

SECURITIES AND EXCHANGE COMMISSION

FORM 10-K405

Annual report pursuant to section 13 and 15(d), Regulation S-K Item 405

Filing Date: **1999-03-26** | Period of Report: **1998-12-31**
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FILER

PULITZER INC

CIK: **1068848** | IRS No.: **431819711** | State of Incorporation: **DE** | Fiscal Year End: **1231**
Type: **10-K405** | Act: **34** | File No.: **001-14541** | Film No.: **99574572**
SIC: **2711** Newspapers: publishing or publishing & printing

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SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-K

(MARK ONE)

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE
SECURITIES EXCHANGE ACT OF 1934
FOR THE FISCAL YEAR ENDED DECEMBER 31, 1998 OR
 TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE
SECURITIES EXCHANGE ACT OF 1934
FOR THE TRANSITION PERIOD FROM _____ TO _____
COMMISSION FILE NUMBER 1-14541

PULITZER INC.
(EXACT NAME OF REGISTRANT AS SPECIFIED IN ITS CHARTER)

DELAWARE 43-1819711
(State or other jurisdiction of (I.R.S. Employer
incorporation or organization) Identification Number)

900 NORTH TUCKER BOULEVARD,
ST. LOUIS, MISSOURI 63101
(Address of principal executive offices)
(314) 340-8000
(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act: Common Stock,
par value \$.01 per share -- New York Stock Exchange
Securities registered pursuant to Section 12(g) of the Act: None

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 No X
--- ---

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.

The aggregate market value of the voting stock held by non-affiliates of
the registrant was approximately \$349,129,521 as of the close of business on
March 22, 1999.

The number of shares of Common Stock, par value \$.01 per share, outstanding
as of March 22, 1999 was 8,292,447.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the registrant's definitive Proxy Statement to be used in
connection with its Annual Meeting of Stockholders to be held on May 12, 1999
are incorporated by reference into Part III of this Annual Report.
The registrant's fiscal year ends on the last Sunday of December in each year.
For ease of presentation, the registrant has used December 31 as the fiscal
year-end in this Annual Report. Except as otherwise stated, the information in
this Annual Report on Form 10-K is as of December 31, 1998.

ITEM 1. BUSINESS

INTRODUCTION

Pulitzer Inc. (the "Company") was capitalized on March 18, 1999 with approximately \$550 million in cash and all the other assets of Pulitzer Publishing Company ("Pulitzer") (other than broadcasting assets) as a result of the Spin-off (as defined below) and is operating the newspaper publishing and related "new media" businesses formerly operated by Pulitzer. The Company was organized as a corporation in 1998 and, prior to the Spin-off, was a wholly-owned subsidiary of Pulitzer. Prior to the Transactions (as defined below), Pulitzer was engaged in newspaper publishing and television and radio broadcasting.

Pursuant to an Amended and Restated Agreement and Plan of Merger, dated as of May 25, 1998 (the "Merger Agreement"), by and among Pulitzer, the Company and Hearst-Argyle Television, Inc. ("Hearst-Argyle"), on March 18, 1999 Hearst-Argyle acquired, through the merger (the "Merger") of Pulitzer with and into Hearst-Argyle, Pulitzer's television and radio broadcasting operations (collectively, the "Broadcasting Business") in exchange for the issuance to Pulitzer's stockholders of 37,096,774 shares of Hearst-Argyle's Series A common stock. Pulitzer's Broadcasting Business consisted of nine network-affiliated television stations and five radio stations owned and operated by Pulitzer Broadcasting Company and its wholly-owned subsidiaries. Prior to the Merger, Pulitzer's newspaper publishing and related new media businesses were contributed to the Company in a tax-free "spin-off" to Pulitzer stockholders (the "Spin-off"). The Merger and Spin-off are collectively referred to as the "Transactions."

In connection with the Transactions, Pulitzer Inc. amended and restated its Certificate of Incorporation to: (i) recapitalize its capital structure to provide for common stock, par value \$0.01 per share (the "Common Stock"), Class B common stock, par value \$0.01 per share (the "Class B Common Stock"), and preferred stock, par value \$0.01 per share (the "Preferred Stock" and together with the Common Stock and Class B Common Stock, the "Pulitzer Inc. Stock"); and (ii) provide for substantially the same stockholder voting rights and other terms and provisions as formerly provided for in Pulitzer's Restated Certificate of Incorporation, as amended. Prior to the Spin-off, the Company issued to Pulitzer: (i) that number of shares of Common Stock equal to the number of shares of Pulitzer common stock then outstanding; and (ii) that number of shares of Class B Common Stock equal to the number of shares of Pulitzer Class B common stock then outstanding. Pulitzer then distributed these shares of the Company's Common Stock and Class B Common Stock to its stockholders in the Spin-off.

Pulitzer's historical basis in its newspaper publishing and related new media assets and liabilities have been carried over to the Company. The Transactions represent a reverse-spin transaction and, accordingly, the Company's results of operations for periods prior to the consummation of the Transactions will be identical to the historical results previously reported by Pulitzer. The results of the Broadcasting Business owned by Pulitzer prior to the Merger are reported as discontinued operations in the financial statements included in Item 8 of this Annual Report on Form 10-K.

On March 18, 1999, the Board of Directors of the Company announced that it had declared an initial quarterly dividend of \$0.15 per share on the Common Stock and the Class B Common Stock payable on May 3, 1999 to stockholders of record on April 9, 1999. This initial quarterly dividend equals the most recent quarterly dividend of Pulitzer. Future dividends will depend upon, among other things, the Company's earnings, financial condition, cash flows, capital requirements and other relevant considerations, including the limitations under any credit agreement or other agreement to which the Company may become a party in the future.

GENERAL

The Company is engaged in newspaper publishing and related "new media" businesses. Its newspaper operations consist of two major metropolitan dailies: the St. Louis Post-Dispatch (the "Post-Dispatch"), the only major daily newspaper serving the St. Louis metropolitan area; and The Arizona Daily Star (the "Star"), serving the Tucson metropolitan area. Each of these publications also operates electronic news, information

ITEM 1. BUSINESS -- CONTINUED

and communication web sites on the Internet. In addition, the Company's Pulitzer

Community Newspaper group (the "PCN Group") includes 12 dailies which serve smaller markets, primarily in the West and Midwest, as well as a number of weekly and bi-weekly publications.

The Company is the successor to the company founded by the first Joseph Pulitzer in 1878 to publish the original St. Louis Post-Dispatch. The Company and its predecessor have operated continuously since 1878 under the direction of the Pulitzer family. Michael E. Pulitzer, a grandson of the founder, currently serves as Chairman of the Board of the Company.

The following table sets forth certain historical financial information regarding the Company's operations for the periods and at the dates indicated.

<TABLE>
<CAPTION>

	YEARS ENDED DECEMBER 31,				
	1998	1997	1996 (2)	1995	1994 (3)
	(IN THOUSANDS)				
<S>	<C>	<C>	<C>	<C>	<C>
Operating revenues -- net.....	\$372,924	\$357,969	\$309,096	\$269,388	\$304,779
Operating income (loss):					
Publishing operations.....	\$ 69,456	\$ 66,994	\$ 46,549	\$ 37,895	\$ 45,192
St. Louis Agency adjustment.....	(20,729)	(19,450)	(13,972)	(12,502)	(14,706)
General corporate expense.....	(5,806)	(6,007)	(5,532)	(4,666)	(3,871)
Total.....	\$ 42,921	\$ 41,537	\$ 27,045	\$ 20,727	\$ 26,615
Depreciation and amortization.....	\$ 14,054	\$ 13,007	\$ 8,660	\$ 4,307	\$ 6,128
Operating margins(1).....	18.6%	18.7%	15.1%	14.1%	14.8%
Assets.....	\$546,393	\$464,311	\$398,416	\$333,641	\$293,868

</TABLE>

(1) Operating margins represent operating income compared to operating revenues. Operating income used in margin calculations excludes the St. Louis Agency adjustment (see "--Publishing--Agency Agreements.") and general corporate expense (which are both recorded as operating expenses for financial reporting purposes).

(2) In 1996, the amounts included a partial year of operations for Scripps League Newspapers, Inc. (subsequently renamed Pulitzer Community Newspapers, Inc.) following its acquisition on July 1, 1996.

(3) On December 22, 1994, the Company sold its Chicago publishing subsidiary; the subsidiary's operating results are included in the amounts for 1994.

OPERATING STRATEGY

The Company's long-term operating strategy is to maximize each property's growth and profitability through maintenance of editorial excellence, leadership in locally-responsive news, and prudent control of costs. Management believes that editorial excellence and leadership in locally-responsive news will, over the long-term, allow the Company to maximize its market share in each of its respective markets. Experienced local managers implement the Company's strategy in each market, with centralized management providing oversight and guidance in all areas of planning and operations.

The Company complements its internal growth strategies with a disciplined and opportunistic acquisition strategy that is focused on acquiring publishing properties that the Company believes are a good fit with its operating strategy, possess attractive growth potential and meet the Company's objectives for after-tax cash flow. Management believes that the Company's reputation, financial position, cash flow and conservative capital structure, among other factors, will assist the Company in pursuing acquisitions. The Company intends to seek out acquisition opportunities, with particular emphasis on small-to medium-sized markets.

ITEM 1. BUSINESS -- CONTINUED

The Company believes that cost controls are an important tool in the

management of media properties that are subject to significant fluctuations in advertising volume. The Company believes that prudent control of costs will permit it to respond quickly when positive operating conditions offer opportunities to expand market share and profitability and, alternatively, when deteriorating operating conditions require cost reductions to protect profitability. The Company's disciplined budgeting process is one of the key elements in controlling costs. The Company employs production technology in all of its media operations in order to minimize production costs and produce an attractive and timely news product for its readers.

The Company's operations are geographically diverse, placing the Company in the Midwest, Southwest and Western regions of the United States. Due to the close relationship between economic activity and advertising volume, the Company believes that geographic diversity will provide the Company with valuable protection from regional economic variances.

PUBLISHING

The Company intends to continue the tradition of reporting and editorial excellence that has resulted in Pulitzer's receiving 17 Pulitzer Prizes* over the years.

The Company publishes two major metropolitan daily newspapers, the Post-Dispatch and the Star. Both daily newspapers have weekly total market coverage sections that provide advertisers with market saturation, and both offer alternative delivery systems that provide advertisers with either targeted or total market coverage.

The PCN Group's 12 daily community newspapers have a combined average daily circulation of approximately 159,000. The smaller markets served by these newspapers and their locations provide the Company with further diversification and participation in several higher growth areas of the western United States. A strong focus on local reporting and editorial excellence is also considered the key to long-term success in these markets.

The Company's revenues are derived primarily from advertising and circulation, which averaged approximately 88 percent of total revenue over the last five years. Advertising rates and rate structures and resulting revenues vary among publications based, among other things, on circulation, type of advertising, local market conditions and competition. The following table provides a breakdown of the Company's revenues for the past five years.

<TABLE>
<CAPTION>

	YEARS ENDED DECEMBER 31,				
	1998	1997	1996 (1)	1995	1994 (2)
	(IN THOUSANDS)				
<S>	<C>	<C>	<C>	<C>	<C>
Advertising:					
Retail.....	\$111,028	\$107,916	\$ 91,373	\$ 78,362	\$ 88,450
General.....	12,380	10,466	10,123	7,645	7,830
Classified.....	117,313	109,435	90,443	75,925	84,738
Total.....	240,721	227,817	191,939	161,932	181,018
Circulation.....	88,075	87,611	81,434	76,349	77,941
Other.....	44,128	42,541	35,723	31,107	45,820
Total.....	\$372,924	\$357,969	\$309,096	\$269,388	\$304,779

</TABLE>

(1) Revenue amounts for 1996 included a partial year of operations of Scripps League Newspapers, Inc. (subsequently renamed Pulitzer Community Newspapers, Inc.) following its acquisition on July 1, 1996.

* Pulitzer Prizes are awarded annually at Columbia University by the Pulitzer Prize Board, an independent entity affiliated with the Columbia University School of Journalism, founded by the first Joseph Pulitzer.

(2) On December 22, 1994, the Company sold its Chicago publishing subsidiary; the subsidiary's operating revenues are included in the above amounts for 1994.

ST. LOUIS POST-DISPATCH

Founded in 1878 by the first Joseph Pulitzer, the Post-Dispatch has a long history of reporting and editorial excellence and innovation in newspaper publishing under the direction of the Pulitzer family. The Post-Dispatch is a morning daily and Sunday newspaper serving primarily the greater St. Louis metropolitan area. St. Louis is currently the 17th largest metropolitan statistical area in the United States with a population of approximately 2.6 million.

Over the past several years, the Company has taken a number of steps designed to strengthen the market position of the Post-Dispatch. In 1997, the Post-Dispatch completed an extensive redesign intended to make the newspaper more accessible and relevant to readers, and the Company is continuing to make investments to enhance its news coverage capabilities and strengthen its circulation and advertising operations.

The Post-Dispatch operates under an Agency Agreement, dated March 1, 1961, as amended (the "St. Louis Agency Agreement"), between the Company and The Herald Company, Inc. (the "Herald Company") pursuant to which the Company performs all activities relating to the day-to-day operations of the newspaper, but pursuant to which it must share one-half of the agency's operating income or one-half of the agency's operating loss with the Herald Company (the "St. Louis Agency"). The following table sets forth for the past five years certain circulation and advertising information for the Post-Dispatch and operating revenues for the St. Louis Agency, all of which are included in the Company's consolidated financial statements. See "--Agency Agreements."

<TABLE>
<CAPTION>

	YEARS ENDED DECEMBER 31,				
	1998	1997	1996	1995	1994
<S>	<C>	<C>	<C>	<C>	<C>
Post-Dispatch:					
Circulation(1):					
Daily (including Saturday).....	324,059	319,887	319,203	323,137	335,819
Sunday.....	520,635	530,442	540,434	545,882	555,488
Advertising linage (in thousands of inches):					
Retail.....	832	841	819	880	912
General.....	102	91	101	75	75
Classified.....	1,004	1,003	1,007	1,057	1,039
Total.....	1,938	1,935	1,927	2,012	2,026
Part run(2).....	571	607	792	594	591
Total inches.....	2,509	2,542	2,719	2,606	2,617
Operating revenues (in thousands):					
Advertising.....	\$156,309	\$147,770	\$137,054	\$130,175	\$125,304
Circulation.....	63,208	63,216	63,858	64,862	61,207
Other(3).....	23,423	23,269	21,530	22,871	22,110
Total.....	\$242,940	\$234,255	\$222,442	\$217,908	\$208,621

</TABLE>

(1) Amounts based on ABC Publisher's Statements for the twelve-month periods ended September 30.

(2) Part run inches represent advertisements that are published in selected copies (i.e., less than the full press run) of a daily edition of the newspaper to specifically target certain geographic locations. The advertisements typically appear in a special news and advertising section designed specifically for the targeted geographic locations.

(3) Primarily revenues from preprinted inserts.

The Post-Dispatch has consistently been a leader in technological innovation in the newspaper industry. The Company's commitment to the ongoing enhancement of its operating systems has enabled the Post-Dispatch to offer a continually improving product to both readers and advertisers while also realizing substantial savings in labor cost. The Company believes the Post-Dispatch has adequate facilities to sustain up to at least a 35 percent increase in daily circulation without incurring significant capital expenditures. The Post-Dispatch is in the process of upgrading and modifying its systems to make them "Year-2000" compatible and expects to achieve full compliance during 1999.

The Post-Dispatch is distributed primarily through independent home delivery carriers and single copy dealers. Home delivery accounted for approximately 75 percent of circulation for the daily Post-Dispatch and approximately 55 percent of circulation for the Sunday edition as of December 31, 1998.

THE ARIZONA DAILY STAR

Founded in 1877, the Star is published in Tucson, Arizona, by the Company's wholly-owned subsidiary, Star Publishing Company. The Star, a morning and Sunday newspaper, and the Tucson Citizen (the "Citizen"), an afternoon newspaper owned by Gannett Co., Inc. ("Gannett"), are southern Arizona's leading dailies. The Star and the Citizen are published through an agency operation (the "Tucson Agency") pursuant to an Agency Agreement, dated March 28, 1940, as amended and restated (the "Tucson Agency Agreement"), and have a combined weekday circulation of approximately 140,000. Tucson is currently the 69th largest metropolitan statistical area in the United States with a population of approximately 799,000.

The Tucson Agency operates through TNI Partners, Inc. ("TNI Partners") an agency partnership which is owned half by the Company and half by Gannett. TNI Partners is responsible for all aspects of the business of the two newspapers other than editorial opinion and gathering and reporting news. Revenues and expenses are generally shared equally by the Star and the Citizen. Unlike the St. Louis Agency, the Company's consolidated financial statements include only its share of the combined operating revenues and operating expenses of the two newspapers. See "--Agency Agreements."

As a result of the Tucson Agency, the financial performance of the Company's Star Publishing Company subsidiary is directly affected by the operations and performance of both the Star and the Citizen.

ITEM 1. BUSINESS -- CONTINUED

The following table sets forth certain information concerning circulation and combined advertising linage of the Star and the Citizen and the Company's share of the operating revenues of the Star and the Citizen for the past five years.

<TABLE>
<CAPTION>

	YEARS ENDED DECEMBER 31,				
	1998	1997	1996	1995	1994
<S>	<C>	<C>	<C>	<C>	<C>
Circulation(1):					
Star daily.....	96,142	96,101	96,198	97,134	98,050
Citizen daily.....	42,444	44,009	46,062	47,240	48,272
Star Sunday.....	174,174	175,659	178,820	180,170	179,652
Combined advertising linage (in thousands of inches):					
Full run (all zones)					
Retail.....	1,581	1,587	1,499	1,565	1,565
General.....	81	51	45	49	50
Classified.....	1,852	1,713	1,684	1,682	1,608
Total.....	3,514	3,351	3,228	3,296	3,223
Part run(2).....	314	264	201	171	116
Total inches.....	3,828	3,615	3,429	3,467	3,339
Operating revenues (in thousands):					
Advertising.....	\$ 36,344	\$ 34,302	\$ 31,765	\$ 31,332	\$ 28,459

Circulation.....	10,928	11,023	11,194	11,487	11,434
Other(3).....	7,909	7,712	7,139	6,703	5,833
	-----	-----	-----	-----	-----
Total.....	\$ 55,181	\$ 53,037	\$ 50,098	\$ 49,522	\$ 45,726
	=====	=====	=====	=====	=====

</TABLE>

-
- (1) Amounts for 1998 are based on the internal records of the Company. Amounts for 1995 based on ABC Publisher's Statement for the 53 week period ended December 31. Amounts for 1997, 1996 and 1994 are based on ABC Publisher's Statements for the 52 week periods ended December 31.
 - (2) Part run inches represent advertisements that are published in selected copies (i.e., less than the full press run) of a daily edition of the newspaper to specifically target certain geographic locations. The advertisements typically appear in a special news and advertising section designed specifically for the targeted geographic locations.
 - (3) Primarily revenues from preprinted inserts. Amounts also include revenues of StarNet which began operations in 1995. See "--Related "New Media" Operations."

In 1998, the Star's daily edition accounted for approximately 69 percent of the combined daily circulation of the Tucson Agency publications. The Star's daily and Sunday editions accounted for approximately 60 percent of the agency's total full run advertising linage.

The Star and the Citizen are printed at TNI Partners' modern, computerized facility equipped with two, eight-unit Metro offset presses. The writing, editing and composing functions have been computerized, increasing efficiency and reducing workforce requirements. TNI Partners has substantially completed the process of upgrading and modifying its systems to make them "Year-2000" compliant and expects to achieve full compliance during 1999.

PULITZER COMMUNITY NEWSPAPERS, INC.

On July 1, 1996, the Company acquired for approximately \$216 million all the stock of Scripps League Newspapers, Inc. (subsequently renamed Pulitzer Community Newspapers, Inc.), a privately owned

ITEM 1. BUSINESS -- CONTINUED

publisher of community newspapers which served smaller markets, primarily in the West and Midwest. The PCN Group now includes 12 daily newspapers which publish morning or afternoon editions during the week and, generally, morning editions on the weekend. Home delivery through independent contract carriers accounts for the significant portion of each newspaper's circulation. With circulations ranging from approximately 29,000 to 5,000, the 12 daily newspapers in the PCN Group, ranked in order of daily circulation, are:

<TABLE>

<S>

The Daily Herald.....	Provo, Utah
Santa Maria Times.....	Santa Maria, California
The Napa Valley Register.....	Napa, California
The World.....	Coos Bay, Oregon
The Hanford Sentinel.....	Hanford, California
The Arizona Daily Sun.....	Flagstaff, Arizona
Troy Daily News.....	Troy, Ohio
The Daily Chronicle.....	DeKalb, Illinois
The Garden Island.....	Lihue, Hawaii
The Daily Journal.....	Park Hills, Missouri
The Daily News.....	Rhineland, Wisconsin
The Ravalli Republic.....	Hamilton, Montana

<C>

</TABLE>

In addition, the PCN Group operates weekly newspapers in Petaluma, California and Farmington and Fredericktown, Missouri and two weekly newspaper groups in conjunction with its properties in Hanford and Santa Maria, California.

