

THE E. W. SCRIPPS COMPANY
RESULTS OF OPERATIONS

(in thousands, except per share data)	Three months ended		
	March 31,		Change
	2009	2008	
Operating revenues	\$ 205,368	\$ 255,694	(19.7)%
Costs and expenses, excluding separation costs	(230,263)	(234,166)	(1.7)%
Separation costs	(1,493)	(1,059)	41.0 %
Depreciation and amortization	(11,763)	(11,086)	6.1 %
Impairment of goodwill and indefinite-lived assets	(216,413)	-	
Losses on disposal of property, plant and equipment	(338)	(103)	
Operating income (loss)	(254,902)	9,280	
Interest expense	(246)	(6,101)	
Equity in earnings of JOAs and other joint ventures	(419)	8,513	
Miscellaneous, net	(1,028)	899	
Income (loss) from continuing operations before income taxes	(256,595)	12,591	
Benefit (provision) for income taxes	35,748	(3,970)	
Income (loss) from continuing operations, net of tax	(220,847)	8,621	
Income from discontinued operations, net of tax	-	97,740	
Net income (loss)	(220,847)	106,361	
Net income (loss) attributable to noncontrolling interests	(147)	22,293	
Net income (loss) attributable to the shareholders of The E.W. Scripps Company	\$ (220,700)	\$ 84,068	
Net income (loss) per basic share of common stock attributable to the shareholders of The E.W. Scripps Company:			
Income (loss) from continuing operations	\$ (4.12)	\$ 0.16	
Income from discontinued operations	0.00	1.39	
Net income (loss) per basic share of common stock	\$ (4.12)	\$ 1.55	
Weighted average basic shares outstanding	53,573	54,218	

Net income (loss) per share amounts may not foot since each is calculated independently.

See notes to results of operations.

Notes to Results of Operations

1. OTHER CHARGES AND CREDITS

Loss from continuing operations before income tax was affected by the following:

2009 – Separation costs include the costs to separate and install separate information systems as well as other costs related to our separation from SNI. Efforts to separate and install separate systems are expected to continue through the end of the second quarter. These costs increased loss from continuing operations by \$1.5 million in the first quarter.

In the first quarter we recorded a \$216 million, non-cash charge to reduce the carrying value of our goodwill and other indefinite lived intangible assets for our Television division.

2. SEGMENT INFORMATION

We determine our business segments based upon our management and internal reporting structure. Our reportable segments are strategic businesses that offer different products and services.

Our newspaper business segment includes daily and community newspapers in 15 markets in the U.S. Newspapers earn revenue primarily from the sale of advertising to local and national advertisers and from the sale of newspapers to readers.

JOAs and newspaper partnerships include a newspaper that is operated pursuant to the terms of joint operating agreement. The newspaper in the JOA maintains an independent editorial operation and receives a share of the operating profits of the combined newspaper operations. This segment also includes newspaper partnerships. We account for our share of the earnings of our JOA and newspaper partnerships using the equity method of accounting. Our equity in earnings of our JOA and newspaper partnerships is included in “Equity in earnings of JOAs and other joint ventures” in our results from operations. When we ceased the publication of our Albuquerque newspaper our investment became a passive investment and the equity earnings are no longer included in segment profit from 2008 forward.

Television includes six ABC-affiliated stations, three NBC-affiliated stations and one independent station. Our television stations reach approximately 10% of the nation’s television households. Television stations earn revenue primarily from the sale of advertising to local and national advertisers.

Licensing and other media aggregates our operating segments that are too small to report separately, and primarily includes syndication and licensing of news features and comics.

In addition, certain corporate costs and expenses, including information technology, pensions and other employee benefits, and other shared services, are allocated to our business segments. The allocations are generally amounts agreed upon by management, which may differ from amounts that would be incurred if such services were purchased separately by the business segment. Corporate assets are primarily cash, cash equivalents and other short-term investments, property and equipment primarily used for corporate purposes, and deferred income taxes.

Our chief operating decision maker (as defined by SFAS 131 – Segment Reporting) evaluates the operating performance of our business segments and makes decisions about the allocation of resources to our business segments using a measure we call segment profit. Segment profit excludes interest, income taxes, depreciation and amortization, impairment charges, divested operating units, restructuring activities (including our proportionate share of JOA restructuring activities), investment results and certain other items that are included in net income (loss) determined in accordance with accounting principles generally accepted in the United States of America.

Information regarding our business segments is as follows:

(in thousands)	Three months ended		
	March 31,		Change
	2009	2008	
Segment operating revenues:			
Newspapers	\$ 121,825	\$ 155,599	(21.7)%
JOAs and newspaper partnerships	19	61	(68.9)%
Television	60,406	76,019	(20.5)%
Licensing and other	23,118	23,619	(2.1)%
Corporate	-	396	
Total operating revenues	\$ 205,368	\$ 255,694	(19.7)%
Segment profit (loss):			
Newspapers	\$ 2,947	\$ 25,550	(88.5)%
JOAs and newspaper partnerships	(21,086)	235	
Television	(2,413)	14,170	
Licensing and other	3,135	2,088	50.1 %
Corporate	(7,812)	(13,782)	(43.3)%
Depreciation and amortization	(11,763)	(11,086)	
Impairment of goodwill and indefinite-lived assets	(216,413)	-	
Equity earnings in investments	(85)	1,780	
Losses on disposal of property, plant and equipment	(338)	(103)	
Interest expense	(246)	(6,101)	
Separation costs	(1,493)	(1,059)	
Miscellaneous, net	(1,028)	899	
Income (loss) from continuing operations before income taxes	\$ (256,595)	\$ 12,591	
Depreciation and Amortization:			
Depreciation:			
Newspapers	\$ 5,474	\$ 5,373	
JOAs and newspaper partnerships	309	324	
Television	4,759	4,413	
Licensing and other media	322	117	
Corporate	179	59	
Total depreciation	\$ 11,043	\$ 10,286	
Amortization of intangibles:			
Newspapers	\$ 637	\$ 519	
Television	83	281	
Total amortization of intangibles	\$ 720	\$ 800	
Additions to property, plant and equipment:			
Newspapers	\$ 13,072	\$ 13,766	
JOAs and newspaper partnerships	-	17	
Television	957	4,714	
Licensing and other	158	665	
Corporate	61	787	
Total additions to property, plant and equipment	\$ 14,248	\$ 19,949	

