8 Nos. 2-56652 (filed June 17, 1976), 2-58393 (filed March 11, 1977), 2-77121 (filed April 22, 1982), 33-19725 (filed January 20, 1988), 33-46708 (filed March 31, 1992), and 333-6435 and 333-6433 (filed June 20, 1996).

Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers and controlling persons of the registrant pursuant to the foregoing provisions, or otherwise, the registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Securities Act of 1933, and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Act and will be governed by the final adjudication of such issue.

INDEPENDENT AUDITOR'S REPORT

To the Stockholders
Lee Enterprises, Incorporated
and subsidiaries
Davenport, Iowa

We have audited the accompanying consolidated balance sheets of Lee Enterprises, Incorporated and subsidiaries as of September 30, 2000, 1999, and 1998 and the related consolidated statements of income, stockholders' equity, and cash flows for the years then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Lee Enterprises, Incorporated and subsidiaries as of September 30, 2000, 1999, and 1998 and the results of their operations and their cash flows for the years then ended in conformity with generally accepted accounting principles.

In our opinion, Schedule II included in this Annual Report on Form 10-K for the year ended September 30, 2000, present fairly the information set forth therein, in conformity with generally accepted accounting principles.

/s/ McGladrey & Pullen, LLP
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Davenport, Iowa
November 10, 2000

LEE ENTERPRISES, INCORPORATED
AND WHOLLY-OWNED SUBSIDIARIES

SCHEDULE II - VALUATION AND QUALIFYING ACCOUNTS

(In Thousands)

Description	Column A Balance at Beginning of Period	Column B Additions Charged to Income	Column C Charged to Other Accounts	Column D (1) Deduction from Reserves	Column E Balance at Close of Period
Allowance for doubtful accounts:					
For the year ended September 30, 2000	$ 4,460	$ 3,445	$(1,203)(2)	$ 3,358	$ 3,344
For the year ended September 30, 1999	4,110	3,776	--	3,426	4,460
For the year ended September 30, 1998	4,600	3,486	--	3,976	4,110

(1) Represents accounts written off as uncollectible, net of recoveries which are immaterial.
(2) September 30, 1999 balance for discontinued broadcast segment.

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this annual report to be signed on its behalf by the undersigned, thereunto duly authorized.

Date: December 21, 2000	LEE ENTERPRISES, INCORPORATED
/s/ Richard D. Gottlieb	/s/ G.C. Wahlig
Richard D. Gottlieb, Chairman and Chief Executive Officer	G. C. Wahlig, Vice President of Finance, Interim Chief Financial Officer and Chief Accounting Officer

We, the undersigned directors of Lee Enterprises, Incorporated, hereby severally constitute Richard D. Gottlieb and G.C. Wahlig, and each of them, our true and lawful attorneys with full power to them, and each of them, to sign for us and in our names, in the capacities indicated below, the Annual Report on Form 10-K of Lee Enterprises, Incorporated for the fiscal year ended September 30, 2000 to be filed herewith and any amendments to said Annual Report, and generally do all such things in our name and behalf in our capacities as directors to enable Lee Enterprises, Incorporated to comply with the provisions of the Securities Exchange Act of 1934 as amended, and all requirements of the Securities and Exchange Commission, hereby ratifying and confirming our signatures as they may be signed by our said attorneys, or either of them, to said Annual Report on Form 10-K and any and all amendments thereto.

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the date indicated:

Signature	Date
/s/ Rance E. Crain Rance E. Crain, Director	November 15, 2000
/s/ J. P. Guerin J. P. Guerin, Director	November 15, 2000
/s/ Mary E. Junck Mary E. Junck, Director	November 15, 2000
/s/ William E. Mayer William E. Mayer, Director	November 15, 2000
/s/ Andrew E. Newman Andrew E. Newman, Director	November 15, 2000
/s/ Gordon Prichett Gordon Prichett, Director	November 15, 2000
/s/ Ronald L. Rickman Ronald L. Rickman, Director	November 15, 2000
/s/ Gregory P. Schermer Gregory P. Schermer, Director	November 15, 2000
/s/ Phyllis Sewell Phyllis Sewell, Director	November 15, 2000
/s/ Mark Vittert Mark Vittert, Director	November 15, 2000