The smaller markets served by the PCN Group are attractive because they generally have desirable demographic characteristics and above-average growth rates. Collectively, the PCN Group's markets exceed U.S. averages in such key measures as annual household growth rate, average household income and average

household wealth. In addition, the average median home value in these markets is nearly double the U.S. median average.

Further, these markets, which are often not served by major metropolitan media, tend to be characterized by less media competition, which gives the Company an opportunity to sustain and expand market shares. The following table sets forth for the past three years the operating revenues for the PCN Group.

<TABLE>
<CAPTION>

	YEARS ENDED DECEMBER 31,		
	1998	1997	1996(1)
	(IN THOUSANDS)		
<S>	<C>	<C>	<C>
Operating revenues:			
Advertising.....	\$48,068	\$45,745	\$23,120
Circulation.....	13,939	13,372	6,382
Other(2).....	11,060	10,553	5,353
Total.....	\$73,067	\$69,670	\$34,855
	=====	=====	=====

</TABLE>

(1) Amounts include revenues for the six month period from July 1, 1996 to December 31, 1996, subsequent to the Company's acquisition of the PCN Group on July 1, 1996.

(2) Primarily revenues from preprinted inserts.

The Company has recently made a significant investment in new computer systems which handle typesetting, editing and web publishing, as well as financial and statistical reporting, for its PCN Group properties. The standardized systems, which are "Year-2000" compatible, permit centralized maintenance and support.

ITEM 1. BUSINESS -- CONTINUED
RELATED "NEW MEDIA" OPERATIONS

The Company has developed "new media" operations that are designed to enhance, complement and add value to its traditional newspaper publishing businesses by providing subscriber and advertiser services through various forms of electronic distribution, including electronic publishing, voice services delivered by phone, and electronic dissemination of information via the world wide web/Internet. The Company's objective in these operations is to develop and expand its ability to provide advertisers access to a large and attractive online audience.

The Company is an Internet service provider as a central element of its strategy in both St. Louis and Tucson. Full access to each newspaper's "electronic publication" web site, as well as full Internet access, is provided on a subscription basis. The Star's service, StarNet (www.azstarnet.com), began operations in May, 1995 and had approximately 12,500 subscribers as of December 31, 1998. The service provided by the Post-Dispatch, POSTnet (www.postnet.com), started in January 1996 and had approximately 16,400 subscribers as of December 31, 1998. The web sites provide access to current and archive material, including news, editorials and classified advertising, from each newspaper, as well as interactive Internet-specific enhancements such as message boards and chat rooms. The Company is currently developing enhanced online services featuring the three major classified advertising categories -- automotive, real estate and help wanted.

In addition, the Company is a founding member of PAFET, a consortium of four newspaper companies that is pursuing a program of research and investment designed to help its members understand and participate in the opportunities and challenges that the new media provide for newspaper properties.

ACQUISITION STRATEGY

One of the Company's primary growth strategies has been a disciplined and opportunistic acquisition program. In evaluating acquisition opportunities, the Company generally requires that candidates: (i) be in businesses related to the Company's core publishing competencies; (ii) have strong cash flows; (iii)

reflect its preference for small- to medium-sized markets that possess good growth or economic characteristics and, where possible, offer a clustering opportunity with respect to present or future properties; (iv) provide an opportunity for its disciplined management approach to add value; and (v) offer an attractive return on investment.

AGENCY AGREEMENTS

Newspapers in approximately 14 cities operate under joint operating or agency agreements. Agency agreements generally provide for newspapers servicing the same market to share certain printing and other facilities and to pool certain revenues and expenses in order to decrease aggregate expenses and thereby allow the continuing operation of multiple newspapers serving the same market. The Newspaper Preservation Act of 1970 permits joint operating agreements between newspapers under certain circumstances without violation of the Federal antitrust laws.

St. Louis Agency. An agency operation between the Company and the Herald Company is conducted under the provisions of the St. Louis Agency Agreement. For many years, the Post-Dispatch was the afternoon and Sunday newspaper serving St. Louis, and the Globe-Democrat was the morning paper and also published a weekend edition. Although separately owned, from 1961 through February 1984, the publication of both the Post-Dispatch and the Globe-Democrat was governed by the St. Louis Agency Agreement. From 1961 to 1979, the two newspapers controlled their own news, editorial, advertising, circulation, accounting and promotion departments and Pulitzer managed the production and printing of both newspapers. In 1979, Pulitzer assumed full responsibility for advertising, circulation, accounting and promotion for both newspapers. In February 1984, after a number of years of unfavorable financial results at the St. Louis Agency, the Globe-Democrat was sold by the Herald Company and the St. Louis Agency Agreement was revised to eliminate any continuing relationship between the two newspapers and to permit the repositioning of the daily Post-Dispatch as a morning newspaper.

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ITEM 1. BUSINESS -- CONTINUED

Following the renegotiation of the St. Louis Agency Agreement at the time of the sale of the Globe-Democrat, the Herald Company retained the contractual right to half the profits or losses (as defined) of the operations of the St. Louis Agency, which from February 1984 forward consisted solely of the publication of the Post-Dispatch. The St. Louis Agency Agreement generally provides for the Herald Company to share half the cost of, and to share in a portion of the proceeds from the sale of, capital assets used in the production of the Post-Dispatch. Under the St. Louis Agency Agreement, Pulitzer supervises, manages and performs all activities relating to the day-to-day publication of the Post-Dispatch and is solely responsible for the news and editorial policies of the newspaper.

The consolidated financial statements of the Company include all the operating revenues and expenses of the St. Louis Agency. An agency adjustment is provided as an operating expense which reflects that portion of the operating income of the St. Louis Agency allocated to the Herald Company. Under the St. Louis Agency Agreement, for fiscal 1998, 1997, 1996, 1995, and 1994, the Company paid the Herald Company \$20,729,000 \$19,450,000, \$13,972,000, \$12,502,000, and \$14,706,000, respectively, for the Herald Company's share of the operating income of the St. Louis Agency. As a result of such agency adjustment, the Company is, and during the term of the St. Louis Agency will continue to be, entitled to half the profits (as defined) from the operations of the St. Louis Agency, the amount of which cannot be determined until the end of each fiscal year.

The current term of the St. Louis Agency Agreement runs through December 31, 2034, following which either party may elect to renew the agreement for successive periods of 30 years each.

Tucson Agency. The Tucson Agency Agreement has, since 1940, governed the joint operations of the Star and Citizen. For financial reporting purposes, the operations of the Tucson Agency are reflected in the Company's consolidated financial statements differently from the operations of the St. Louis Agency. The consolidated financial statements of the Company include only the Company's share of the combined revenues, operating expenses and income of the Star and Citizen. TNI Partners, as agent for the Company and Gannett, is responsible for advertising and circulation, printing and delivery and collection of all revenues of the Star and the Citizen. The Board of Directors of TNI Partners presently consists of three directors chosen by the Company and three chosen by Gannett. Budgetary, personnel and other non-news and editorial policy matters,

such as advertising and circulation policies and rates or prices, are determined by the Board of Directors of TNI Partners. Each newspaper is responsible for its own news and editorial content. Revenues and expenses are recorded by TNI Partners, and the resulting profit is generally split 50-50 between the Company and Gannett. Both partners have certain administrative costs which are borne separately. As a result of the Tucson Agency, the Star and the Citizen benefit from increases and can be adversely affected by decreases in each other's circulation.

The Tucson Agency Agreement runs through June 1, 2015, and contains renewal provisions for successive periods of 25 years each.

COMPETITION

The Company's publications compete for readership and advertising revenues in varying degrees with other metropolitan, suburban, neighborhood and national newspapers and other publications as well as with television, radio, cable, Internet, online services and other new media technologies, direct mail, yellow page directories, billboards and other news and advertising media. Competition for advertising is based upon circulation levels, readership demographics, price and advertiser results, while competition for circulation is generally based upon the content, journalistic quality and price of the publication. In St. Louis and its surrounding suburban communities, the Post-Dispatch's closest print competition for circulation and advertising revenues includes paid suburban daily newspapers as well as a chain of community newspapers and shoppers. These community newspapers and shoppers target selected geographic markets throughout the St. Louis metropolitan area.

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ITEM 1. BUSINESS -- CONTINUED

Due to the agency relationship existing in Tucson, the Star and the Citizen cannot be viewed as competitors for advertising or circulation revenues. The Star and the Citizen compete primarily against other media and against Phoenix-area and suburban, neighborhood and national newspapers and other publications.

EMPLOYEE RELATIONS

The Post-Dispatch has contracts with substantially all of its production unions, with expiration dates ranging from February 2002 through February 2010. In addition, the Post-Dispatch has a multi-year contract with the St. Louis Newspaper Guild which expires in January 2003. All of the Post-Dispatch labor contracts contain no strike provisions.

TNI Partners' contract with Tucson Graphic Communications Union Local No. 212, covering certain pressroom employees, expired on December 31, 1998. While negotiating a new contract, the union is operating under the provisions of the old agreement. In each of the last several years, this contract has been renegotiated for a one-year term.

RAW MATERIALS

The Company's newspaper operations are significantly impacted by the cost of newsprint which accounts for approximately 20 percent of newspaper operating expenses. During 1998, the Company used approximately 100,000 metric tons of newsprint in its production process at a total cost of approximately \$57.7 million. Consumption at the Post-Dispatch represented approximately 71,900 metric tons of the Company's total newsprint usage in 1998. In the last five years, the Company's average cost per ton of newsprint has varied from a low of \$452 per metric ton in 1994 to a high of \$675 per metric ton in 1995. During the first quarter of 1999, the Company's average cost for newsprint has been in the range of \$550 to \$575 per metric ton. A price decrease to approximately \$530 per metric ton was announced by some of the Company's newsprint suppliers on March 1, 1999 and is expected to benefit the Company in the second quarter of 1999.

The Post-Dispatch obtains the newsprint necessary for its operations from five separate mills, three of which are located in Canada and two in the United States. The Post-Dispatch has guaranteed the future supply of certain volume levels through long-term agreements with two of its newsprint suppliers. The Company believes that the absence of long-term agreements with the remaining three newsprint suppliers will not affect the Company's ability to obtain newsprint at competitive prices.

The Company acquired five newsprint contracts with the purchase of the PCN Group in 1996. Combined with the tonnage purchased for the Post-Dispatch, the

Company has been able to leverage its pricing power to obtain the best price available for the PCN Group, and to assure adequate supplies for all locations.

TNI Partners obtains the newsprint necessary for the Tucson Agency's operations pursuant to an arrangement with Gannett, the owner of the Citizen. Gannett purchases newsprint on behalf of TNI Partners under various contractual arrangements and agreements. Newsprint is also purchased on the spot market.

EMPLOYEES

At March 22, 1999, the Company's publishing operations had approximately 2,300 full-time employees. In St. Louis, a majority of the approximately 1,200 full-time employees engaged in publishing are represented by unions. The Company considers its relationship with its employees to be good.

ITEM 2. PROPERTIES

The corporate headquarters of the Company is located at 900 North Tucker Boulevard, St. Louis, Missouri. The general character, location and approximate size of the principal physical properties used by the Company for its newspaper publishing and related new media businesses at March 22, 1999, are set forth

ITEM 2. PROPERTIES -- CONTINUED

below. Leases on the properties indicated as leased by the Company expire at various dates through April 2007.

The Company believes that all of its owned and leased properties used in connection with its publishing and new media operations are in good condition, well maintained and adequate for its current and immediately foreseeable operating needs.

<TABLE>
<CAPTION>

GENERAL CHARACTER OF PROPERTY -----	APPROXIMATE AREA IN SQUARE FEET	
	OWNED -----	LEASED -----
<S>	<C>	<C>
Printing plants, business and editorial offices, and warehouse space located in:		
St. Louis, Missouri(1).....	585,500	146,700
St. Louis, Missouri.....		5,600
Tucson, Arizona(2).....	265,000	53,500
Washington, D.C.....		2,250
Provo, Utah.....	26,400	11,000
Santa Maria, California.....	20,800	8,000
Napa, California.....	21,000	
Coos Bay, Oregon.....	15,200	
Hanford, California.....	16,500	3,500
Flagstaff, Arizona.....	23,200	
Troy, Ohio.....	36,600	800
DeKalb, Illinois.....	15,900	
Park Hills, Missouri.....	9,100	
Lihue, Hawaii.....	8,500	20,900
Hamilton, Montana.....	2,900	1,900
Rhineland, Wisconsin.....	6,400	
Petaluma, California.....	9,000	
Farmington, Missouri.....	11,800	
Fredericktown, Missouri.....	1,800	1,200

</TABLE>

-
- (1) Property is subject to the provisions of the St. Louis Agency Agreement.
 - (2) The 265,000 square foot facility in Tucson, Arizona is used in the production of the Star and the Citizen and is jointly owned with Gannett pursuant to the Tucson Agency.

ITEM 3. LEGAL PROCEEDINGS

Subsequent to the Scripps League acquisition, Barry H. Scripps commenced an action against Edward W. Scripps, Betty Knight Scripps and Pulitzer Community

Newspapers, Inc. Barry H. Scripps is the child of Edward W. Scripps and Betty Knight Scripps. Barry Scripps, a former minority shareholder and executive employee of Scripps League, alleges that the defendant Betty Knight Scripps formed and implemented a wrongful scheme to transfer the ownership of Scripps League outside the Scripps family in violation of the Scripps League corporate mission by (i) inducing the defendant Edward W. Scripps to breach their life-long promises to Barry Scripps to retain the ownership of Scripps League Newspapers in the family and ultimately turn over its management and control to Barry Scripps; (ii) engineering an unlawful freeze-out of Barry Scripps as a minority shareholder from Scripps League and its subsidiaries; and (iii) tortiously causing Scripps League to breach its promise to Barry Scripps of permanent employment. The claims asserted are for breach of promise against Edward W. Scripps and Betty Knight Scripps, breach of employment contract against Pulitzer Community Newspapers, Inc. as successor to Scripps League, interference with contract against Betty Knight Scripps, breach of fiduciary duty against Betty Knight Scripps, and promissory estoppel against Edward W. and Betty Knight Scripps. Barry Scripps seeks (i) money damages, together with interest and

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ITEM 3. LEGAL PROCEEDINGS -- CONTINUED

counsel fees in the amount to be proven at trial against Edward and Betty Scripps; (ii) judgment rescinding each of the actions that Betty Knight Scripps caused to be taken that allegedly froze out Barry Scripps as a stockholder in Scripps League; and (iii) damages against Pulitzer Community Newspapers, Inc. for loss of income plus interest and counsel fees in an amount to be proven at trial for breach of the purported employment agreement. Edward W. Scripps and Betty Knight Scripps, jointly and severally, agreed to indemnify the Company and its affiliates, officers, directors, stockholders, employees, agents, successors and assigns at all times after the closing for any and all losses arising from Barry Scripps' claims. On March 26, 1998, the court issued an order granting defendants' motion for summary judgment and dismissed all of Barry Scripps' charges and claims against all defendants, and on April 29, 1998, a final judgment was entered with respect to that order. Barry Scripps filed a notice of appeal on May 21, 1998, and Barry Scripps' brief in connection with that appeal was filed with the Appeals Court of the Commonwealth of Massachusetts on March 18, 1999.

The Company has been involved, from time to time, in various claims and lawsuits incidental to the ordinary course of its business, including such matters as libel, slander and defamation actions and complaints alleging discrimination. While the results of litigation cannot be predicted, management believes the ultimate outcome of such existing litigation will not have a material adverse effect on the consolidated financial statements of the Company and its subsidiaries.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

Not Applicable.

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PART II

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY AND RELATED STOCKHOLDER MATTERS

In May 1998, the Company issued 100 shares of Common Stock (the "Initial Shares") to Pulitzer for \$10,000. The Initial Shares were issued by the Company without registration under the Securities Act of 1933, as amended, by reason of the exemption from registration afforded by the provisions of Section 4(2) thereof, as a transaction by the Company not involving a public offering. The Initial Shares were cancelled by the Company at the time of the Spin-off.

Prior to the Spin-off, the Common Stock and Class B Common Stock did not trade in a public market. Pulitzer's common stock was listed and traded on the New York Stock Exchange, Inc. (the "NYSE") under the symbol "PTZ." The separate existence of Pulitzer ceased on March 18, 1999 after the completion of the Transactions. The shares of the Company's Common Stock are listed on the NYSE and, as of March 19, 1999, trade under the symbol "PTZ". The shares of the Company's Class B Common Stock do not trade in a public market.

At March 24, 1999, there were approximately 358 record holders of the Common Stock and 30 record holders of the Class B Common Stock.

The following table sets forth the range of high and low sales prices for Pulitzer common stock and dividends paid by Pulitzer for each quarterly period in the past two years:

<TABLE>
<CAPTION>

	HIGH	LOW	DIVIDEND (1)
	-----	-----	-----
<S>	<C>	<C>	<C>
1998			
First Quarter.....	\$87.44	\$57.44	\$0.15
Second Quarter.....	92.13	77.75	0.15
Third Quarter.....	89.63	74.38	0.15
Fourth Quarter.....	85.69	64.38	0.30

</TABLE>

<TABLE>
<CAPTION>

	HIGH	LOW	DIVIDEND (1)
	-----	-----	-----
<S>	<C>	<C>	<C>
1997			
First Quarter.....	\$50.63	\$43.38	\$0.13
Second Quarter.....	54.25	40.88	0.13
Third Quarter.....	57.50	49.75	0.13
Fourth Quarter.....	63.31	51.81	0.13

</TABLE>

(1) In 1998, Pulitzer declared cash dividends of \$0.75 per share of common stock and Class B common stock including a cash dividend of \$0.15 per share of common stock and Class B common stock which was declared in December 1998 and paid to stockholders in January 1999. The dividend declared in December 1998 represented the acceleration of the Pulitzer dividend historically declared in the first quarter of each fiscal year. As a result, Pulitzer did not declare a quarterly dividend in the first quarter of 1999. In 1997, Pulitzer declared and paid cash dividends of \$0.52 per share of common stock and Class B common stock.

On March 18, 1999, the Board of Directors of the Company announced that it had declared an initial quarterly dividend of \$0.15 per share on the Common Stock and the Class B Common Stock payable on May 3, 1999 to stockholders of record on April 9, 1999. This initial quarterly dividend equals the most recent quarterly dividend of Pulitzer. Future dividends will depend upon, among other things, the Company's earnings, financial condition, cash flows, capital requirements and other relevant considerations, including the limitations under any credit agreement or other agreement to which the Company may become a party in the future.