The following is segment operating revenues for newspapers:

(in thousands)	Three months ended		
	March 31,		Change
	2009	2008	
Segment operating revenues:			
Local	\$ 26,552	\$ 35,378	(24.9)%
Classified	26,642	42,763	(37.7)%
National	5,982	8,051	(25.7)%
Online	7,314	9,947	(26.5)%
Preprint and other	19,269	24,006	(19.7)%
Newspaper advertising	85,759	120,145	(28.6)%
Circulation	30,637	30,514	0.4 %
Other	5,429	4,940	9.9 %
Total operating revenues	\$ 121,825	\$ 155,599	(21.7)%

The following is segment operating revenues for television:

(in thousands)	Three months ended		
	March 31,		Change
	2009	2008	
Segment operating revenues:			
Local	\$ 35,644	\$ 45,746	(22.1)%
National	18,372	22,104	(16.9)%
Political	177	3,055	(94.2)%
Network compensation	2,056	2,177	(5.6)%
Other	4,157	2,937	41.5 %
Total operating revenues	\$ 60,406	\$ 76,019	(20.5)%

3. JOINT OPERATING AGREEMENT AND NEWSPAPER PARTNERSHIPS

Financial information related to our Denver JOA and Colorado newspaper partnership is as follows:

(in thousands)	Three months ended		
	March 31,		Change
	2009	2008	
Equity in earnings of JOAs and newspaper partnerships:			
Denver	\$ -	\$ 6,905	
Colorado	(334)	(172)	94.2 %
Total equity in earnings	(334)	6,733	
Operating revenues of JOAs and newspaper partnerships	19	61	(68.9)%
Total	(315)	6,794	
JOA editorial costs and expenses	20,771	6,559	
Contribution to segment profit (loss)	\$ (21,086)	\$ 235	

We closed our Albuquerque newspaper in the first quarter of 2008 after an unsuccessful search for a buyer. Because we no longer publish a newspaper in the Albuquerque market, our share of the income or loss of the Albuquerque JOA is not reported in our segment results. Our share of the results of operations of the Albuquerque JOA, which are reported in equity earnings in investments, was \$0.1 million in losses in 2009 and \$1.9 million in income in 2008.

4. CONSOLIDATED BALANCE SHEETS

The following are the Condensed Consolidated Balance Sheets for The E.W. Scripps Company:

(in thousands)	As of March 31, 2009	As of December 31, 2008
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 9,958	\$ 5,376
Short-term investments	34,889	21,130
Other current assets	200,225	259,030
Total current assets	245,072	285,536
Investments	11,722	12,720
Property, plant and equipment	429,730	427,138
Goodwill	-	215,432
Other intangible assets	24,743	26,464
Deferred income taxes	126,906	112,405
Other long-term assets	7,885	9,281
TOTAL ASSETS	\$ 846,058	\$ 1,088,976
LIABILITIES AND EQUITY		
Current liabilities:		
Accounts payable	\$ 30,285	\$ 55,889
Customer deposits and unearned revenue	35,712	38,817
Accrued expenses and other current liabilities	83,577	92,878
Total current liabilities	149,574	187,584
Long-term debt	73,130	61,166
Other liabilities (less current portion)	228,221	245,259
Total equity	395,133	594,967
TOTAL LIABILITIES AND EQUITY	\$ 846,058	\$ 1,088,976

5. NON-GAAP FINANCIAL INFORMATION

In addition to the results reported in accordance with accounting principals generally accepted in the United States (“GAAP”) included in this press release, the company has provided information regarding Adjusted net income (loss) from continuing operations.

Adjusted net income from continuing operations excludes impairment of goodwill and indefinite-lived assets, pension curtailment loss and our share of the (income) loss for our JOA and newspaper partnerships. Management believes Adjusted net income (loss) from continuing operations better reflects the ongoing performance of the company and enables management and investors to meaningfully trend, analyze and benchmark the performance of the company’s operations. Adjusted net income (loss) from continuing operations excluding should not be considered a substitute for Net income (loss) calculated in accordance with GAAP.

The table below reconciles Net income (loss) from continuing operations prepared in accordance with GAAP to Adjusted net income (loss) from continuing operations:

(in thousands)	Three months ended	
	2009	March 31, 2008
Net income (loss) from continuing operations (GAAP basis)	\$ (220,847)	\$ 8,621
Impairment of goodwill and indefinite-lived assets, net of tax	191,943	-
Pension curtailment loss, net of tax	2,566	-
(Income) loss for our JOA and newspaper partnerships, net of tax	13,335	(1,243)
Adjusted net income (loss) from continuing operations	\$ (13,003)	\$ 7,378