LEE ENTERPRISES, INCORPORATED
AND WHOLLY-OWNED SUBSIDIARIES

EXHIBIT 21 - WHOLLY-OWNED SUBSIDIARIES
AND ASSOCIATED COMPANIES

	State of Organization	Percentage of Voting Securities Owned
Lee Enterprises, Incorporated	Delaware	Parent
Lee Technical Systems, Inc.	Iowa	100%
Lee Consolidated Holdings Co.	South Dakota	100%
New Mexico Broadcasting Company, Inc.	New Mexico	100%
Accudata, Inc.	Iowa	100%
Target Marketing Systems, Inc.	Iowa	100%
Journal-Star Printing Co.	Nebraska	100%
Madison Newspapers, Inc.	Wisconsin	50%
Oregon News Media, Inc.	Delaware	100%
Pacific Northwest Publishing Group, Inc.	Delaware	100%
Nevada Media, Inc.	Delaware	100%
Nickel of Medford, Inc.	Oregon	100%
Klamath Falls Basin Publishing, Inc.	Oregon	100%
Davill, Inc.	Washington	100%
KMAZ, L.P.	Texas	100%
INN Partners, L.C. d/b/a International Newspaper Network	Iowa	81% *
Broadcast entities sold on October 1, 2000:		
KOIN-TV, Inc.	Delaware	100%
SJL of Kansas Corp.	Kansas	100%
IBS/Lee Partners LLC	Delaware	50%
LINT Co.	South Dakota	100%
Topeka Television Corp.	Missouri	100%
Wichita License Subsidiary Corp.	Delaware	100%
Topeka License Subsidiary Corp.	Delaware	100%

* Increased to 81% effective October 2, 2000.

MCGLADREY & PULLEN, LLP
Certified Public Accountants and Consultants

We consent to the incorporation by reference in the Registration Statements on Form S-8 No. 2-56652, No. 2-77121, No. 2-58393, No. 33-19725, No. 33-46708, No. 333-6435 and No. 333-6433 and in the related Prospectuses of our report dated November 10, 2000 with respect to the financial statements of Lee Enterprises, Incorporated, incorporated by reference and the schedule included in this Annual Report on form 10-K for the year ended September 30, 2000 and to the reference to us under the heading "Experts" in such Prospectuses.

/s/ MCGLADREY & PULLEN, LLP

Davenport, Iowa
December 21, 2000

EXHIBIT 24

POWER OF ATTORNEY

We, the undersigned directors of Lee Enterprises, Incorporated, hereby severally constitute Richard D. Gottlieb and G.C. Wahlig, and each of them, our true and lawful attorneys with full power to them, and each of them, to sign for us and in our names, the capacities indicated below, the Annual Report on Form 10-K of Lee Enterprises, Incorporated for the fiscal year ended September 30, 2000 to be filed herewith and any amendments to said Annual Report, and generally do all such things in our name and behalf in our capacities as directors to enable Lee Enterprises, Incorporated to comply with the provisions of the Securities Exchange Act of 1934 as amended, and all requirements of the Securities and Exchange Commission, hereby ratifying and confirming our signatures as they may be signed by our said attorneys, or either of them, to said Annual Report on Form 10-K and any and all amendments thereto.

Signature	Date
/s/ Rance E. Crain Rance E. Crain, Director	November 15, 2000
/s/ J. P. Guerin J. P. Guerin, Director	November 15, 2000
/s/ Mary E. Junck Mary E. Junck, Director	November 15, 2000
/s/ William E. Mayer William E. Mayer, Director	November 15, 2000
/s/ Andrew E. Newman Andrew E. Newman, Director	November 15, 2000
/s/ Gordon Prichett Gordon Prichett, Director	November 15, 2000
/s/ Ronald L. Rickman Ronald L. Rickman, Director	November 15, 2000
/s/ Gregory P. Schermer Gregory P. Schermer, Director	November 15, 2000
/s/ Phyllis Sewell Phyllis Sewell, Director	November 15, 2000
/s/ Mark Vittert Mark Vittert, Director	November 15, 2000

THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FORM THE
SEPTEMBER 30, 2000 FORM 10-K OF LEE ENTERPRISES, INCORPORATED AND IS QUALIFIED
IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS

1,000

YEAR
SEP-30-2000
SEP-30-2000
29,427
0
44,556
3,344
4,280
251,566
247,732
120,376
746,233
117,627
173,400
0
0
87,620
307,547
746,233
422,136
431,513
0
0
325,601
3,445
12,643
110,215
40,340
69,875
13,788
0
0
83,663
1.90
1.89