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ITEM 6. SELECTED FINANCIAL DATA

<TABLE>
<CAPTION>

	FOR THE YEARS ENDED OR AS OF DECEMBER 31,				
	1998	1997	1996	1995	1994
	-----	-----	-----	-----	-----
<S>	<C>	<C>	<C>	<C>	<C>
(IN THOUSANDS, EXCEPT PER SHARE AMOUNTS)					
OPERATING RESULTS					
Operating Revenues -- net.....	\$372,924	\$357,969	\$309,096	\$269,388	\$304,779
Operating Expenses:					
Operations.....	150,266	145,730	139,259	125,811	130,219
Selling, general and administrative.....	139,148	132,238	114,628	101,375	123,240
General corporate expense.....	5,806	6,007	5,532	4,666	3,871
St. Louis Agency adjustment.....	20,729	19,450	13,972	12,502	14,706
Depreciation and amortization.....	14,054	13,007	8,660	4,307	6,128
Total operating expenses.....	330,003	316,432	282,051	248,661	278,164
Operating income.....	42,921	41,537	27,045	20,727	26,615
Interest income.....	4,967	4,391	4,509	5,196	1,966
Gain on sale of publishing property....					2,791

Net other expense.....	(817)	(942)	(5,870)	(2,319)	(1,461)
Income from continuing operations before provision for income taxes and cumulative effect of change in accounting principle.....	47,071	44,986	25,684	23,604	29,911
Provision for income taxes.....	20,055	19,227	10,892	9,149	11,204
Income from continuing operations before cumulative effect of change in accounting principle.....	27,016	25,759	14,792	14,455	18,707
Discontinued operations, net of tax....	49,268	40,269	42,708	34,867	21,203
Cumulative effect of change in accounting principle, net of applicable income taxes.....					(719)
NET INCOME.....	\$ 76,284	\$ 66,028	\$ 57,500	\$ 49,322	\$ 39,191
Basic Earnings Per Share of Stock:					
Income from continuing operations before cumulative effect of change in accounting principle.....	\$ 1.21	\$ 1.17	\$ 0.67	\$ 0.66	\$ 0.86
Discontinued operations.....	2.20	1.82	1.95	1.60	0.98
Cumulative effect of change in accounting principle.....					(0.03)
Basic earnings per share.....	\$ 3.41	\$ 2.99	\$ 2.62	\$ 2.26	\$ 1.81
Weighted average number of shares outstanding.....	22,381	22,110	21,926	21,800	21,655

</TABLE>

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ITEM 6. SELECTED FINANCIAL DATA -- CONTINUED

<TABLE>

<CAPTION>

	FOR THE YEARS ENDED OR AS OF DECEMBER 31,				
	1998	1997	1996	1995	1994
	(IN THOUSANDS, EXCEPT PER SHARE AMOUNTS)				
<S>	<C>	<C>	<C>	<C>	<C>
Diluted Earnings Per Share of Stock:					
Income from continuing operations before cumulative effect of change in accounting principle.....	\$ 1.19	\$ 1.15	\$ 0.66	\$ 0.65	\$ 0.86
Discontinued operations.....	2.16	1.79	1.92	1.58	0.97
Cumulative effect of change in accounting principle.....					(0.03)
Diluted earnings per share.....	\$ 3.35	\$ 2.94	\$ 2.58	\$ 2.23	\$ 1.80
Weighted average number of shares outstanding.....	22,753	22,452	22,273	22,097	21,822
Dividends per share of Common Stock and Class B Common Stock.....	\$ 0.75	\$ 0.52	\$ 0.46	\$ 0.41	\$ 0.35
OTHER DATA					
Cash and cash equivalents.....	\$110,171	\$ 62,749	\$ 73,052	\$100,380	\$ 77,084
Working capital.....	124,675	75,830	78,928	112,989	82,412
Total assets(1).....	546,393	464,311	398,416	333,641	293,868
Stockholders' equity.....	385,357	310,777	249,937	198,771	155,019

</TABLE>

(1) On July 1, 1996, the Company acquired Scripps League Newspapers, Inc. for approximately \$216 million.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION

Statements in this Annual Report on Form 10-K concerning the Company's business outlook or future economic performance, anticipated profitability,

revenues, expenses or other financial items, together with other statements that are not historical facts, are "forward-looking statements" as that term is defined under the Federal Securities Laws. Forward-looking statements are subject to risks, uncertainties and other factors which could cause actual results to differ materially from those stated in such statements. Such risks, uncertainties and factors include, but are not limited to, industry cyclicality, the seasonal nature of the business, changes in pricing or other actions by competitors or suppliers, and general economic conditions, as well as other risks detailed in the Company's filings with the Securities and Exchange Commission including this Annual Report on Form 10-K.

GENERAL

The Company's operating revenues are significantly influenced by a number of factors, including overall advertising expenditures, the appeal of newspapers in comparison to other forms of advertising, the performance of the Company in comparison to its competitors in specific markets, the strength of the national economy and general economic conditions and population growth in the markets served by the Company.

The Company's business tends to be seasonal, with peak revenues and profits generally occurring in the fourth and, to a lesser extent, second quarters of each year as a result of increased advertising activity during the Christmas and spring holiday periods. The first quarter is historically the weakest quarter for revenues and profits.

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ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION -- CONTINUED

RECENT EVENTS

The Company was capitalized on March 18, 1999 with approximately \$550 million in cash and all of the other assets of Pulitzer (other than broadcasting assets) as a result of the Spin-off and is operating the newspaper publishing and related "new media" businesses formerly operated by Pulitzer. The Company was organized as a corporation in 1998 and, prior to the Spin-off, was a wholly-owned subsidiary of Pulitzer. Prior to the Transactions, Pulitzer was engaged in newspaper publishing and television and radio broadcasting.

Pursuant to the Merger Agreement, on March 18, 1999 Hearst-Argyle acquired through the Merger Pulitzer's Broadcasting Business in exchange for the issuance to Pulitzer's stockholders of 37,096,774 shares of Hearst-Argyle's Series A common stock. Prior to the Merger, Pulitzer's newspaper publishing and related new media businesses were contributed to the Company in the Spin-off.

Pulitzer's historical basis in its newspaper publishing and related new media assets and liabilities have been carried over to the Company. The Transactions represent a reverse-spin transaction and, accordingly, the Company's results of operations for periods prior to the consummation of the Transactions will be identical to the historical results previously reported by Pulitzer. The results of the Broadcasting Business owned by Pulitzer prior to the Merger are reported as discontinued operations in the financial statements included in Item 8 of this Annual Report on Form 10-K.

1998 COMPARED WITH 1997

CONTINUING OPERATIONS -- PUBLISHING

Operating revenues for the year ended December 31, 1998 increased 4.2 percent to \$372.9 million from \$358 million in 1997. The increase primarily reflected higher advertising revenues in 1998.

Newspaper advertising revenues increased \$12.9 million, or 5.7 percent, in 1998. The current year increase resulted primarily from higher classified and national advertising revenue at both the Post-Dispatch and the Star along with higher retail advertising at the PCN Group. Full run advertising volume (linage in inches) increased 0.1 percent at the Post-Dispatch and 4.9 percent at the Star for 1998. In the fourth quarter of 1997 and first quarter of 1998, varying rate increases were implemented at the Post-Dispatch, the Star and most of the PCN Group properties.

Circulation revenues increased approximately \$464,000, or 0.5 percent, in 1998. The increase reflected slight fluctuations in paid circulation and average rates at the Post-Dispatch, Star and PCN Group in 1998 compared to the prior year.

Other publishing revenues, increased \$1.6 million, or 3.7 percent, in 1998, resulting primarily from higher preprint revenue at the PCN Group and higher revenues from Pulitzer's "new media" operations.

Operating expenses (including selling, general and administrative expenses, general corporate expense and depreciation and amortization), excluding the St. Louis Agency adjustment, increased to \$309.3 million in 1998 from \$297 million in 1997, an increase of 4.1 percent. Major increases in comparable expenses were overall personnel costs of \$7.8 million, depreciation and amortization expense of \$1 million, and newsprint expenses of \$960,000. Partially offsetting these increases were declines in circulation distribution costs of \$664,000 and purchased supplement costs of \$208,000.

Operating income for fiscal 1998 increased 3.3 percent to \$42.9 million in 1998 from \$41.5 million in 1997. The 1998 increase reflected the current year revenue gains.

Net other expense (non-operating) decreased \$125,000 in 1998 compared to 1997. The 1998 decrease reflected an increase in capital gains related to limited partnership investments in 1998 as compared to the prior year. Partially offsetting the increase in capital gains was a one-time charge of approximately \$900,000 related to the sale of the Haverhill Gazette on June 1, 1998.

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ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION -- CONTINUED

The effective income tax rate for 1998 was 42.6 percent compared to 42.7% in the prior year. The Company expects its effective tax rate related to continuing operations for 1999 to be similar to Pulitzer's 1998 rate (exclusive of any non-recurring items related to the Spin-off and Merger).

Income from continuing operations for the year ended December 31, 1998, increased to \$27 million, or \$1.19 per diluted share, compared with \$25.8 million, or \$1.15 per diluted share, in the prior year. The 4.9 percent gain reflected higher advertising revenues.

Fluctuations in the price of newsprint have significantly impacted the results of Pulitzer's newspaper operations, where newsprint expense accounted for approximately 20 percent of the publishing segment's total operating costs. Pulitzer's average cost for newsprint was \$582 per metric ton for the year ended December 31, 1998, compared to \$565 per metric ton in 1997. For the full year of 1998, Pulitzer's newsprint cost and metric tons consumed, after giving effect to the St. Louis Agency adjustment, were approximately \$37.3 million and 64,000 tons respectively. During the first quarter of 1999, Pulitzer and the Company's average cost for newsprint has been in the range of \$550 to \$575 per metric ton. A price decrease to approximately \$530 per metric ton was announced by Pulitzer's newsprint suppliers on March 1, 1999 and is expected to benefit the Company in the second quarter of 1999.

DISCONTINUED OPERATIONS -- BROADCASTING

Broadcasting operating revenues for 1998 increased 5.6 percent to \$239.7 million from \$227 million in 1997. For the year, a 6.8 percent increase in local spot advertising and a 5.7 percent increase in national spot advertising were partially offset by a 1.5 percent decline in network compensation. The current year comparisons reflect the impact of increased political advertising of \$15.1 million.

Broadcasting operating expenses (including selling, general and administrative expenses and depreciation and amortization) increased 0.4 percent to \$145.4 million in 1998 from \$144.8 million in 1997. The slight increase was attributable to higher overall personnel costs of \$3.1 million and program rights expense of \$236,000 which were partially offset by decreases in depreciation and amortization expense of \$2.4 million and promotion expense of \$558,000.

Broadcasting operating income increased 14.8 percent to \$94.4 million for the year ended December 31, 1998 from \$82.2 million in the prior year. The increase in 1998 reflected the advertising revenue gains and a significant decline in depreciation and amortization expense which partially offset other expense increases.

Interest expense declined \$2.6 million in 1998 compared to 1997 due to lower average debt levels. Pulitzer's average debt level for 1998 decreased to \$180.1 million from \$220 million in 1997 while Pulitzer's average interest rate increased to 7.5 percent in 1998 from 7.3 percent in 1997. The lower average

debt levels and higher average interest rate in 1998 reflected the payment of variable rate credit agreement borrowings during the last three quarters of 1997 and the scheduled repayment of \$12.5 million of 6.76% fixed rate debt in the third quarter of 1998.

The 1998 effective income tax rate related to discontinued operations was 39.1 percent, unchanged from the prior year.

Income from discontinued operations for the year ended December 31, 1998, increased 22.3 percent to \$49.3 million, or \$2.16 per diluted share, compared with \$40.3 million, or \$1.79 per diluted share, in 1997. The gain reflected a combination of higher broadcasting operating income and a decline in interest expense.

1997 COMPARED WITH 1996

CONTINUING OPERATIONS -- PUBLISHING

Operating revenues for the year ended December 31, 1997 increased 15.8 percent to \$358 million from \$309.1 million in 1996. The revenue comparison was affected by the acquisition of Scripps League

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ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION -- CONTINUED

Newspapers, Inc. ("Scripps League" which was subsequently renamed Pulitzer Community Newspapers, Inc.) on July 1, 1996. On a comparable basis, excluding the PCN Group from the first six months of 1997, publishing revenues increased 4.9 percent. The comparable increase reflected higher advertising revenues in 1997.

Newspaper advertising revenues, on a comparable basis, increased \$13.8 million, or 7.2 percent, in 1997. A significant portion of the current year increase resulted from higher classified and retail advertising revenue at both the Post-Dispatch and the Star. Full run advertising volume (linage in inches) increased 0.4 percent at the Post-Dispatch and 3.8 percent at the Star for 1997. Varying rate increases were implemented at the Post-Dispatch and most of the PCN Group properties in the first quarter of 1997 while the Star increased advertising rates in the fourth quarters of 1996 and 1997.

Circulation revenues, on a comparable basis, decreased approximately \$390,000, or 0.5 percent, in 1997. The decline reflected slight fluctuations in paid circulation and average rates at the Post-Dispatch and the Star in 1997 compared to the prior year.

Other publishing revenues, on a comparable basis, increased \$1.8 million, or 5.1 percent, in 1997, resulting primarily from higher preprint revenue at the Post-Dispatch.

Operating expenses (including selling, general and administrative expenses, general corporate expense and depreciation and amortization), excluding the St. Louis Agency adjustment, increased to \$297 million in 1997 from \$268.1 million in 1996, an increase of 10.8 percent. Prior year operating expenses included approximately \$1.8 million of non-recurring costs related to the acquisition of Scripps League. On a comparable basis, excluding the PCN Group from the first six months of 1997 and the non-recurring costs from 1996, operating expenses increased 0.9 percent. Major increases in comparable expenses were overall personnel costs of \$7.7 million, promotion expense of \$1.6 million, and circulation distribution expenses of \$1.5 million. Partially offsetting these increases were declines in newsprint expense of \$6 million and purchased supplement costs of \$3.1 million.

Operating income for fiscal 1997 increased 53.6 percent to \$41.5 million in 1997 from \$27 million in 1996. On a comparable basis, excluding the PCN Group from the first six months of 1997 and the non-recurring costs from 1996, operating income increased 25.4 percent. The 1997 increase resulted primarily from higher advertising revenues and lower newsprint costs.

Net other expense (non-operating) decreased \$4.9 million in 1997 compared to 1996. The decrease resulted from a 1996 non-recurring charge of approximately \$2.7 million for the write-down in value of a joint venture investment and lower joint venture losses in 1997.

The effective income tax rate for 1997 increased to 42.7 percent, from 42.4 percent in the prior year, due to an additional \$2.1 million of nondeductible

goodwill amortization related to the Scripps League acquisition.

For the year ended December 31, 1997, income from continuing operations was \$25.8 million, or \$1.15 per diluted share, compared with \$14.8 million, or \$0.66 per diluted share, in the prior year. Comparability of the earnings results was affected by the joint venture write-off in 1996 (\$1.6 million after-tax) and non-recurring costs related to the Scripps League acquisition (\$1.1 million after-tax) in 1996. Excluding the non-recurring items, 1996 income from continuing operations would have been \$17.6 million, or \$0.78 per diluted share. The 46.6 percent gain, on a comparable basis, reflected higher advertising revenues and lower newsprint costs.

DISCONTINUED OPERATIONS -- BROADCASTING

Broadcasting operating revenues for 1997 increased 0.9 percent to \$227 million from \$225 million in 1996. For the year, a 1.6 percent increase in national spot advertising and a 6.1 percent increase in network compensation were partially offset by a 0.5 percent decline in local spot advertising. The modest increases in 1997 advertising revenues reflected the impact of decreased political advertising of approximately \$12 million

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ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION -- CONTINUED

in 1997 compared to 1996. In addition, Pulitzer's five NBC affiliated television stations benefited from significant Olympic related advertising in the prior year third quarter.

Broadcasting operating expenses (including selling, general and administrative expenses and depreciation and amortization) increased 2.2 percent to \$144.8 million in 1997 from \$141.7 million in 1996. The increase was attributable to higher overall personnel costs of \$3.2 million and higher depreciation and amortization of \$1 million. These increases were partially offset by decreases in program rights costs of \$493,000, promotion costs of \$333,000 and license fees of \$246,000.

Broadcasting operating income in 1997 decreased 1.3 percent to \$82.2 million from \$83.2 million in the prior year. The 1997 decrease reflected the modest overall revenue gain, resulting primarily from the effect of significant political and Olympic related advertising revenue in the prior year.

Interest expense increased \$2.5 million in 1997 compared to 1996 due to higher average debt levels in 1997. Pulitzer's average debt level for 1997 increased to \$220 million from \$186.9 million in the prior year due to new long-term borrowings. Pulitzer's average interest rate for 1997 was unchanged from the prior year rate of 7.3 percent.

The 1997 effective income tax rate related to discontinued operations was 39.1 percent, unchanged from the prior year.

For the year ended December 31, 1997, income from discontinued operations decreased 5.7 percent to \$40.3 million, or \$1.79 per diluted share, compared with \$42.7 million, or \$1.92 per diluted share, in 1996. The decline reflected the lower broadcasting advertising revenues and higher interest expense in 1997.

LIQUIDITY AND CAPITAL RESOURCES

As of December 31, 1998, Pulitzer's outstanding debt, inclusive of the short-term portion of long-term debt, declined to \$172.7 million compared to \$185.4 million at December 31, 1997, reflecting a scheduled repayment of \$12.5 million in the third quarter of 1998. As of both year-end dates, Pulitzer's borrowings consisted primarily of fixed-rate senior notes with The Prudential Insurance Company of America ("Prudential"). All of Pulitzer's long-term debt balances were allocated to the Broadcasting Business and included in "Net Assets of Broadcasting Business" in the statements of consolidated financial position included in Item 8 of this Annual Report on Form 10-K.

On March 17, 1999, Pulitzer borrowed \$700 million from Chase Manhattan Bank pursuant to a short-term borrowing agreement (the "New Debt"). On March 18, 1999, Pulitzer used a portion of the proceeds from the New Debt to prepay its existing long-term debt with Prudential, pay a related prepayment penalty of approximately \$17.2 million and pay other costs related to the Transactions. The remaining cash proceeds of the New Debt were contributed to the Company in the Spin-off and the New Debt was assumed by Hearst-Argyle at the time of the Merger. As a result, the Company has no long-term debt outstanding as of March 18, 1999.

In January 1999, Pulitzer terminated its credit agreement with The First National Bank of Chicago, as Agent, for a group of lenders, that provided for a \$50,000,000 variable rate revolving credit facility ("Credit Agreement"). The Credit Agreement provided the option to repay any borrowings and terminate the Credit Agreement, without penalty, prior to its scheduled maturity. Pulitzer had no borrowings under the Credit Agreement subsequent to November 1997.

As of December 31, 1998, commitments for capital expenditures were approximately \$8.5 million, relating to normal capital equipment replacements at publishing locations (including Year 2000 projects in-process). Capital expenditures to be made by the Company in fiscal 1999 are estimated to be approximately \$11 million. In addition, as of December 31, 1998, Pulitzer had capital contribution commitments of approximately \$9 million related to a limited partnership investment.

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ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION -- CONTINUED

At December 31, 1998, Pulitzer had working capital of \$124.7 million and a current ratio of 3.88 to 1. This compares to working capital of \$75.8 million and a current ratio of 2.96 to 1 at December 31, 1997.

As a result of the Transactions on March 18, 1999, the Company received cash of approximately \$550 million, a substantial portion of which was derived from the net cash proceeds of the New Debt assumed by Hearst-Argyle. See -- "Spin-off and Merger". The Company anticipates funding future newspaper acquisitions with a portion of the available cash as potential investment opportunities are identified. In the interim, the Company expects to invest its cash in a mixture of short to mid-term government and corporate debt obligations.

The Company generally expects to generate sufficient cash from operations to cover ordinary capital expenditures, working capital requirements and dividend payments.

Spin-off and Merger

In connection with the Transactions, Pulitzer made several one-time payments on March 18, 1999 which will be reflected in the Company's 1999 first quarter financial statements. Pulitzer paid a prepayment penalty of \$17.2 million related to the prepayment of the long-term borrowings with Prudential. Pulitzer also paid the significant portion of approximately \$35 million of professional fees and expenses related to the Transactions. Pulitzer also incurred expenses of approximately \$48.5 million to satisfy management bonus agreements and to cash-out all outstanding employee stock options at the date of the Merger. As of March 18, 1999, approximately \$4.8 million of the total \$48.5 million of bonus and option expense was deferred and will be paid by the Company at a future date. The Company expects to realize tax benefits related to the long-term debt prepayment penalty, stock option cash-out payments and bonus payments.

As a result of the Transactions, Pulitzer is required to recognize taxable gain in an amount equal to the excess of the fair market value of the Pulitzer Inc. Stock distributed to Pulitzer's stockholders in the Spin-off over Pulitzer's adjusted tax basis in such Pulitzer Inc. Stock immediately prior to the Spin-off (the "Spin-off Gain"). In the Merger Agreement, the Company agreed to be liable and indemnify Hearst-Argyle and its subsidiaries, on an after-tax basis, for any unpaid tax liabilities of Pulitzer attributable to tax periods ending on or before the date of the Merger (other than any tax arising as a result of the Merger not qualifying as a tax-free reorganization by reason of any action or inaction on the part of Hearst-Argyle after the Merger), including any tax liability of Pulitzer with respect to the realization of any Spin-off Gain. Current preliminary estimates indicate that the Spin-off Gain realized by Pulitzer would itself yield a tax liability not exceeding approximately \$20 million (assuming the application of an effective 40% tax rate). Pulitzer's actual tax liability with respect to the Spin-off Gain, however, will be affected by several factors. These factors include the final determination for tax purposes of the fair market value of the Pulitzer Inc. Stock distributed to Pulitzer's stockholders in the Spin-off and Pulitzer's adjusted tax basis in such Pulitzer Inc. Stock immediately prior to the Spin-off. In addition, Pulitzer's actual tax liability with respect to the Spin-off Gain will be impacted by Pulitzer's other items of taxable income or loss for the short tax period ended March 18, 1999, including the one-time payments described in the immediately preceding paragraph.

In connection with the September 1986 purchase of Pulitzer Class B common

stock from certain selling stockholders (the "1986 Selling Stockholders"), Pulitzer agreed, under certain circumstances, to make an additional payment to the 1986 Selling Stockholders in the event of a Gross-Up Transaction (as defined herein). A "Gross-Up Transaction" was defined to mean, among other transactions, (i) any merger, in any transaction or series of related transactions, of more than 85 percent of the voting securities or equity of Pulitzer pursuant to which holders of Pulitzer common stock receive securities other than Pulitzer common stock and (ii) any recapitalization, dividend or distribution, or series of related recapitalizations, dividends or distributions, in which holders of Pulitzer common stock receive securities (other than Pulitzer common stock) having a Fair Market Value (as defined herein) of not less than 33 1/3 percent of the Fair Market Value of the shares of Pulitzer common stock immediately prior to such transaction. The amount of the additional payment, if any, would equal (x) the product of (i) the amount by which the Transaction Proceeds (as

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ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION -- CONTINUED

defined herein) exceeds the Imputed Value (as defined herein) multiplied by (ii) the applicable percentage (i.e., 50 percent for the period from May 13, 1996 through May 12, 2001) multiplied by (iii) the number of shares of Pulitzer common stock issuable upon conversion of the shares of Pulitzer Class B common stock owned by the 1986 Selling Stockholders, adjusted for, among other things, stock dividends and stock splits; less (y) the sum of any additional payments previously received by the 1986 Selling Stockholders; provided, however, that in the event of any recapitalization, dividend or distribution, the amount by which the Transaction Proceeds exceeds the Imputed Value shall not exceed the amount paid or distributed pursuant to such recapitalization, dividend or distribution in respect of one share of Pulitzer common stock.

The term "Transaction Proceeds" was defined to mean, in the case of a merger, the aggregate Fair Market Value (as defined herein) of the consideration received pursuant thereto by the holder of one share of Pulitzer common stock, and, in the case of a recapitalization, dividend or distribution, the aggregate Fair Market Value of the amounts paid or distributed in respect of one share of Pulitzer common stock plus the aggregate Fair Market Value of one share of Pulitzer common stock following such transaction. The "Imputed Value" for one share of Pulitzer common stock on a given date was defined to mean an amount equal to \$28.82 compounded annually from May 12, 1986 to such given date at the rate of 15 percent per annum, the result of which is \$154.19 at May 12, 1998. There was no specific provision for adjustment of the \$28.82 amount, but if it were adjusted to reflect all stock dividends and stock splits of Pulitzer since September 30, 1986, it would now equal \$15.72, which if compounded annually from May 12, 1986 at the rate of 15 percent per annum would now equal \$84.11.

"Fair Market Value," in the case of any consideration other than cash received in a Gross-Up Transaction, was defined to mean the fair market value thereof as agreed to by a valuation firm selected by Pulitzer and a valuation firm selected by the 1986 Selling Stockholders, or, if the two valuation firms do not agree on the fair market value, the fair market value of such consideration as determined by a third valuation firm chosen by the two previously selected valuation firms. Any such agreement or determination shall be final and binding on the parties.

As a result of the foregoing, the amount of additional payments, if any, that may be payable by the Company with respect to the Merger and the distribution of Pulitzer Inc. Stock in the Spin-off (the "Distribution") cannot be determined at this time. However, if the Distribution were determined to be a Gross-Up Transaction and if the Fair Market Value of the Transaction Proceeds with respect to the Merger and the Distribution were determined to exceed the Imputed Value, then any additional payments to the 1986 Selling Stockholders would equal approximately \$5.9 million for each \$1.00 by which the Transaction Proceeds exceed the Imputed Value. Accordingly, depending on the ultimate resolution of the meaning and application of various provisions of the Gross-Up Transaction agreements, including the determination of Imputed Value and Fair Market Value of the Transaction Proceeds, in the opinion of the Company's management, the amount of an additional payment, if any, could be material to the consolidated financial statements of the Company. The additional payment, if any, to the 1986 Selling Stockholders will be recorded directly to additional paid-in capital as the payment of this contingent amount is a direct cost of the disposal of Pulitzer's Broadcasting Business.

In the opinion of the Company's management, the amount of additional payment, if any, is not likely to have a material adverse effect on the Company's existing day-to-day newspaper publishing and related new media properties. The amount of additional payment, if any, will reduce, however, the amount of cash available to the Company to finance potential acquisition

opportunities in the future.

Pursuant to the Merger Agreement, the Company will indemnify Hearst-Argyle against losses related to: (i) on an after tax basis, certain tax liabilities, including (A) any transfer tax liability attributable to the Spin-off, (B) with certain exceptions, any tax liability of Pulitzer or any subsidiary of Pulitzer attributable to any tax period (or portion thereof) ending on or before the closing date of the Merger, including tax liabilities resulting from the Spin-off, and (C) any tax liability of the Company or any subsidiary of the Company; (ii) liabilities and obligations under any employee benefit plans not assumed by Hearst-Argyle; (iii) any

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ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION -- CONTINUED

liabilities for payments made pursuant to a Gross-Up Transaction; and (iv) certain other matters as set forth in the Merger Agreement.

Information Systems and the Year 2000

The Year 2000 Issue is the result of information systems being designed using two digits rather than four digits to define the applicable year. As the Year 2000 approaches, such information systems may be unable to accurately process certain date-based information.

In 1995, Pulitzer began reviewing and preparing its computer systems for the Year 2000. Generally, at Pulitzer's newspaper publishing locations, the following categories of computer systems were identified for assessment of Year 2000 compliance: pre-press systems, press systems, post-press systems, business systems, network systems, desktop PC systems, telecommunication systems and building systems. Significant sub-systems within these categories which were identified as non-compliant during the assessment phase represented aging hardware and software which would have required replacement in the near term irrespective of the Year 2000 Issue. Consequently, Pulitzer and the Company adopted a Year 2000 strategy which will replace the Company's significant non-compliant systems with new compliant systems prior to December 31, 1999.

Pulitzer and the Company's strategy for achieving Year 2000 compliance was developed using a five phase plan as follows: (1) educate and plan; (2) assess; (3) replace and renovate; (4) validate/test; and (5) implement. The Company has completed the planning and assessment phases and is in the process of replacing, testing and implementing new compliant systems (with some systems already implemented). The Company expects to have substantially all of the Year 2000 system changes implemented by March 31, 1999 at the Star, April 30, 1999 at the Post-Dispatch and September 30, 1999 at the PCN Group properties.

The Company's current estimate of capital expenditures for new hardware and software to address Year 2000 issues, as well as to replace aging systems, is approximately \$11.6 million. At December 31, 1998, approximately \$2.4 million of the total capital expenditure estimate remains to be spent through the projected implementation dates. These amounts do not include either the internal staff costs of the Company's information technology department or the cost of minor Year 2000 system modifications, both of which are recorded as expense in the period incurred. Year 2000 modification costs for minor system issues are not expected to be significant. The Year 2000 related capital expenditures have been considered in the Company's normal capital budgeting process and will be funded through operating cash flows.

In addition to addressing internal system issues, the Company is communicating with its major suppliers (including, but not limited, to newsprint, ink, telecommunication services and utilities) and selected customers to obtain assurance of their preparedness for the Year 2000. In general, questionnaires are being used to identify potential Year 2000 issues at these third parties which may impact the Company's business operations and require a remedy. In a significant portion of the responses received to date, material third parties have indicated that they are aware of the Year 2000 Issue and have developed and are currently implementing their respective plans to address Year 2000 issues. Throughout 1999, the Company, where appropriate, will follow-up and make more detailed inquiries of these material third parties as to the status of their respective Year 2000 plans.

The Company believes that its plan for achieving Year 2000 compliance will be fully implemented by September 30, 1999. However, as it is not possible to anticipate all future outcomes, especially where third parties are involved, the Company is in the process of developing Year 2000 contingency plans for mission critical business and production systems.

In the event that either the Company or the Company's suppliers and customers do not successfully implement their Year 2000 plans on a timely basis, the Company could experience business losses. In the most extreme case, publication of the Company's newspapers and on-line products, as well as the sale of advertising,

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ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION -- CONTINUED

could be interrupted and/or delayed. The extent of losses under such a scenario have not been estimated by the Company.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

The primary raw material used in the Company's newspaper publishing operations is newsprint, representing approximately 20 percent of newspaper operating expenses. Pulitzer consumed approximately 100,000 metric tons of newsprint during 1998 at an average cost of approximately \$582 per metric ton. Historically, newsprint has been subject to significant price fluctuations from year to year, unrelated in many cases to general economic conditions. In the last five years, Pulitzer's average cost per ton of newsprint has varied from a low of \$452 per metric ton in 1994 to a high of \$675 per metric ton in 1995. The Company attempts to obtain the best price available by combining newsprint purchases for its different newspaper locations but does not enter into derivative contracts in an attempt to reduce the impact of year to year price fluctuations on its consolidated newsprint expense.

As a result of the Transactions on March 18, 1999, the Company had no outstanding debt and cash from the Transactions of approximately \$550 million. Over time, the Company anticipates funding potential newspaper acquisitions with a portion of the available cash. In the interim, the Company expects to invest its cash in a mixture of short to mid-term government and corporate debt obligations. These investments will expose the Company to market risks that may cause the future value of such investments to be different than the original cost of such investments at the time of purchase.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

The following consolidated financial statements of the Company and its subsidiaries are filed as part of this report. Supplementary unaudited data with respect to the quarterly results of operations of the Company are set forth in the Notes to Consolidated Financial Statements.

PULITZER INC. AND SUBSIDIARIES

FINANCIAL STATEMENTS:

Independent Auditors' Report

Statements of Consolidated Income for each of the Three Years in the Period Ended December 31, 1998

Statements of Consolidated Financial Position at December 31, 1998 and 1997

Statements of Consolidated Stockholders' Equity for each of the Three Years in the Period Ended December 31, 1998

Statements of Consolidated Cash Flows for each of the Three Years in the Period Ended December 31, 1998

Notes to Consolidated Financial Statements for the Three Years in the Period Ended December 31, 1998

FINANCIAL STATEMENT SCHEDULE:

Independent Auditors' Report

Schedule II -- Valuation and Qualifying Accounts and Reserves

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors and Stockholders of
PULITZER INC.:

We have audited the accompanying statements of consolidated financial position of Pulitzer Inc. and subsidiaries as of December 31, 1998 and 1997, and the related consolidated statements of income, stockholders' equity, and cash flows for each of the three years in the period ended December 31, 1998. 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, such consolidated financial statements present fairly, in all material respects, the financial position of the companies at December 31, 1998 and 1997, and the results of their operations and their cash flows for each of the three years in the period ended December 31, 1998 in conformity with generally accepted accounting principles.

DELOITTE & TOUCHE LLP

Saint Louis, Missouri
March 18, 1999

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PULITZER INC. AND SUBSIDIARIES
STATEMENTS OF CONSOLIDATED INCOME

<TABLE>
<CAPTION>

	YEARS ENDED DECEMBER 31,		
	1998	1997	1996
	(IN THOUSANDS, EXCEPT EARNINGS PER SHARE)		
<S>	<C>	<C>	<C>
OPERATING REVENUES -- NET:			
Advertising.....	\$240,721	\$227,817	\$191,939
Circulation.....	88,075	87,611	81,434
Other.....	44,128	42,541	35,723
Total operating revenues.....	372,924	357,969	309,096
OPERATING EXPENSES OPERATIONS:			
Operations.....	150,266	145,730	139,259
Selling, general and administrative.....	139,148	132,238	114,628
General corporate expense.....	5,806	6,007	5,532
St. Louis Agency adjustment (Note 3).....	20,729	19,450	13,972
Depreciation and amortization.....	14,054	13,007	8,660
Total operating expenses.....	330,003	316,432	282,051
Operating income.....	42,921	41,537	27,045
Interest income.....	4,967	4,391	4,509
Net other expense.....	(817)	(942)	(5,870)
INCOME FROM CONTINUING OPERATIONS BEFORE PROVISION FOR			
INCOME TAXES.....	47,071	44,986	25,684
PROVISION FOR INCOME TAXES (Note 10).....	20,055	19,227	10,892
INCOME FROM CONTINUING OPERATIONS.....	27,016	25,759	14,792
INCOME FROM DISCONTINUED OPERATIONS, NET OF TAX (Note			
4).....	49,268	40,269	42,708
NET INCOME.....	\$ 76,284	\$ 66,028	\$ 57,500
BASIC EARNINGS PER SHARE OF STOCK (Note 13):			
Income from continuing operations.....	\$ 1.21	\$ 1.17	\$ 0.67

Income from discontinued operations.....	2.20	1.82	1.95
Earnings per share.....	\$ 3.41	\$ 2.99	\$ 2.62
Weighted average number of shares outstanding.....	22,381	22,110	21,926
DILUTED EARNINGS PER SHARE OF STOCK (Note 13):			
Income from continuing operations.....	\$ 1.19	\$ 1.15	\$ 0.66
Income from discontinued operations.....	2.16	1.79	1.92
Earnings per share.....	\$ 3.35	\$ 2.94	\$ 2.58
Weighted average number of shares outstanding.....	22,753	22,452	22,273

</TABLE>

See accompanying notes to consolidated financial statements.

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PULITZER INC. AND SUBSIDIARIES

STATEMENTS OF CONSOLIDATED FINANCIAL POSITION

<TABLE>
<CAPTION>

	DECEMBER 31,	
	1998	1997
	(IN THOUSANDS)	
	<C>	<C>
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents.....	\$110,171	\$ 62,749
Trade accounts receivable (less allowance for doubtful accounts of \$1,722 and \$1,626).....	42,658	35,002
Inventory.....	2,587	5,265
Prepaid expenses and other.....	12,564	11,587
Total current assets.....	167,980	114,603
PROPERTIES:		
Land.....	5,536	5,991
Buildings.....	43,511	39,446
Machinery and equipment.....	98,848	89,484
Construction in progress.....	8,442	4,042
Total.....	156,337	138,963
Less accumulated depreciation.....	72,186	64,166
Properties -- net.....	84,151	74,797
INTANGIBLE AND OTHER ASSETS:		
Intangible assets -- net of amortization (Notes 5 and 6).....	197,154	185,124
Receivable from The Herald Company (Notes 3 and 9).....	38,683	39,733
Net assets of Broadcasting Business (Note 4).....	35,717	36,069
Other.....	22,708	13,985
Total intangible and other assets.....	294,262	274,911
TOTAL.....	\$546,393	\$464,311

</TABLE>

(Continued)

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PULITZER INC. AND SUBSIDIARIES

STATEMENTS OF CONSOLIDATED FINANCIAL POSITION

<TABLE>
<CAPTION>

DECEMBER 31,

	1998	1997
	(IN THOUSANDS)	
<S>	<C>	<C>
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Trade accounts payable.....	\$ 12,253	\$ 12,193
Salaries, wages and commissions.....	10,911	10,523
Income taxes payable.....	2,832	3,070
Pension obligations (Note 8).....	184	348
Acquisition payable.....	9,707	9,804
Other.....	7,418	2,835
Total current liabilities.....	43,305	38,773
PENSION OBLIGATIONS (Note 8).....	23,625	21,165
POSTRETIREMENT AND POSTEMPLOYMENT BENEFIT OBLIGATIONS (Note 9).....	88,397	89,350
OTHER LONG-TERM LIABILITIES.....	5,709	4,246
COMMITMENTS AND CONTINGENCIES (Note 14)		
STOCKHOLDERS' EQUITY (Note 11):		
Preferred stock, \$.01 par value; 25,000,000 shares authorized; issued and outstanding -- none		
Common stock, \$.01 par value; 100,000,000 shares authorized; issued -- 7,242,974 in 1998 and 6,797,895 in 1997.....	72	68
Class B common stock, convertible, \$.01 par value; 50,000,000 shares authorized; issued -- 27,019,880 in 1998 and 27,125,247 in 1997.....	270	271
Additional paid-in capital.....	151,574	135,542
Retained earnings.....	422,329	362,828
Accumulated other comprehensive income.....	(915)	
Total.....	573,330	498,709
Treasury stock -- at cost; 25,519 and 24,660 shares of common stock in 1998 and 1997, respectively, and 11,700,850 shares of Class B common stock in 1998 and 1997.....	(187,973)	(187,932)
Total stockholders' equity.....	385,357	310,777
TOTAL.....	\$546,393	\$464,311

</TABLE>

(Concluded)

See accompanying notes to consolidated financial statements.

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PULITZER INC. AND SUBSIDIARIES

STATEMENTS OF STOCKHOLDERS' EQUITY

<TABLE>

<CAPTION>

	COMMON STOCK	CLASS B COMMON STOCK	ADDITIONAL PAID-IN CAPITAL	RETAINED EARNINGS	ACCUMULATED OTHER COMPREHENSIVE INCOME	TREASURY STOCK	TOTAL STOCKHOLDERS' EQUITY
	(IN THOUSANDS)						
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
BALANCES AT JANUARY 1, 1996.....	\$47	\$205	\$125,539	\$260,816	\$ --	\$(187,836)	\$198,771
Issuance of common stock grants...			76				76
Common stock options exercised....	1		2,166				2,167
Conversion of Class B common stock to common stock.....	1	(1)					
Tax benefit from stock options exercised.....			1,476				1,476
Net income.....				57,500			57,500
Cash dividends declared \$0.46 per							

share of common and Class B common.....				(10,033)		(10,033)
Purchase of treasury stock.....					(20)	(20)
Four for three stock split in the form of a 33.3 percent stock dividend (Note 11).....	16	68	(84)			
BALANCES AT DECEMBER 31, 1996.....	65	272	129,173	308,283		(187,856)
Issuance of common stock grants...			70			70
Common stock options exercised....	2		3,297			3,299
Conversion of Class B common stock to common stock.....	1	(1)				
Common stock issued under Employee Stock Purchase Plan.....			322			322
Tax benefit from stock options exercised.....			2,680			2,680
Net income.....				66,028		66,028
Cash dividends declared \$0.52 per share of common and Class B common.....				(11,483)		(11,483)
Purchase of treasury stock.....					(76)	(76)
BALANCES AT DECEMBER 31, 1997.....	68	271	135,542	362,828		(187,932)
Issuance of common stock grants...			68			68
Common stock options exercised....	3		7,182			7,185
Conversion of Class B common stock to common stock.....	1	(1)				
Common stock issued under Employee Stock Purchase Plan.....			1,370			1,370
Tax benefit from stock options exercised.....			7,412			7,412
Comprehensive income:						
Net income.....				76,284		76,284
Other comprehensive income, net of tax-minimum pension liability adjustment.....					(915)	(915)
Comprehensive income.....						75,369
Cash dividends declared \$0.75 per share of common and Class B common.....				(16,783)		(16,783)
Purchase of treasury stock.....					(41)	(41)
BALANCES AT DECEMBER 31, 1998.....	\$72	\$270	\$151,574	\$422,329	\$ (915)	\$ (187,973)

</TABLE>

(Continued)

See accompanying notes to consolidated financial statements.

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PULITZER INC. AND SUBSIDIARIES

STATEMENTS OF STOCKHOLDERS' EQUITY

<TABLE>
<CAPTION>

	COMMON STOCK		CLASS B COMMON STOCK	
	ISSUED	HELD IN TREASURY	ISSUED	HELD IN TREASURY
	(IN THOUSANDS)			
<S>	<C>	<C>	<C>	<C>
SHARE ACTIVITY:				
BALANCES AT JANUARY 1, 1996.....	4,704	(17)	20,474	(8,776)
Issuance of common stock grants.....	2			
Common stock options exercised.....	140			
Conversion of Class B common stock to common stock.....	84		(84)	
Four for three split in the form of a 33.3 percent stock dividend (Note 11).....	1,568	(6)	6,825	(2,925)
BALANCES AT DECEMBER 31, 1996.....	6,498	(23)	27,215	(11,701)

Issuance of common stock grants.....	1			
Common stock options exercised.....	202			
Conversion of Class B common stock to common stock.....	90		(90)	
Common stock issued under Employee Stock Purchase Plan.....	7			
Purchase of treasury stock.....		(2)		
	----	----	----	-----
BALANCES AT DECEMBER 31, 1997.....	6,798	(25)	27,125	(11,701)
Issuance of common stock grants.....	1			
Common stock options exercised.....	318			
Conversion of Class B common stock to common stock.....	105		(105)	
Common stock issued under Employee Stock Purchase Plan.....	21			
Purchase of treasury stock.....		(1)		
	----	----	----	-----
BALANCES AT DECEMBER 31, 1998.....	7,243	(26)	27,020	(11,701)
	=====	====	=====	=====

</TABLE>

(Concluded)

See accompanying notes to consolidated financial statements.

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PULITZER INC. AND SUBSIDIARIES
STATEMENTS OF CONSOLIDATED CASH FLOWS

<TABLE>

<CAPTION>

	YEARS ENDED DECEMBER 31,		
	1998	1997	1996
	-----	-----	-----
<S>	<C>	<C>	<C>
CONTINUING OPERATIONS			
CASH FLOWS FROM OPERATING ACTIVITIES:			
Income from continuing operations.....	\$ 27,016	\$ 25,759	\$ 14,792
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation.....	7,959	7,175	5,623
Amortization.....	6,095	5,832	3,037
Deferred income taxes.....	(1,400)	(1,328)	(1,100)
Changes in assets and liabilities (net of the effects of the purchase and sale of properties) which provided (used) cash:			
Trade accounts receivable.....	(6,701)	(2,692)	(4,079)
Inventory.....	2,743	(289)	3,017
Other assets.....	4,642	(3,652)	9,839
Trade accounts payable and other liabilities.....	2,217	3,120	(2,490)
Income taxes payable.....	(238)	1,803	(239)
	-----	-----	-----
NET CASH PROVIDED BY OPERATING ACTIVITIES.....	42,333	35,728	28,400
	-----	-----	-----
CASH FLOWS FROM INVESTING ACTIVITIES:			
Capital expenditures.....	(15,269)	(15,215)	(6,433)
Purchase of publishing properties, net of cash acquired...	(23,055)		(203,306)
Investment in joint ventures and limited partnerships.....	(3,900)	(3,292)	(1,233)
Sale of assets, net of cash sold.....	2,590		2,152
Decrease (increase) in notes receivable.....	(1)	4,979	(4,904)
	-----	-----	-----
NET CASH USED IN INVESTING ACTIVITIES.....	(39,635)	(13,528)	(213,724)
	-----	-----	-----
CASH FLOWS FROM FINANCING ACTIVITIES:			
Dividends paid.....	(13,409)	(11,483)	(10,033)
Proceeds from exercise of stock options.....	7,185	3,299	2,167
Proceeds from employee stock purchase plan.....	1,370	322	
Purchase of treasury stock.....	(41)	(76)	(20)
	-----	-----	-----
NET CASH USED IN FINANCING ACTIVITIES.....	(4,895)	(7,938)	(7,886)
	-----	-----	-----
CASH PROVIDED BY (USED IN) CONTINUING OPERATIONS.....	(2,197)	14,262	(193,210)
	-----	-----	-----

</TABLE>

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<TABLE>
<CAPTION>

	YEARS ENDED DECEMBER 31,		
	1998	1997	1996
<S>	<C>	<C>	<C>
DISCONTINUED OPERATIONS			
Operating activities.....	73,254	57,757	62,379
Investing activities.....	(10,930)	(17,617)	(16,292)
Financing activities.....	(12,705)	(64,705)	119,795
CASH PROVIDED BY (USED IN) DISCONTINUED OPERATIONS.....	49,619	(24,565)	165,882
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS.....	47,422	(10,303)	(27,328)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR.....	62,749	73,052	100,380
CASH AND CASH EQUIVALENTS AT END OF YEAR.....	\$110,171	\$ 62,749	\$ 73,052
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:			
Cash paid (received) during the year for:			
Interest paid.....	\$ 13,789	\$ 17,469	\$ 9,716
Interest received.....	(4,898)	(4,574)	(4,872)
Income taxes.....	46,653	45,110	38,530
Income tax refunds.....	(983)	(1,108)	(195)

</TABLE>

See accompanying notes to consolidated financial statements.

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PULITZER INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 1998, 1997 AND 1996

1. BASIS OF PRESENTATION

Pulitzer Publishing Company ("Pulitzer"), Pulitzer Inc. and Hearst-Argyle Television, Inc. ("Hearst-Argyle") entered into an Amended and Restated Agreement and Plan of Merger, dated as of May 25, 1998 (the "Merger Agreement"), pursuant to which Hearst-Argyle agreed to acquire Pulitzer's Broadcasting Business (see Note 4) (the "Merger"). On March 17, 1999, the stockholders of Pulitzer and Hearst-Argyle approved the Merger Agreement and related proposals concerning the Spin-off (as defined below) and the Merger (the Spin-off and Merger are collectively referred to as the "Transactions"). On March 18, 1999, in connection with the Transactions, Pulitzer cancelled all shares of common and Class B common stock held in treasury (see Note 11), prepaid its existing long-term debt borrowings (see Note 7) and paid certain transaction costs using a portion of the proceeds from \$700 million of New Debt (as defined in Note 7). Pulitzer then contributed the balance of the proceeds of the New Debt, together with its newspaper publishing and related new media assets and liabilities, to Pulitzer Inc. pursuant to a Contribution and Assumption Agreement (the "Contribution").

Immediately following the Contribution, Pulitzer distributed to each holder of Pulitzer common stock one fully-paid and nonassessable share of Pulitzer Inc. common stock for each share of Pulitzer common stock held and to each holder of Pulitzer Class B common stock one fully-paid and nonassessable share of Pulitzer Inc. Class B common stock for each share of Pulitzer Class B common stock held (the "Distribution"). As a result, the number of outstanding shares of each class of stock of Pulitzer Inc. immediately after the Distribution was identical to Pulitzer before the Distribution (see Note 11). The Contribution and Distribution collectively constitute the "Spin-off."

Immediately following the Spin-off, Pulitzer, consisting of the Broadcasting Business and the New Debt, was merged with and into Hearst-Argyle. Pursuant to the Merger Agreement, Hearst-Argyle agreed to assume the New Debt in connection with the Merger.

As a result of the Transactions, Pulitzer Inc. is the continuing stockholder interest for financial reporting purposes. Results of Pulitzer Inc.'s newspaper publishing and related new media businesses are reported as continuing operations in the statements of consolidated income. The results of the Broadcasting Business owned by Pulitzer prior to the Merger are reported as discontinued operations (see Note 4). The defined term "Company" is used to refer to Pulitzer Publishing Company prior to the Transactions and Pulitzer Inc.

subsequent to the Transactions.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Consolidation -- The consolidated financial statements include the accounts of the Company and its subsidiary companies, all of which are wholly-owned. All significant intercompany transactions have been eliminated from the consolidated financial statements.

Fiscal Year -- The Company's fiscal year ends on the last Sunday of the calendar year. For ease of presentation, the Company has used December 31 as the year-end.

Cash Equivalents -- For purposes of reporting cash flows, the Company considers all highly liquid investments purchased with an original maturity of three months or less to be cash equivalents.

Inventory Valuation -- Inventory, which consists primarily of newsprint, is stated at the lower of cost (determined primarily using the last-in, first-out method) or market. If the first-in, first-out cost method had been used, inventory would have been \$365,000 and \$805,000 higher than reported at December 31, 1998 and 1997, respectively. Ink and other miscellaneous supplies are expensed as purchased.

Program Rights -- Program rights represent license agreements for the right to broadcast feature programs, program series and other syndicated programs over limited license periods and are presented in the

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PULITZER INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 1998, 1997 AND 1996 -- (CONTINUED)

consolidated balance sheet at the lower of unamortized cost or estimated net realizable value. The total gross cost of each agreement is recorded as an asset and liability when the license period begins and all of the following conditions have been met: (a) the cost of the agreement is known or reasonably determinable, (b) the program material has been accepted in accordance with the conditions of the license agreement and (c) the program is available for broadcast. Payments are made in installments as provided for in the license agreements. Program rights expected to be amortized in the succeeding year and payments due within one year are classified as current assets and current liabilities, respectively.

Program rights covering periods of less than one year are amortized on a straight-line basis as the programs are broadcast. Program rights covering periods greater than one year are generally amortized as a package or series over the license period using an accelerated method. When a determination is made that either the unamortized cost of a program exceeds its estimated net realizable value or a program will not be used prior to the expiration of the license agreement, appropriate adjustments are made to charge unamortized amounts to operations.

Property and Depreciation -- Property is recorded at cost. Depreciation is computed using the straight-line method over the estimated useful lives of the individual assets. Buildings are depreciated over 20 to 50 years and all other property over lives ranging from 3 to 15 years.

Intangible Assets -- Intangibles consisting of goodwill, FCC licenses and network affiliations acquired subsequent to the effective date of Accounting Principles Board Opinion No. 17 ("Opinion No. 17") are being amortized over lives of either 15 or 40 years while all other intangible assets are being amortized over lives ranging from 4 to 23 years. Intangibles in the amount of \$1,520,000, related to acquisitions prior to the effective date of Opinion No. 17, are not being amortized because, in the opinion of management, their value is of undeterminable duration. In addition, the intangible asset relating to the Company's additional minimum pension liability under Statement of Financial Accounting Standards No. 87 is adjusted annually, as necessary, when a new determination of the amount of the additional minimum pension liability is made.

Long-Lived Assets -- The Company considers the possible impairment of its properties and intangible assets whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Management periodically evaluates the recoverability of long-lived assets by reviewing the current and projected undiscounted cash flows of each of its properties. If a permanent impairment is deemed to exist, any write-down would be charged to operations. For the periods presented, there has been no impairment.

Employee Benefit Plans -- The Company and its subsidiaries have several noncontributory defined benefit pension plans covering a significant portion of their employees. Benefits under the plans are generally based on salary and years of service. The Company's liability and related expense for benefits under the plans are recorded over the service period of active employees based upon annual actuarial calculations. Plan funding strategies are influenced by tax regulations. Plan assets consist primarily of government bonds and corporate equity securities.

The Company provides retiree medical and life insurance benefits under varying postretirement plans at several of its operating locations. In addition, the Company provides postemployment disability benefits to certain former employee groups prior to retirement. The significant portion of these benefits results from plans at the St. Louis Post-Dispatch. The Company's liability and related expense for benefits under the postretirement plans are recorded over the service period of active employees based upon annual actuarial calculations. The Company accrues postemployment disability benefits when it becomes probable that such benefits will be paid and when sufficient information exists to make reasonable estimates of the amounts to be paid. All of the Company's postretirement and postemployment benefits are funded on a pay-as-you-go basis.

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PULITZER INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 1998, 1997 AND 1996 -- (CONTINUED)

Income Taxes -- Deferred tax assets and liabilities are recorded for the expected future tax consequences of events that have been included in either the financial statements or tax returns of the Company. Under this asset and liability approach, deferred tax assets and liabilities are determined based on temporary differences between the financial statement and tax bases of assets and liabilities by applying enacted statutory tax rates applicable to future years in which the differences are expected to reverse.

Stock-Based Compensation Plans -- Effective January 1, 1996, the Company adopted the disclosure requirements of Statement of Financial Accounting Standards No. 123 ("SFAS 123"), Accounting for Stock-Based Compensation. The new standard defines a fair value method of accounting for stock options and similar equity instruments. Under the fair value method, compensation cost is measured at the grant date based on the fair value of the award and is recognized over the service period, which is usually the vesting period. Pursuant to the new standard, companies are encouraged, but not required, to adopt the fair value method of accounting for employee stock-based transactions. Companies are also permitted to continue to account for such transactions under Accounting Principles Board Opinion No. 25 ("APB 25"), Accounting for Stock Issued to Employees, but are required to disclose pro forma net income and, if presented, earnings per share as if the company had applied the new method of accounting. The accounting requirements of the new method are effective for all employee awards granted after the beginning of the fiscal year of adoption, whereas the disclosure requirements apply to all awards granted subsequent to December 31, 1994. The Company continues to recognize and measure compensation for its restricted stock and stock option plans in accordance with the existing provisions of APB 25.

Earnings Per Share of Stock -- Basic earnings per share of stock is computed using the weighted average number of common and Class B common shares outstanding during the applicable period. Diluted earnings per share of stock is computed using the weighted average number of common and Class B common shares outstanding and common stock equivalents. (see Note 13)

Recently Adopted Accounting Standards -- During 1998, the Company adopted Statement of Financial Accounting Standards No. 130, Reporting Comprehensive Income. This statement establishes standards for the reporting and display of comprehensive income and its components. The consolidated financial statements have been modified to include a calculation of comprehensive income in the statement of stockholders' equity and to include an accumulated balance of other comprehensive income in the equity section of the statement of consolidated financial position. In 1998, an adjustment to the Company's minimum pension liability reduced other comprehensive income by \$915,000, net of a deferred tax benefit of \$588,000.

During 1998, the Company also adopted Statement of Financial Accounting Standards No. 131, Disclosures about Segments of an Enterprise and Related Information. This statement establishes standards for the way that public businesses report information about operating segments and for related disclosures about products, services, geographic areas and major customers. Prior to the Transactions (see Note 1), the Company's operations included both a

publishing and broadcasting segment. As a result of the Transactions, the broadcasting segment has been presented as a discontinued operation in the consolidated financial statements with detail segment disclosures included in Note 4. Segment disclosures for the Company's remaining operating segment, publishing, are presented in the consolidated financial statements as continuing operations. See additional publishing segment disclosures included in Note 16.

During 1998, the Company also adopted Statement of Financial Accounting Standards No. 132, Employers' Disclosures about Pensions and Other Postretirement Benefits. This statement revises employers' disclosures about pensions and other postretirement benefit plans but does not change the measurement or recognition of those plans. (see Notes 8 and 9)

Derivative Instruments and Hedging Activities -- In June 1998, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards No. 133, Accounting for Derivative Instruments

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PULITZER INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 1998, 1997 AND 1996 -- (CONTINUED)

and Hedging Activities ("SFAS 133"). SFAS 133 provides comprehensive and consistent standards for the recognition and measurement of derivative and hedging activities. It requires that derivatives be recorded on the statement of consolidated financial position at fair value and establishes criteria for hedges of changes in the fair value of assets, liabilities or firm commitments, hedges of variable cash flows of forecasted transactions, and hedges of foreign currency exposures of net investments in foreign operations. Changes in the fair value of derivatives that do not meet the criteria for hedges would be recognized in the statement of consolidated income. This statement will be effective for the Company beginning January 1, 2000. The Company is evaluating SFAS No. 133 and has not determined its effect on the consolidated financial statements.

Use of Management Estimates -- The preparation of financial statements in conformity with generally accepted accounting principles requires that management make certain estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements. The reported amounts of revenues and expenses during the reporting period may also be affected by the estimates and assumptions management is required to make. Actual results may differ from those estimates.

Reclassifications -- Certain reclassifications have been made to the 1997 and 1996 consolidated financial statements to conform with the 1998 presentation.

3. AGENCY AGREEMENTS

An agency operation between the Company and The Herald Company is conducted under the provisions of an Agency Agreement, dated March 1, 1961, as amended. For many years, the St. Louis Post-Dispatch (published by the Company) was the afternoon and Sunday newspaper serving St. Louis, and the Globe-Democrat (formerly published by The Herald Company) was the morning paper and also published a weekend edition. Although separately owned, from 1961 through February 1984, the publication of both the Post-Dispatch and the Globe-Democrat was governed by the St. Louis Agency Agreement. From 1961 to 1979, the two newspapers controlled their own news, editorial, advertising, circulation, accounting and promotion departments and Pulitzer managed the production and printing of both newspapers. In 1979, Pulitzer assumed full responsibility for advertising, circulation, accounting and promotion for both newspapers. In February 1984, after a number of years of unfavorable financial results at the St. Louis Agency, the Globe-Democrat was sold by The Herald Company and the St. Louis Agency Agreement was revised to eliminate any continuing relationship between the two newspapers and to permit the repositioning of the daily Post-Dispatch as a morning newspaper. Following the renegotiation of the St. Louis Agency Agreement at the time of the sale of the Globe-Democrat, The Herald Company retained the contractual right to receive one-half the profits (as defined), and the obligation to share one-half the losses (as defined), of the operations of the St. Louis Agency, which from February 1984 forward consisted solely of the publication of the Post-Dispatch. The St. Louis Agency Agreement also provides for The Herald Company to share one-half the cost of, and to share in a portion of the proceeds from the sale of, capital assets used in the production of the Post-Dispatch. Under the St. Louis Agency Agreement, Pulitzer supervises, manages and performs all activities relating to the day-to-day publication of the Post-Dispatch and is solely responsible for the news and

editorial policies of the newspaper. The consolidated financial statements of the Company include all the operating revenues and expenses of the St. Louis Agency relating to the Post-Dispatch.

In Tucson, Arizona, a separate partnership, TNI Partners, ("TNI"), acting as agent for the Star (a newspaper owned by the Company) and the Citizen (a newspaper owned by Gannett Co., Inc.), is responsible for printing, delivery, advertising, and circulation of the Star and the Citizen. TNI collects all of the receipts and income relating to the Star and the Citizen and pays all operating expenses incident to the partnership's operations and publication of the newspapers. Each newspaper is solely responsible for its own news and

PULITZER INC. AND SUBSIDIARIES
 NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
 YEARS ENDED DECEMBER 31, 1998, 1997 AND 1996 -- (CONTINUED)

editorial content. Net income or net loss of TNI is generally allocated equally to the Star and the Citizen. The Company's consolidated financial statements include its share of TNI's revenues and expenses.

4. DISCONTINUED OPERATIONS

Discontinued operations represent the Broadcasting Business of the Company prior to the Merger, as follows: Pulitzer Broadcasting Company, a wholly-owned subsidiary of the Company, and its wholly-owned subsidiaries, WESH Television, Inc.; WDSU Television, Inc.; and KCCI Television, Inc. (collectively "Broadcasting" or "Broadcasting Business"), that own and operate nine network-affiliated television stations and five radio stations. Broadcasting's television properties represent market sizes from Omaha, Nebraska to Orlando, Florida and include operations in the northeast, southeast, midwest and southwest. Three of Broadcasting's five radio stations, representing the significant portion of its radio operations, are located in Phoenix, Arizona.

The assets and liabilities of the Broadcasting Business are classified in the statements of consolidated financial position as "Net Assets of Broadcasting Business" and consist of the following:

<TABLE>
 <CAPTION>

	DECEMBER 31,	
	1998	1997
	(IN THOUSANDS)	
<S>	<C>	<C>
ASSETS		
Trade accounts receivable (less allowance for doubtful accounts of \$597 and \$785).....	\$47,244	\$50,880
Program rights.....	8,425	7,866
Other current assets.....	1,115	1,260
	56,784	60,006
Properties:		
Land.....	10,254	10,163
Buildings.....	48,508	44,769
Machinery and equipment.....	138,351	135,629
Construction in progress.....	2,177	3,282
	199,290	193,843
Less accumulated depreciation.....	115,776	106,826
	83,514	87,017
Intangible assets:		
FCC Licenses and network affiliations.....	114,403	114,376
Goodwill.....	6,960	6,960
Other intangibles.....	42,491	42,491
	163,854	163,827
Less accumulated amortization.....	69,037	61,334
	94,817	102,493
Other assets.....	8,348	7,172

Total assets of Broadcasting Business.....	243,463	256,688
--	---------	---------

</TABLE>

PULITZER INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 1998, 1997 AND 1996 -- (CONTINUED)

<TABLE>
<CAPTION>

	DECEMBER 31,	
	1998	1997
	(IN THOUSANDS)	
<S>	<C>	<C>
LIABILITIES		
Trade accounts payable and accrued expenses.....	9,255	10,226
Current portion of long-term debt (Note 7).....	12,705	12,705
Interest payable.....	5,301	5,677
Program contracts payable.....	7,955	7,907
Total current liabilities.....	35,216	36,515
Long-term debt (Note 7).....	160,000	172,705
Pension obligations (Note 8).....	6,951	5,544
Postretirement benefit obligations (Note 9).....	2,762	2,556
Other long term liabilities.....	2,817	3,299
Commitments and contingencies (Note 14)		
Total liabilities of Broadcasting Business.....	207,746	220,619
NET ASSETS OF BROADCASTING BUSINESS.....	\$35,717	\$36,069

</TABLE>

The net income from operations of the Broadcasting Business, without allocation of any general corporate expense, is reflected in the statements of consolidated income as "Income from Discontinued Operations" and is summarized as follows:

<TABLE>
<CAPTION>

	YEARS ENDED DECEMBER 31,		
	1998	1997	1996
	(IN THOUSANDS)		
<S>	<C>	<C>	<C>
Operating revenues.....	\$239,746	\$227,016	\$224,992
Operating income.....	94,362	82,180	83,246
Interest expense.....	13,503	16,081	13,592
Income before provision for income taxes.....	80,859	66,109	70,088
Provision for income taxes (Note 10).....	31,591	25,830	27,380
Net income.....	49,268	40,269	42,708
Depreciation and amortization.....	21,048	23,447	22,442

</TABLE>

5. ACQUISITION OF PROPERTIES

During 1996, the Company acquired in a purchase transaction all of the stock of Scripps League Newspapers, Inc. ("Scripps League"), a privately owned publisher of community newspapers serving smaller markets, primarily in the West and Midwest. The purchase price of approximately \$216 million (including acquisition costs) included all of the operating assets of the newspapers, working capital of approximately \$6 million and intangibles. The acquisition was financed by long-term borrowings of \$135 million (the balance of which has been allocated to Broadcasting and is included in "Net Assets of Broadcasting Business" in the statements of consolidated financial position (see Note 4)) and cash of approximately \$81 million (approximately \$69 million net of cash acquired). The results of the operations of Scripps League for the period subsequent to June 30, 1996 are included in the Company's statements of consolidated income.

The following supplemental unaudited pro forma information shows the results of operations of the Company for the year ended December 31, 1996

adjusted for the acquisition of Scripps League, assuming such transaction and the related debt financing had been consummated at the beginning of 1996. The

PULITZER INC. AND SUBSIDIARIES
 NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
 YEARS ENDED DECEMBER 31, 1998, 1997 AND 1996 -- (CONTINUED)

unaudited pro forma financial information is not necessarily indicative either of results of operations that would have occurred had the transaction occurred at the beginning of 1996 or of future results of operations.

<TABLE>
 <CAPTION>
 YEAR ENDED DECEMBER 31, 1996 (UNAUDITED)
 IN THOUSANDS, EXCEPT PER SHARE DATA: -----
 <S> <C>

Operating revenues -- net.....	\$341,923
Operating income.....	30,414
Income from continuing operations.....	14,771
Income from discontinued operations.....	39,748
Net income.....	54,519
Basic earnings per share of stock:	
Continuing operations.....	\$ 0.67
Discontinued operations.....	1.82

Basic earnings per share.....	\$ 2.49
	=====
Diluted earnings per share of stock:	
Continuing operations.....	\$ 0.66
Discontinued operations.....	1.79

Diluted earnings per share.....	\$ 2.45
	=====

</TABLE>

In October 1998, the Company acquired, in a purchase transaction, the Troy Daily News, Inc., the publisher of a daily afternoon and Sunday morning newspaper located in Troy, Ohio, for approximately \$20.7 million, including approximately \$700,000 of working capital. The pro forma impact of the acquisition on the Company's results of operations was not material.

6. INTANGIBLE ASSETS

Intangible assets consist of the following:

<TABLE>
 <CAPTION>

	DECEMBER 31,	
	-----	-----
	1998	1997
	-----	-----
	(IN THOUSANDS)	
<S> <C>		
Goodwill.....	\$186,051	\$171,395
Intangible pension asset (Note 8).....	2,006	2,320
Other.....	24,995	21,433
	-----	-----
Total.....	213,052	195,438
Less accumulated amortization.....	15,898	10,024
	-----	-----
Total intangible assets -- net.....	\$197,154	\$185,124
	=====	=====

</TABLE>

7. FINANCING ARRANGEMENTS

On March 17, 1999, Pulitzer borrowed \$700,000,000 from Chase Manhattan Bank pursuant to a short-term borrowing agreement (the "New Debt"). On March 18, 1999, Pulitzer used a portion of the proceeds from the New Debt to repay its existing long-term debt with The Prudential Insurance Company of America and to pay a related prepayment penalty of approximately \$17,207,000. The New Debt was subsequently assumed by Hearst-Argyle at the time of the Merger. Accordingly, all long-term debt balances and related

PULITZER INC. AND SUBSIDIARIES
 NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
 YEARS ENDED DECEMBER 31, 1998, 1997 AND 1996 -- (CONTINUED)

interest expense of Pulitzer prior to the Transactions have been allocated to the Broadcasting Business and reported as discontinued operations in the consolidated financial statements (see Notes 1 and 4).

Long-term debt included in "Net Assets of Broadcasting Business" in the statements of consolidated financial position consists of the following:

<TABLE>
<CAPTION>

	DECEMBER 31,	
	1998	1997
	(IN THOUSANDS)	
<S>	<C>	<C>
Credit Agreement.....	\$ --	\$ --
Senior notes maturing in substantially equal annual installments:		
6.76% due 1998-2001.....	37,500	50,000
7.22% due 2002-2005.....	50,000	50,000
7.86% due 2001-2008.....	85,000	85,000
Other.....	205	410
	-----	-----
Total.....	172,705	185,410
Less current portion.....	12,705	12,705
	-----	-----
Total long-term debt.....	\$160,000	\$172,705
	=====	=====

</TABLE>

At December 31, 1998 and 1997, the Company's fixed-rate senior note borrowings were with The Prudential Insurance Company of America.

In January 1999, the Company terminated its credit agreement with The First National Bank of Chicago, as Agent, for a group of lenders, that provided for a \$50,000,000 variable rate revolving credit facility ("Credit Agreement"). The Credit Agreement provided the option to repay any borrowings and terminate the Credit Agreement, without penalty, prior to its scheduled maturity. The Company had no borrowings under the Credit Agreement subsequent to November 1997.

8. PENSION PLANS

The pension cost components for the Company's pension plans are as follows:

<TABLE>
<CAPTION>

	YEARS ENDED DECEMBER 31,		
	1998	1997	1996
	(IN THOUSANDS)		
<S>	<C>	<C>	<C>
Service cost for benefits earned during the year.....	\$ 4,439	\$ 3,966	\$ 4,154
Interest cost on projected benefit obligation.....	8,864	8,470	8,185
Expected return on plan assets.....	(9,891)	(8,670)	(7,880)
Amortization of prior service credits.....	(23)	(23)	(23)
Amortization of transition obligation.....	221	221	221
Amortization of (gain)/loss.....	(376)	(312)	8
	-----	-----	-----
Net periodic pension cost.....	\$ 3,234	\$ 3,652	\$ 4,665
	=====	=====	=====

</TABLE>

The Company's net periodic pension cost components disclosed above include amounts related to Broadcasting employees who participated in two of the Company's defined benefit pension plans prior to the Merger. No detailed information regarding the components of net periodic pension cost and funded status of the plans, as it relates to Broadcasting, is available. However, a portion of the Company's pension cost has been allocated to Broadcasting's active employees and included in "Discontinued Operations" in the

PULITZER INC. AND SUBSIDIARIES
 NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
 YEARS ENDED DECEMBER 31, 1998, 1997 AND 1996 -- (CONTINUED)

statements of consolidated income. Pension cost allocated to Broadcasting, based on payroll costs, amounted to approximately \$1,408,000, \$1,395,000 and \$1,474,000 for 1998, 1997 and 1996, respectively. Pursuant to the Merger Agreement, Hearst-Argyle will assume the ongoing liabilities related to Broadcasting active employees as of the date of the Merger. Future pension costs for the Company and Broadcasting after the Spin-off are likely to be different when compared to allocated historical amounts.

<TABLE>
<CAPTION>

	DECEMBER 31,	
	1998	1997
	(IN THOUSANDS)	
<S>	<C>	<C>
Change in benefit obligation:		
Benefit obligation at beginning of year.....	\$128,690	\$118,414
Service cost.....	4,439	3,966
Interest cost.....	8,864	8,470
Actuarial loss.....	8,638	3,900
Benefits paid.....	(6,512)	(6,060)
	-----	-----
Benefit obligation at end of year.....	144,119	128,690
	-----	-----
Change in plan assets:		
Fair value of plan assets at beginning of year.....	119,354	104,046
Actual return on plan assets.....	15,196	18,788
Employer contributions.....	768	2,580
Benefits paid.....	(6,512)	(6,060)
	-----	-----
Fair value of plan assets at end of year.....	128,806	119,354
	-----	-----
Funded status -- benefit obligation in excess of plan assets.....	15,313	9,336
Unrecognized net actuarial gain.....	12,847	16,507
Unrecognized prior service credits.....	209	211
Unrecognized transition obligation.....	(1,118)	(1,317)
	-----	-----
Net amount recognized.....	\$ 27,251	\$ 24,737
	-----	-----
Amounts recognized in the statement of financial position consist of:		
Accrued benefit liability.....	\$ 30,760	\$ 27,057
Intangible asset.....	(2,006)	(2,320)
Accumulated other comprehensive income.....	(1,503)	-----
	-----	-----
Net amount recognized.....	\$ 27,251	\$ 24,737
	=====	=====

</TABLE>

The projected benefit obligation, accumulated benefit obligation and fair value of plan assets for the pension plans with accumulated benefit obligations in excess of plan assets were \$16,882,000, \$15,409,000 and \$0, respectively, at December 31, 1998 and \$14,391,000, \$12,898,000 and \$0, respectively, at December 31, 1997.

The portion of the Company's accrued benefit liability allocated to Broadcasting employees and included in "Net Assets of Broadcasting Business" in the statements of consolidated financial position amounted to \$6,951,000 and \$5,544,000 as of December 31, 1998 and 1997, respectively. Pursuant to the Merger Agreement, actuarial calculations will be performed to separate Broadcasting active employees from the pension plans as of the date of the Merger. The pension obligations computed for Broadcasting active employees and pension plan assets attributable to those obligations will then be transferred to a Hearst-Argyle

PULITZER INC. AND SUBSIDIARIES
 NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
 YEARS ENDED DECEMBER 31, 1998, 1997 AND 1996 -- (CONTINUED)

pension plan. Future pension obligations for Broadcasting, computed in separate actuarial calculations, are likely to be different when compared to the allocated historical amounts.

The projected benefit obligation was determined using assumed discount rates of 6.5%, 7% and 7.5% at December 31, 1998, 1997 and 1996, respectively. The expected long-term rate of return on plan assets was 8.5% for 1998, 1997 and 1996. For those plans that pay benefits based on final compensation levels, the actuarial assumptions for overall annual rate of increase in future salary levels was 4% for 1998, 4.5% for 1997, and 5% for 1996.

Certain of the Company's employees participate in multi-employer retirement plans sponsored by their respective unions. Amounts charged to operations, representing the Company's required contributions to these plans in 1998, 1997 and 1996, were approximately \$920,000, \$844,000, and \$781,000, respectively.

The Company also sponsors an employee savings plan under Section 401(k) of the Internal Revenue Code. This plan covers substantially all employees. Contributions by the Company amounted to approximately \$2,121,000, \$1,899,000 and \$1,668,000 for 1998, 1997 and 1996, respectively. Contributions related only to Broadcasting employees amounted to approximately \$704,000, \$698,000 and \$626,000 for 1998, 1997 and 1996, respectively. Pursuant to the Merger Agreement, Broadcasting employee savings plan balances as of the date of the Merger will be transferred to an employee savings plan sponsored by Hearst-Argyle.

9. POSTRETIREMENT AND POSTEMPLOYMENT BENEFITS

The net periodic postretirement benefit cost components related to continuing operations are as follows:

<TABLE>
<CAPTION>

	YEARS ENDED DECEMBER 31,		
	1998	1997	1996
	(IN THOUSANDS)		
<S>	<C>	<C>	<C>
Service cost for benefits earned during the year.....	\$ 933	\$ 839	\$ 808
Interest cost on projected benefit obligation.....	4,384	4,493	4,532
Amortization of prior service credits.....	(1,293)	(1,293)	(1,290)
Amortization of net gain.....	(1,008)	(1,171)	(946)
Net periodic postretirement benefit cost.....	\$ 3,016	\$ 2,868	\$ 3,104

</TABLE>

The postretirement benefit cost for broadcasting active employees is included in "Discontinued Operations" in the statements of consolidated income. The net periodic postretirement benefit cost components related to broadcasting discontinued operations are as follows:

<TABLE>
<CAPTION>

	YEARS ENDED DECEMBER 31,		
	1998	1997	1996
	(IN THOUSANDS)		
<S>	<C>	<C>	<C>
Service cost for benefits earned during the year.....	\$141	\$131	\$118
Interest cost on projected benefit obligation.....	134	139	151
Amortization of prior service credits.....	(38)	(39)	(42)
Amortization of net gain.....	(30)	(35)	(30)
Net periodic postretirement benefit cost.....	\$207	\$196	\$197

</TABLE>

The Company funds its postretirement benefit obligation on a pay-as-you-go basis and, for 1998, 1997 and 1996, made payments of \$3,958,000 \$4,118,000 and

\$4,207,000, respectively.

<TABLE>
<CAPTION>

	CONTINUING OPERATIONS DECEMBER 31,		DISCONTINUED OPERATIONS DECEMBER 31,	
	1998	1997	1998	1997
	(IN THOUSANDS)		(IN THOUSANDS)	
<S>	<C>	<C>	<C>	<C>
Benefit obligation at beginning of year.....	\$64,807	\$60,535	\$1,916	\$1,858
Service cost.....	933	839	141	131
Interest cost.....	4,384	4,493	134	139
Actuarial (gain)/loss.....	3,836	3,058	191	(212)
Benefits paid.....	(3,958)	(4,118)		
Benefit obligation at end of year.....	70,002	64,807	2,382	1,916
Plan assets at beginning and end of year.....	--	--	--	--
Funded status.....	70,002	64,807	2,382	1,916
Unrecognized net actuarial gain.....	10,132	15,159	154	192
Unrecognized prior service credits.....	5,101	6,210	226	448
Net amount recognized -- accrued benefit cost.....	\$85,235	\$86,176	\$2,762	\$2,556

</TABLE>

The preceding amounts related to continuing operations for the December 31, 1998 and 1997 accrued postretirement benefit cost and the 1998, 1997 and 1996 net periodic postretirement benefit expense have not been reduced for The Herald Company's share of the respective amounts. However, pursuant to the St. Louis Agency Agreement (see Note 3), the Company has recorded a receivable for The Herald Company's share of the accrued postretirement benefit cost as of December 31, 1998 and 1997.

The preceding accrued postretirement benefit cost related to Broadcasting active employees is included in "Net Assets of Broadcasting Business" in the statements of consolidated financial position. Pursuant to the Merger Agreement, Hearst-Argyle will assume the postretirement obligation and costs related to Broadcasting active employees as of the date of the Merger.

For 1998 measurement purposes, health care cost trend rates of 9%, 8% and 6% were assumed for indemnity plans, PPO plans and HMO plans, respectively. The rates assumed for 1997 were 9%, 7% and 5%, respectively. For 1998, these rates were assumed to decrease gradually to 4.5% through the year 2010 and remain at that level thereafter. For 1997, the rates were assumed to decrease gradually to 5% through the year 2010 and remain at that level thereafter.

Administrative costs related to indemnity plans were assumed to increase at a constant annual rate of 6% for 1998, 1997 and 1996. The assumed discount rate used in estimating the accumulated postretirement benefit obligation was 6.5%, 7% and 7.5% for 1998, 1997 and 1996, respectively.

PULITZER INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 1998, 1997 AND 1996 -- (CONTINUED)

Assumed health care cost trend rates have a significant effect on the amounts reported for the postretirement health care plans. A one-percentage-point change in assumed health care cost trend rates would have the following effects on reported amounts for 1998:

<TABLE>
<CAPTION>

	CONTINUING OPERATIONS 1-PERCENTAGE-POINT		DISCONTINUED OPERATIONS 1-PERCENTAGE-POINT	
	INCREASE	DECREASE	INCREASE	DECREASE
	(IN THOUSANDS)		(IN THOUSANDS)	
<S>	<C>	<C>	<C>	<C>
Effect on total of service and interest cost				

components.....	\$ 699	\$ (568)	\$ 36	\$ (29)
Effect on postretirement benefit obligation.....	8,176	(6,790)	278	(231)

The Company's postemployment benefit obligation, representing certain disability benefits at the St. Louis Post-Dispatch, was \$3,162,000 and \$3,174,000 at December 31, 1998 and 1997, respectively.

10. INCOME TAXES

Provisions for income taxes (benefits) consist of the following:

	CONTINUING OPERATIONS YEARS ENDED DECEMBER 31,			DISCONTINUED OPERATIONS YEARS ENDED DECEMBER 31,		
	1998	1997	1996	1998	1997	1996
	-----			-----		
	(IN THOUSANDS)			(IN THOUSANDS)		
	<C>	<C>	<C>	<C>	<C>	<C>
Current:						
Federal.....	\$19,152	\$17,841	\$ 9,363	\$26,736	\$23,548	\$24,102
State and local.....	2,303	2,714	1,628	5,119	4,321	4,122
Deferred:						
Federal.....	(1,250)	(1,155)	(84)	(222)	(1,723)	(721)
State and local.....	(150)	(173)	(15)	(42)	(316)	(123)
	-----			-----		
Total.....	\$20,055	\$19,227	\$10,892	\$31,591	\$25,830	\$27,380
	=====			=====		

Factors causing effective tax rates to differ from the statutory Federal income tax rate were:

	CONTINUING OPERATIONS YEARS ENDED DECEMBER 31,			DISCONTINUED OPERATIONS YEARS ENDED DECEMBER 31,		
	1998	1997	1996	1998	1997	1996
	-----			-----		
	<C>	<C>	<C>	<C>	<C>	<C>
Statutory rate.....	35%	35%	35%	35%	35%	35%
Amortization of intangibles.....	3	3	3			
State and local income taxes, net of U.S.						
Federal income tax benefit.....	3	4	4	4	4	4
Other-net.....	2	1				
	--			--		
Total.....	43%	43%	42%	39%	39%	39%
	==			==		

PULITZER INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 1998, 1997 AND 1996 -- (CONTINUED)

In connection with the acquisition of Troy Daily News, Inc. in October 1998, the Company recorded a net deferred tax liability of approximately \$1,690,000. The Company's deferred tax assets and liabilities, net, which have been included in other assets in the statements of consolidated financial position, consisted of the following:

	CONTINUING OPERATIONS DECEMBER 31,		DISCONTINUED OPERATIONS DECEMBER 31,	
	1998	1997	1998	1997
	-----		-----	
	(IN THOUSANDS)		(IN THOUSANDS)	
	<C>	<C>	<C>	<C>
Deferred tax assets:				
Pensions and employee benefits.....	\$ 9,364	\$ 8,135	\$ 3,650	\$ 3,268
Postretirement benefit costs.....	18,062	18,248	1,080	1,000

Other.....	1,087	1,007		554
Total.....	28,513	27,390	\$ 4,730	4,822
Deferred tax liabilities:				
Depreciation.....	14,007	13,265	5,760	6,318
Amortization.....	7,371	7,288	335	477
Other.....			344	
Total.....	21,378	20,553	6,439	6,795
Net deferred tax asset (liability).....	\$ 7,135	\$ 6,837	\$ (1,709)	\$ (1,973)

</TABLE>

The Company had no valuation allowance for deferred tax assets as of December 31, 1998, 1997 and 1996.

11. STOCKHOLDERS' EQUITY

The statements of consolidated financial position and statements of stockholders' equity present the capital structure, of Pulitzer Publishing Company, which existed as of the dates of the financial statements presented herein without modification for any changes resulting from the Transactions. On March 18, 1999, prior to the Spin-off, all common and Class B common shares of treasury stock held by the Company were canceled. The cancellation of the treasury shares reduced the number of shares of common and Class B common stock issued but did not change the number of shares of common and Class B common stock outstanding. In addition, the cancellation did not change the total balance of stockholders' equity. However, as a result of the Contribution (See Note 1), the total balance of stockholders' equity increased to approximately \$800 million on March 18, 1999. Immediately following the Spin-off, on March 18, 1999, the number of shares of common and Class B common stock of Pulitzer Inc. outstanding was identical to the number of shares of common and Class B common stock of Pulitzer Publishing Company outstanding immediately prior to the Spin-off. The authorized number of shares of Pulitzer Inc. preferred, common and Class B common stock is 100,000,000, 100,000,000 and 100,000,000, respectively.

Each share of the Company's common stock is entitled to one vote and each share of Class B common stock is entitled to ten votes on all matters. Subsequent to the Spin-off, on March 18, 1999, holders of outstanding shares of Pulitzer Inc. Class B common stock representing approximately 89.5% of the combined voting power of the Company deposited their shares in a voting trust (the "Voting Trust"). Each share of the Company's Class B common stock is convertible into one share of the Company's common stock at the holder's option, subject to the limitations imposed by the Voting Trust on the shares of Class B common stock deposited thereunder. The Voting Trust permits the conversion of the Class B common stock deposited in the

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PULITZER INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 1998, 1997 AND 1996 -- (CONTINUED)

Voting Trust into common stock in connection with certain permitted events, including, without limitation, sales which are exempt from the registration requirements of the Securities Act of 1933, as amended, sales which meet the volume and manner of sale requirements of Rule 144 promulgated thereunder and sales which are made pursuant to registered public offerings.

The trustees generally hold all voting rights with respect to the shares of Class B common stock subject to the Voting Trust; however, in connection with certain matters, including any proposal for a merger, consolidation, recapitalization or dissolution of the Company or disposition of all or substantially all its assets, the calling of a special meeting of stockholders and the removal of directors, the Trustees may not vote the shares deposited in the Voting Trust except in accordance with written instructions from the holders of the Voting Trust Certificates. The Voting Trust may be terminated with the written consent of holders of two-thirds in interest of all outstanding Voting Trust Certificates. Unless extended or terminated by the parties thereto, the Voting Trust expires on March 18, 2009.

In 1998, Pulitzer declared cash dividends of \$0.75 per share of common stock and Class B common stock including a cash dividend of \$0.15 per share of common stock and Class B common stock which was declared in December 1998 and paid to stockholders in January 1999. The dividend declared in December represented the acceleration of Pulitzer's dividend historically declared in the

first quarter of each fiscal year. As a result, a quarterly dividend will not be declared with respect to the first quarter of 1999.

12. COMMON STOCK PLANS

Since 1986, the Company maintained employee stock option plans ("Option Plans") that provided for the issuance of incentive stock options to key employees and outside directors. On March 18, 1999, immediately prior to the Transactions and pursuant to the Merger Agreement, the Company redeemed all outstanding stock options, whether or not vested, and terminated the Option Plans. The Company redeemed the stock options at a cash-out value ("Cash-Out Value") equal to the difference between the option exercise price and the average daily closing price of Company common stock for the 10 trading days ending on March 16, 1999. Cash payments made to employee option holders amounted to approximately \$34,010,000. In addition, payments amounting to approximately \$1,208,000, representing a portion of the Cash-Out Value of stock options held by certain Company executives, were deferred and recorded as long-term liabilities of the Company.

PULITZER INC. AND SUBSIDIARIES
 NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
 YEARS ENDED DECEMBER 31, 1998, 1997 AND 1996 -- (CONTINUED)

Transactions under the Option Plans are summarized as follows:

<TABLE>
 <CAPTION>

	SHARES	PRICE RANGE	WEIGHTED AVERAGE PRICE
	-----	-----	-----
<S>	<C>	<C>	<C>
Common Stock Options:			
Outstanding, January 1, 1996.....	1,193,288	\$ 9.27-\$34.41	\$19.80
Granted (weighted average value at grant date of \$16.01).....	179,809	\$41.91-\$46.25	\$46.03
Canceled.....	(2,146)	\$21.53-\$34.41	\$28.77
Exercised.....	(140,096)	\$ 9.27-\$21.98	\$15.47

Outstanding, December 31, 1996.....	1,230,855	\$ 9.27-\$46.25	\$24.11
Granted (weighted average value at grant date of \$20.23).....	211,231	\$45.63-\$58.81	\$58.41
Canceled.....	(14,235)	\$21.53-\$47.38	\$38.91
Exercised.....	(201,920)	\$ 9.27-\$46.25	\$16.34

Outstanding, December 31, 1997.....	1,225,931	\$ 9.27-\$58.81	\$31.13
Granted (weighted average value at grant date of \$38.78).....	5,001	\$88.28	\$88.28
Canceled.....	(3,813)	\$21.53-\$58.81	\$46.64
Exercised.....	(317,511)	\$ 9.27-\$58.81	\$22.63

Outstanding, December 31, 1998.....	909,608	\$ 9.27-\$88.28	\$34.34
	=====		

</TABLE>

Since 1986, the Company maintained restricted stock purchase plans ("Stock Plans") that provided for the awarding of a grant or right to purchase at a particular price shares of common stock to employees, subject to restrictions on transferability. As of February 16, 1999, in anticipation of the Transactions, the Compensation Committee of the Company's Board of Directors approved the immediate vesting of all outstanding, unvested shares of restricted stock previously awarded under the Stock Plans. On March 18, 1999, immediately prior to the Transactions, the Stock Plans were terminated.

For grants awarded under the Stock Plans, compensation expense is recognized over the vesting period of the grants. Transactions under the Stock Plans are summarized as follows:

<TABLE>
 <CAPTION>

	SHARES	PRICE RANGE	WEIGHTED AVERAGE PRICE
	-----	-----	-----
<S>	<C>	<C>	<C>
Common Stock Grants:			

Outstanding, January 1, 1996.....	5,656	\$20.25-\$24.53	\$22.60
Granted.....	2,093	\$36.70	\$36.70
Vested.....	(1,864)	\$20.25-\$24.53	\$22.12

Outstanding, December 31, 1996.....	5,885	\$20.25-\$36.70	\$27.78
Granted.....	1,468	\$47.44	\$47.44
Canceled.....	(1,393)	\$20.25-\$47.44	\$33.13
Vested.....	(2,272)	\$20.25-\$36.70	\$25.56

Outstanding, December 31, 1997.....	3,688	\$21.38-\$47.44	\$34.95
Granted.....	1,184	\$57.84	\$57.84
Vested.....	(1,594)	\$21.38-\$47.44	\$30.66
Outstanding, December 31, 1998.....	3,278	\$24.53-\$57.84	\$45.31
	=====		

</TABLE>

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PULITZER INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 1998, 1997 AND 1996 -- (CONTINUED)

The Company anticipates that a Pulitzer Inc. stock option plan and a Pulitzer Inc. restricted stock purchase plan will be submitted for stockholder approval at the Company's 1999 annual stockholders' meeting.

As required by SFAS 123, the Company has estimated the fair value of its option grants since December 31, 1994 by using the binomial options pricing model with the following assumptions:

<TABLE>

<CAPTION>

	YEARS ENDED DECEMBER 31,		
	1998	1997	1996
	-----	-----	-----
<S>	<C>	<C>	<C>
Expected Life (years).....	7	7	7
Risk-free interest rate.....	5.7%	5.8%	6.4%
Volatility.....	35.4%	23.6%	22.5%
Dividend yield.....	1.0%	1.1%	1.2%

</TABLE>

As discussed in Note 2, the Company accounts for its stock option grants in accordance with APB 25, resulting in the recognition of no compensation expense in the Statements of Consolidated Income. Had compensation expense been computed on the fair value of the option awards at their grant date, consistent with the provisions of SFAS 123, the Company's income from continuing operations and earnings per share would have been reduced to the pro forma amounts below:

<TABLE>

<CAPTION>

	YEARS ENDED DECEMBER 31,		
	1998	1997	1996
	-----	-----	-----
<S>	<C>	<C>	<C>
Income from continuing operations:			
As reported.....	\$27,016	\$25,759	\$14,792
Pro forma.....	25,426	24,906	14,422
Income from discontinued operations:			
As reported.....	49,268	40,269	42,708
Pro forma.....	48,015	39,581	42,398
Net Income:			
As reported.....	76,284	66,028	57,500
Pro forma.....	73,441	64,487	56,820
Basic earnings per share from continuing operations:			
As reported.....	\$ 1.21	\$ 1.17	\$ 0.67
Pro forma.....	1.14	1.13	0.66
Basic earnings per share from discontinued operations:			
As reported.....	2.20	1.82	1.95
Pro forma.....	2.15	1.79	1.93
Basic earnings per share:			
As reported.....	3.41	2.99	2.62
Pro forma.....	3.28	2.92	2.59
Diluted earnings per share from continuing operations:			
As reported.....	\$ 1.19	\$ 1.15	\$ 0.66

Pro forma.....	1.12	1.11	0.65
Diluted earnings per share from discontinued operations:			
As reported.....	2.16	1.79	1.92
Pro forma.....	2.11	1.76	1.90

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PULITZER INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 1998, 1997 AND 1996 -- (CONTINUED)

<TABLE>
<CAPTION>

	YEARS ENDED DECEMBER 31,		
	1998	1997	1996
	(IN THOUSANDS	EXCEPT PER SHARE	AMOUNTS)
<S>	<C>	<C>	<C>
Diluted earnings per share:			
As reported.....	\$ 3.35	\$ 2.94	\$ 2.58
Pro forma.....	3.23	2.87	2.55

Because the provisions of SFAS 123 have not been applied to options granted prior to January 1, 1995, the pro forma compensation cost may not be representative of compensation cost to be incurred on a pro forma basis in future years.

On April 24, 1997, the Company's stockholders approved the adoption of the Pulitzer Publishing Company 1997 Employee Stock Purchase Plan (the "Plan"). The Plan provided for eligible employees to authorize payroll deductions for the quarterly purchase of Company common stock ("common stock") at a price generally equal to 85 percent of the common stock's fair market value at the end of each quarter. The Plan began operations as of July 1, 1997. In general, other than Michael E. Pulitzer, all employees of the Company and its subsidiaries were eligible to participate in the Plan after completing at least one year of service. In anticipation of the Transactions, purchases under the Plan were suspended on September 30, 1998 and the Plan was terminated on March 18, 1999, immediately prior to the Transactions. The Company anticipates that a Pulitzer Inc. employee stock purchase plan will be submitted for stockholder approval at the Company's 1999 annual stockholders' meeting.

13. EARNINGS PER SHARE

Weighted average shares of common and Class B common stock and common stock equivalents used in the calculation of basic and diluted earnings per share are summarized as follows:

<TABLE>
<CAPTION>

	YEARS ENDED DECEMBER 31,		
	1998	1997	1996
	(IN THOUSANDS)		
<S>	<C>	<C>	<C>
Weighted average shares outstanding (Basic EPS).....	22,381	22,110	21,926
Stock option equivalents.....	372	342	347
Weighted average shares and equivalents (Diluted EPS).....	22,753	22,452	22,273
	=====	=====	=====

</TABLE>

Stock option equivalents included in the Diluted EPS calculation were determined using the treasury stock method. Under the treasury stock method and SFAS 128, outstanding stock options are dilutive when the average market price of the Company's common stock exceeds the option price during a period. In addition, proceeds from the assumed exercise of dilutive options along with the related tax benefit are assumed to be used to repurchase common shares at the average market price of such stock during the period.

14. COMMITMENTS AND CONTINGENCIES

At December 31, 1998, the Company and its subsidiaries had construction and equipment commitments of approximately \$8,521,000 related to continuing operations and \$1,497,000 related to discontinued operations. The Company's

commitment for broadcasting program contracts payable and license fees at December 31, 1998 was approximately \$20,737,000.

The Company is an investor in one limited partnership requiring future capital contributions. As of December 31, 1998, the Company's unfunded capital contribution commitment related to this investment was approximately \$8,962,000.

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PULITZER INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 1998, 1997 AND 1996 -- (CONTINUED)

The Company and its subsidiaries are involved, from time to time, in various claims and lawsuits incidental to the ordinary course of its business, including such matters as libel, slander and defamation actions and complaints alleging discrimination. While the results of litigation cannot be predicted, management believes the ultimate outcome of such existing litigation will not have a material adverse effect on the consolidated financial statements of the Company and its subsidiaries.

In connection with the September 1986 purchase of the Company's Class B common stock from certain selling stockholders (the "1986 Selling Stockholders"), the Company agreed, under certain circumstances, to make an additional payment to the 1986 Selling Stockholders in the event of a Gross-Up Transaction (as defined herein). A "Gross-Up Transaction" was defined to mean, among other transactions, (i) any merger, in any transaction or series of related transactions, of more than 85 percent of the voting securities or equity of Pulitzer pursuant to which holders of Pulitzer common stock receive securities other than Pulitzer common stock and (ii) any recapitalization, dividend or distribution, or series of related recapitalizations, dividends or distributions, in which holders of Pulitzer common stock receive securities (other than Pulitzer common stock) having a Fair Market Value (as defined herein) of not less than 33 1/3 percent of the Fair Market Value of the shares of Pulitzer common stock immediately prior to such transaction. The amount of the additional payment, if any, would equal (x) the product of (i) the amount by which the Transaction Proceeds (as defined herein) exceeds the Imputed Value (as defined herein) multiplied by (ii) the applicable percentage (i.e., 50 percent for the period from May 13, 1996 through May 12, 2001) multiplied by (iii) the number of shares of Pulitzer common stock issuable upon conversion of the shares of Class B common stock owned by the 1986 Selling Stockholders, adjusted for, among other things, stock dividends and stock splits; less (y) the sum of any additional payments previously received by the 1986 Selling Stockholders; provided, however, that in the event of any recapitalization, dividend or distribution, the amount by which the Transaction Proceeds exceeds the Imputed Value shall not exceed the amount paid or distributed pursuant to such recapitalization, dividend or distribution in respect of one share of Pulitzer common stock.

The term "Transaction Proceeds" was defined to mean, in the case of a merger, the aggregate Fair Market Value (as defined herein) of the consideration received pursuant thereto by the holder of one share of Pulitzer common stock, and, in the case of a recapitalization, dividend or distribution, the aggregate Fair Market Value of the amounts paid or distributed in respect of one share of Pulitzer common stock plus the aggregate Fair Market Value of one share of Pulitzer common stock following such transaction. The "Imputed Value" for one share of Pulitzer common stock on a given date was defined to mean an amount equal to \$28.82 compounded annually from May 12, 1986 to such given date at the rate of 15 percent per annum, the result of which is \$154.19 at May 12, 1998. There was no specific provision for adjustment of the \$28.82 amount, but if it were adjusted to reflect all stock dividends and stock splits of Pulitzer since September 30, 1986, it would now equal \$15.72, which if compounded annually from May 12, 1986 at the rate of 15 percent per annum would now equal \$84.11.

"Fair Market Value," in the case of any consideration other than cash received in a Gross-Up Transaction, was defined to mean the fair market value thereof as agreed to by a valuation firm selected by the Company and a valuation firm selected by the 1986 Selling Stockholders, or, if the two valuation firms do not agree on the fair market value, the fair market value of such consideration as determined by a third valuation firm chosen by the two previously selected valuation firms. Any such agreement or determination shall be final and binding on the parties.

As a result of the foregoing, the amount of additional payments, if any, which may be payable by the Company with respect to the Merger and the Distribution cannot be determined at this time. However, if the Distribution were determined to be a Gross-Up Transaction and if the Fair Market Value of the Transaction Proceeds with respect to the Merger and the Distribution were

determined to exceed the Imputed Value, then the additional payments to the 1986 Selling Stockholders would equal approximately \$5.9 million for each

PULITZER INC. AND SUBSIDIARIES
 NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
 YEARS ENDED DECEMBER 31, 1998, 1997 AND 1996 -- (CONTINUED)

\$1.00 by which the Transaction Proceeds exceed the Imputed Value. Accordingly, depending on the ultimate resolution of the meaning and application of various provisions of the Gross-Up Transaction agreements, including the determination of Imputed Value and Fair Market Value of the Transaction Proceeds, in the opinion of the Company's management, the amount of an additional payment, if any, could be material to the consolidated financial statements of the Company.

15. FAIR VALUE OF FINANCIAL INSTRUMENTS

The Company has estimated the following fair value amounts for its financial instruments using available market information and appropriate valuation methodologies. However, considerable judgment is required in interpreting market data to develop the estimates of fair value. Accordingly, the estimates presented herein are not necessarily indicative of the amounts that the Company could realize in a current market exchange. The use of different market assumptions and/or estimation methodologies may have a material effect on the estimated fair value amounts.

Cash and Cash Equivalents, Accounts Receivable, Accounts Payable and Program Contracts Payable -- The carrying amounts of these items are a reasonable estimate of their fair value.

Long-Term Debt -- Interest rates that are currently available to the Company for issuance of debt with similar terms and remaining maturities are used to estimate fair value. The fair value estimates of the Company's long-term debt as of December 31, 1998 and 1997 were \$180,000,000 and \$196,000,000, respectively.

The fair value estimates presented herein are based on pertinent information available to management as of December 31, 1998 and 1997. Although management is not aware of any facts that would significantly affect the estimated fair value amounts, such amounts have not been comprehensively revalued for purposes of these financial statements since that date, and current estimates of fair value may differ from the amounts presented herein.

16. NEWSPAPER PUBLISHING SEGMENT REVENUES

The Company's newspaper publishing segment revenues consist of the following:

<TABLE>
 <CAPTION>

	YEARS ENDED DECEMBER 31,		
	1998	1997	1996
	(IN THOUSANDS)		
<S>	<C>	<C>	<C>
St. Louis Post-Dispatch.....	\$242,940	\$234,255	\$222,442
Star Publishing Company.....	55,181	53,037	50,098
Pulitzer Community Newspaper Group.....	73,067	69,670	34,855
Other publishing revenue.....	1,736	1,007	1,701
	-----	-----	-----
Total publishing revenue.....	\$372,924	\$357,969	\$309,096
	=====	=====	=====

</TABLE>

PULITZER INC. AND SUBSIDIARIES
 NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
 YEARS ENDED DECEMBER 31, 1998, 1997 AND 1996 -- (CONTINUED)

17. QUARTERLY FINANCIAL DATA (UNAUDITED)

Operating results for the years ended December 31, 1998 and 1997 by quarters are as follows:

<TABLE>
<CAPTION>

	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER	TOTAL
(IN THOUSANDS, EXCEPT EARNINGS PER SHARE)					
<S>	<C>	<C>	<C>	<C>	<C>
1998					
OPERATING REVENUES -- NET.....	\$90,229	\$94,215	\$90,763	\$97,717	\$372,924
INCOME FROM CONTINUING OPERATIONS.....	5,771	6,908	6,597	7,740	27,016
INCOME FROM DISCONTINUED OPERATIONS.....	8,194	15,793	8,810	16,471	49,268
NET INCOME.....	13,965	22,701	15,407	24,211	76,284
BASIC EARNINGS PER SHARE OF STOCK (Note 13):					
Continuing operations.....	\$ 0.26	\$ 0.31	\$ 0.30	\$ 0.35	\$ 1.21
Discontinued operations.....	0.37	0.71	0.39	0.73	2.20
Earnings per share.....	\$ 0.63	\$ 1.02	\$ 0.69	\$ 1.08	\$ 3.41
Weighted average shares outstanding.....	22,223	22,344	22,449	22,499	22,381
DILUTED EARNINGS PER SHARE OF STOCK (Note 13):					
Continuing operations.....	\$ 0.26	\$ 0.30	\$ 0.29	\$ 0.34	\$ 1.19
Discontinued operations.....	0.36	0.70	0.39	0.72	2.16
Earnings Per Share.....	\$ 0.62	\$ 1.00	\$ 0.68	\$ 1.06	\$ 3.35
Weighted Average Shares Outstanding.....	22,615	22,756	22,806	22,823	22,753

</TABLE>

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PULITZER INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 1998, 1997 AND 1996 -- (CONTINUED)

<TABLE>
<CAPTION>

	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER	TOTAL
(IN THOUSANDS, EXCEPT EARNINGS PER SHARE)					
<S>	<C>	<C>	<C>	<C>	<C>
1997					
OPERATING REVENUES -- NET.....	\$85,835	\$90,305	\$87,506	\$94,323	\$357,969
INCOME FROM CONTINUING OPERATIONS.....	6,230	7,099	5,914	6,516	25,759
INCOME FROM DISCONTINUED OPERATIONS.....	6,265	12,582	8,309	13,113	40,269
NET INCOME.....	12,495	19,681	14,223	19,629	66,028
BASIC EARNINGS PER SHARE OF STOCK (Note 13):					
Continuing operations.....	\$ 0.28	\$ 0.32	\$ 0.27	\$ 0.29	\$ 1.17
Discontinued operations.....	0.29	0.57	0.37	0.59	1.82
Earnings Per Share.....	\$ 0.57	\$ 0.89	\$ 0.64	\$ 0.88	\$ 2.99
Weighted Average Shares Outstanding.....	22,029	22,081	22,151	22,185	22,110
DILUTED EARNINGS PER SHARE OF STOCK (Note 13):					
Continuing operations.....	\$ 0.28	\$ 0.32	\$ 0.26	\$ 0.29	\$ 1.15
Discontinued operations.....	0.28	0.56	0.37	0.58	1.79
Earnings Per Share.....	\$ 0.56	\$ 0.88	\$ 0.63	\$ 0.87	\$ 2.94
Weighted Average Shares Outstanding.....	22,378	22,413	22,489	22,526	22,452

</TABLE>

Earnings per share are computed independently for each of the quarters presented. Therefore, the sum of the quarterly earnings per share may not equal the total for the year.

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors and Stockholders of
PULITZER INC.:

We have audited the consolidated financial statements of Pulitzer Inc. and its subsidiaries as of December 31, 1998 and 1997, and for each of the three years in the period ended December 31, 1998, and have issued our report thereon dated March 18, 1999; such report is included elsewhere in this Form 10-K. Our audits also included the consolidated financial statement schedule of Pulitzer Inc. and its subsidiaries, listed in the accompanying index at Item 14(a)2.(ii). This financial statement schedule is the responsibility of the Company's management. Our responsibility is to express an opinion based on our audits. In our opinion, such consolidated financial statement schedule, when considered in relation to the basic consolidated financial statements taken as a whole, presents fairly in all material respects the information set forth therein.

DELOITTE & TOUCHE LLP

Saint Louis, Missouri
March 18, 1999

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SCHEDULE II

PULITZER INC. AND SUBSIDIARIES
SCHEDULE II -- VALUATION & QUALIFYING ACCOUNTS & RESERVES
FOR THE YEARS ENDED DECEMBER 31, 1998, 1997 & 1996

DESCRIPTION	BALANCE AT BEGINNING OF PERIOD	CHARGED TO COSTS & EXPENSES	CHARGED TO OTHER ACCOUNTS	DEDUCTIONS	BALANCE AT END OF PERIOD
-----	-----	-----	-----	-----	-----
			(IN THOUSANDS)		
<S>	<C>	<C>	<C>	<C>	<C>
YEAR ENDED DECEMBER 31, 1998					
Valuation Accounts:					
Allowance for Doubtful Accounts					
Continuing Operations.....	\$1,626	\$2,181	\$ 82 (a)	\$2,166 (b)	\$1,723
Discontinued Operations.....	785	211	187 (a)	586 (b)	597
Reserves:					
Accrued Medical Plan --					
Continuing Operations.....	1,043	4,719	0	4,685 (c)	1,077
Workers Compensation					
Continuing Operations.....	1,089	796	0	1,002	883
Discontinued Operations.....	868	314	0	865	317
YEAR ENDED DECEMBER 31, 1997					
Valuation Accounts:					
Allowance for Doubtful Accounts					
Continuing Operations.....	\$1,585	\$1,151	\$ 0 (a)	\$1,110 (b)	\$1,626
Discontinued Operations.....	991	317	178 (a)	701 (b)	785
Reserves:					
Accrued Medical Plan --					
Continuing Operations.....	389	4,714	0	4,060 (c)	1,043
Workers Compensation					
Continuing Operations.....	1,085	887	0	883	1,089
Discontinued Operations.....	1,041	312	0	485	868
YEAR ENDED DECEMBER 31, 1996					
Valuation Accounts:					
Allowance for Doubtful Accounts					
Continuing Operations.....	\$1,158	\$1,691	\$ 95 (a)	\$ 1359 (b)	\$1,585
Discontinued Operations.....	851	440	226 (a)	526 (b)	991
Reserves:					
Accrued Medical Plan --					
Continuing Operations.....	561	4,198	0	4,370 (c)	389
Workers Compensation					
Continuing Operations.....	1,055	1,049	0	1,019	1,085
Discontinued Operations.....	950	429	0	338	1,041

(a) Accounts reinstated, cash recoveries, etc.

(b) Accounts written off

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(c) Amount represents:

	1998	1997	1996
Claims paid.....	\$4,118	\$3,596	\$3,830
Service fees.....	575	473	579
Cash refunds.....	(8)	(9)	(39)
	\$4,685	\$4,060	\$4,370

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ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

Not applicable.

PART III

ITEM 10. DIRECTORS AND EXECUTIVE OFFICERS OF THE REGISTRANT

The information set forth under the caption "Management" in the Company's definitive Proxy Statement to be used in connection with the 1999 Annual Meeting of Stockholders is incorporated herein by reference.

ITEM 11. EXECUTIVE COMPENSATION

The information set forth under the caption "Executive Compensation" in the Company's definitive Proxy Statement to be used in connection with the 1999 Annual Meeting of Stockholders is incorporated herein by reference.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The information set forth under the caption "Principal Stockholders" in the Company's definitive Proxy Statement to be used in connection with the 1999 Annual Meeting of Stockholders is incorporated herein by reference.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

The information set forth under the caption "Compensation Committee Interlocks and Insider Participation" in the Company's definitive Proxy Statement to be used in connection with the 1999 Annual Meeting of Stockholders is incorporated herein by reference.

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PART IV

ITEM 14. EXHIBITS, FINANCIAL STATEMENT SCHEDULES, AND REPORTS ON FORM 8-K

(a) DOCUMENT LIST

1. Financial Statements

The following financial statements are set forth in Part II, Item 8 of this Annual Report.

PULITZER INC. AND SUBSIDIARIES:

- (i) Independent Auditors' Report.
- (ii) Statements of Consolidated Income for each of the Three Years in the Period Ended December 31, 1998.
- (iii) Statements of Consolidated Financial Position at December 31, 1998 and 1997.
- (iv) Statements of Consolidated Stockholders' Equity for each of the

(v) Statements of Consolidated Cash Flows for each of the Three Years in the Period Ended December 31, 1998.

(vi) Notes to Consolidated Financial Statements for the Three Years in the Period Ended December 31, 1998.

2. Supplementary Data and Financial Statement Schedules

(i) Supplementary unaudited data with respect to quarterly results of operations is set forth in Part II, Item 8 of this Annual Report.

(ii) Financial Statement Schedule II -- Valuation and Qualifying Accounts and Reserves and opinion thereon are set forth in Part II, Item 8 of this Annual Report.

All other schedules for which provision is made in the applicable accounting regulations of the Securities and Exchange Commission are not required under the related instructions or are inapplicable and, therefore have been omitted.

3. Exhibits Required by Securities and Exchange Commission Regulation S-K

(a) The following exhibits are filed as part of this Annual Report:

<TABLE>	
<CAPTION>	
EXHIBIT NO.	

<S>	<C>
9.1	-- Pulitzer Inc. Voting Trust Agreement, dated as of March 18, 1999, between the holders of voting trust certificates and Michael E. Pulitzer, Emily Rauh Pulitzer, Ronald H. Ridgway, Cole C. Campbell, David E. Moore and Robert C. Woodworth.
10.22	-- Contribution and Assumption Agreement, dated as of March 18, 1999, by and between Pulitzer Publishing Company and Pulitzer Inc.
10.24	-- Letter Agreement, dated March 18, 1999, between Pulitzer Inc. and Emily Rauh Pulitzer.
10.25	-- Letter Agreement, dated March 18, 1999, between Pulitzer Inc. and David E. Moore.
10.26	-- Pulitzer Inc. Registration Rights Agreement.
21	-- Subsidiaries of Registrant
24	-- Power of Attorney
27	-- Financial Data Schedule

<TABLE>	
<CAPTION>	
EXHIBIT NO.	

<C>	<C> <S>
(b) The following exhibits are incorporated herein by reference:	
3.1	-- Restated Certificate of Incorporation of Pulitzer Inc. (viii)
3.2	-- Amended and Restated By-laws of Pulitzer Inc. (viii)
4.1	-- Form of Pulitzer Inc. Common Stock Certificate. (viii)
10.1	-- Agreement, dated March 1, 1961, effective January 1, 1961, between The Pulitzer Publishing Company, a Missouri corporation, and the Globe-Democrat Publishing Company, as amended on September 4, 1975, April 12, 1979 and December 22, 1983. (viii)
10.2.1	-- Amended and Restated Joint Operating Agreement, dated December 22, 1988, between Star Publishing Company and Citizen Publishing Company. (viii)
10.2.2	-- Partnership Agreement, dated December 22, 1988, between Star Publishing Company and Citizen Publishing Company. (viii)
10.3	-- Agreement, dated as of May 12, 1986, among The Pulitzer Publishing Company, Clement C. Moore, II, Gordon C. Weir, William E. Weir, James R. Weir, Kenward G. Elmslie, Stephen E. Nash and Manufacturers Hanover Trust Company, as Trustees,
10.4	-- Letter Agreement, dated September 29, 1986, among The

Pulitzer Publishing Company, Trust Under Agreement Made by David E. Moore, Frederick D. Pulitzer, Michael E. Pulitzer, Jr., Robert S. Pulitzer, Joseph Pulitzer, IV, Joseph Pulitzer, Michael E. Pulitzer, Stephen E. Nash and Manufacturers Hanover Trust Company, as Trustees, Kenward G. Elmslie, Gordon C. Weir, William E. Weir, James R. Weir, Peter W. Quesada, T. Ricardo Quesada, Elinor P. Hempelmann, The Moore Foundation, Inc., Mariemont Corporation, Z Press Inc. and Clement C. Moore, II. (viii)

- 10.5 -- Letter Agreement, dated May 12, 1986, among The Pulitzer Publishing Company, Peter W. Quesada, T. Ricardo Quesada, Kate Davis Pulitzer Quesada and Elinor P. Hempelmann. (viii)
- 10.6 -- Agreement, dated as of September 29, 1986, among The Pulitzer Publishing Company, Peter W. Quesada, T. Ricardo Quesada, Kate Davis Pulitzer Quesada and Elinor Hempelmann. (viii)
- 10.7.1 -- Amendment, dated March 9, 1992, to the Pulitzer Publishing Company Annual Incentive Compensation Plan. (viii)
- 10.7.2 -- The Pulitzer Publishing Company Annual Incentive Compensation Plan. (viii)
- 10.7.3 -- Pulitzer Publishing Company Newspaper Operations Annual Incentive Plan. (viii)
- 10.8.1 -- Amendment, dated September 16, 1997, to Pulitzer Retirement Savings Plan.(v)
- 10.8.2 -- Amendment, dated January 28, 1997, to Pulitzer Retirement Savings Plan.(iv)
- 10.8.3 -- Amendment, dated October 30, 1996, to Pulitzer Retirement Savings Plan.(iv)
- 10.8.4 -- Amendment, dated July 31, 1996, to Pulitzer Retirement Savings Plan.(iv)
- 10.8.5 -- Amendment, dated October 25, 1995, to Pulitzer Retirement Savings Plan.(iv)
- 10.8.6 -- Amendment, dated October 25, 1995, to Pulitzer Retirement Savings Plan.(ii)
- 10.8.7 -- Amendment, dated January 24, 1995, to Pulitzer Retirement Savings Plan.(i)
- 10.8.8 -- Amended and Restated Pulitzer Retirement Savings Plan.(i)
- 10.9.1 -- Amendment, dated October 25, 1995, to Pulitzer Publishing Company Pension Plan.(iv)
- 10.9.2 -- Amended and Restated Pulitzer Publishing Company Pension Plan.(i)
- 10.10.1 -- Amendment, dated October 29, 1997, to Pulitzer Publishing Company Supplemental Executive Benefit Pension Plan. (viii)

</TABLE>

<TABLE>
<CAPTION>
EXHIBIT NO.

<S> <C>

- 10.10.2 -- Amendment, dated June 23, 1992, to Pulitzer Publishing Company Supplemental Executive Benefit Pension Plan. (viii)
- 10.10.3 -- Amendment, dated January 1, 1992, to Pulitzer Publishing Company Supplemental Executive Benefit Pension Plan. (viii)
- 10.10.4 -- Amendment, dated January 18, 1990, to Pulitzer Publishing Company Supplemental Executive Benefit Pension Plan. (viii)
- 10.10.5 -- Amendment, dated October 26, 1989, to Pulitzer Publishing Company Supplemental Executive Benefit Pension Plan. (viii)
- 10.10.6 -- Amendment, dated November 6, 1987, to Pulitzer Publishing Company Supplemental Executive Benefit Pension Plan. (viii)
- 10.10.7 -- Pulitzer Publishing Company Supplemental Executive Benefit Pension Plan dated March 18, 1986. (viii)
- 10.11 -- Employment Agreement, dated October 1, 1986, between the Pulitzer Publishing Company and Joseph Pulitzer, Jr. (viii)
- 10.13 -- Pulitzer Publishing Company Senior Executive Deferred Compensation Plan.(ii)
- 10.15 -- Stock Purchase Agreement by and among Pulitzer Publishing

Company and Mr. Edward W. Scripps, Mrs. Betty Knight Scripps, and the Edward W. Scripps and Betty Knight Scripps Charitable Remainder Unitrust dated as of May 4, 1996.(iii)

- 10.16 -- Split Dollar Life Insurance Agreement, dated December 27, 1996, between Pulitzer Publishing Company and Richard A. Palmer, Trustee of the Michael E. Pulitzer 1996 Life Insurance Trust. (iv)
- 10.17 -- Split Dollar Life Insurance Agreement, dated December 31, 1996, between Pulitzer Publishing Company and Rose M. Elkins, Trustee of the Kennie J. Elkins Insurance Trust. (iv)
- 10.18 -- Split Dollar Life Insurance Agreement, dated December 30, 1996, between Pulitzer Publishing Company and Rebecca H. Penniman and Nicholas G. Penniman V, Trustees of the Nicholas G. Penniman IV Irrevocable 1996 Trust. (iv)
- 10.19 -- Split Dollar Life Insurance Agreement, dated December 30, 1996, between Pulitzer Publishing Company and Doris D. Ridgway and Boatmen's Trust Company, Trustees of The Ronald H. Ridgway Insurance Trust. (iv)
- 10.21 -- Amended and Restated Agreement and Plan of Merger by and among Pulitzer Publishing Company, Pulitzer Inc. and Hearst-Argyle Television, Inc., dated as of May 25, 1998. (vi)
- 10.23 -- Letter Agreement, dated May 25, 1998, by and among Pulitzer Publishing Company, Pulitzer Inc. and Hearst-Argyle Television, Inc. (viii)
- 10.27 -- Pulitzer Inc. 1999 Key Employees' Restricted Stock Purchase Plan. (viii)
- 10.28 -- Pulitzer Inc. 1999 Stock Option Plan. (viii)
- 10.29 -- Pulitzer Inc. 1999 Employee Stock Purchase Plan. (viii)
- 10.33 -- Employment Agreement, dated December 18, 1998, between Pulitzer Inc. and Robert C. Woodworth (vii)
- 10.34 -- Employment Agreement, dated August 26, 1998 between Pulitzer Inc. and Terrance C.Z. Egger. (viii)
- 10.35 -- Participation Agreement, dated May 25, 1998, by and between Pulitzer Publishing Company and Michael E. Pulitzer. (viii)
- 10.36 -- Participation and Severance Agreement, dated May 25, 1998, by and between Pulitzer Publishing Company and Ken J. Elkins. (viii)

</TABLE>

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<TABLE>
<CAPTION>
EXHIBIT NO.

- <S> <C>
- 10.37 -- Participation Agreement, dated May 25, 1998, by and between Pulitzer Publishing Company and Nicholas G. Penniman IV. (viii)
- 10.38 -- Participation Agreement, dated May 25, 1998, by and between Pulitzer Publishing Company and Ronald H. Ridgway. (viii)
- 10.39 -- Participation and Severance Agreement, dated May 25, 1998, by and between Pulitzer Publishing Company and C. Wayne Godsey. (viii)
- 10.40 -- Participation and Severance Agreement, dated May 25, 1998, by and between Pulitzer Publishing Company and John Kueneke. (viii)

</TABLE>

- (i) Incorporated by reference to Pulitzer Publishing Company's Annual Report on Form 10-K for the fiscal year ended December 31, 1994.
 - (ii) Incorporated by reference to Pulitzer Publishing Company's Annual Report on Form 10-K for the fiscal year ended December 31, 1995.
 - (iii) Incorporated by reference to Pulitzer Publishing Company's Quarterly Report on Form 10-Q for the quarterly period ended March 31, 1996.
 - (iv) Incorporated by reference to Pulitzer Publishing Company's Annual Report on Form 10-K for the fiscal year ended December 31, 1996.
 - (v) Incorporated by reference to Pulitzer Publishing Company's Annual Report on Form 10-K for the fiscal year ended December 31, 1997.
 - (vi) Incorporated by reference to Pulitzer Publishing Company's Current Report on Form 8-K filed on January 22, 1999.
 - (vii) Incorporated by reference to Pulitzer Publishing Company's Registration Statement (File No. 333-69701) on Form S-3.
 - (viii) Incorporated by reference to Pulitzer Inc.'s Registration Statement on Form 10 (File No. 1-14541), as amended.
- (c) Reports on Form 8-K.

The Company did not file any reports on Form 8-K during the fourth quarter of fiscal year 1998.

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SIGNATURES

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, on the 26th day of March, 1999.

PULITZER INC.

/s/ ROBERT C. WOODWORTH

By:

Robert C. Woodworth,
President and Chief Executive
Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this Annual Report has been signed by the following persons on behalf of the Registrant in the capacities and on the dates indicated.

<TABLE>

<CAPTION>

SIGNATURE -----	TITLE -----	DATE ----
<C> MICHAEL E. PULITZER*	<S> Director; Chairman	<C> March 26, 1999
----- (Michael E. Pulitzer)		
/s/ ROBERT C. WOODWORTH	Director; President and Chief	March 26, 1999
----- (Robert C. Woodworth)	Executive Officer (Principal Executive Officer)	
/s/ RONALD H. RIDGWAY	Director; Senior Vice	March 26, 1999
----- (Ronald H. Ridgway)	President -- Finance (Principal Financial and Accounting Officer)	
KEN J. ELKINS*	Director	March 26, 1999
----- (Ken J. Elkins)		
DAVID E. MOORE*	Director	March 26, 1999
----- (David E. Moore)		

WILLIAM BUSH*	Director	March 26, 1999

(William Bush)		
EMILY RAUH PULITZER*	Director	March 26, 1999

(Emily Rauh Pulitzer)		
ALICE B. HAYES*	Director	March 26, 1999

(Alice B. Hayes)		
JAMES M. SNOWDEN, JR.*	Director	March 26, 1999

(James M. Snowden, Jr.)		

</TABLE>

By: /s/ RONALD H. RIDGWAY

Ronald H. Ridgway*
attorney-in-fact

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PULITZER INC.
REPORT ON FORM 10-K FOR THE FISCAL YEAR ENDED
DECEMBER 31, 1998
EXHIBIT INDEX

<TABLE>
<S> <C>
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10.25 Letter Agreement, dated March 18, 1999, between Pulitzer Inc. and David E. Moore
10.26 Pulitzer Inc. Registration Rights Agreement
21 Subsidiaries of Registrant
24 Power of Attorney
27 Financial Data Schedule
</TABLE>

VOTING TRUST AGREEMENT

AGREEMENT dated as of the 18th day of March, 1999, between such holders of the Class B Common Stock, par value \$.01 per share ("Class B Common Stock"), of PULITZER INC., a Delaware corporation (hereinafter called the "Company"), as may become parties to this agreement in the manner hereinafter provided, (all hereinafter referred to as the "Depositing Stockholders"), and COLE C. CAMPBELL (Editor - St. Louis Post-Dispatch), DAVID E. MOORE, EMILY RAUH PULITZER, MICHAEL E. PULITZER (Chairman of the Board of the Company), RONALD H. RIDGWAY (Senior Vice President-Finance of the Company) and ROBERT C. WOODWORTH (President and Chief Executive Officer of the Company), or their successors (hereinafter referred to as the "Trustees").

W I T N E S S E T H :

WHEREAS, the Depositing Stockholders deem it for the best interests of the Company and its stockholders that the Depositing Stockholders act together to secure continuity of policy and stability of management in the affairs of the Company and to these ends they propose to place their shares of Class B Common Stock in the hands of the persons who are now and will be responsible for the success of the Company to be voted and held by them as trustees for the

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Depositing Stockholders. The Trustees, in connection with the exercise of their judgment in determining what is in the best interest of the Company and its stockholders, shall give due consideration to the effect of their actions on the editorial and publishing integrity and the character and quality of the Company's newspaper and other operations, and all other relevant factors, including, without limitation, the social, legal and economic effects on the employees, customers, suppliers and other affected persons, firms and corporations and on the communities and geographical areas in which the Company and its subsidiaries operate or are located and on any of the businesses and properties of the Company or any of its subsidiaries, as well as such other factors as the Trustees deem relevant. In addition, the platform of the St. Louis Post-Dispatch printed daily on the editorial page as the principles of its founder, Joseph Pulitzer, should be considered by the Trustees in assessing the public service aspects of journalism. The two preceding sentences are referred to herein as the "Statement of Policy," which shall guide the Trustees in the exercise of their judgment as provided in Paragraph 16 below. The shares of Class B Common Stock deposited hereunder shall be subject to the terms and conditions of this agreement, and the Trustees are directed to exercise the powers delegated hereunder guided by the Statement of Policy.

NOW, THEREFORE, in consideration of the mutual promises and covenants herein contained and other good and valuable consideration, receipt of which is hereby acknowledged, it is agreed between the parties as follows:

DEPOSIT OF STOCK

1. Each stockholder of the Company who becomes a party hereto by signing these presents agrees to deposit, or cause to be deposited, with the Trustees, to be held by them pursuant to the provisions of this agreement, the certificate or certificates representing the shares of Class B Common Stock of the Company now or at any time hereafter owned by him or for his benefit, duly endorsed in blank or to the Trustees, or accompanied by proper instruments of assignment and transfer duly executed in blank or to the Trustees, and accompanied by any revenue stamps required for the transfer, which deposit shall continue for a period from the date of this agreement first above written until the 18th day of March, 2009 unless sooner terminated as hereinafter provided, and to accept in lieu thereof a Voting Trust Certificate or Certificates issued hereunder in the form hereinafter provided.

Any other owner of Class B Common Stock in the Company may at any time become a party hereto by depositing the certificate or certificates representing his shares of Class B Common Stock in the Company with the Trustees in like manner to be held by said Trustees under the terms hereof and by accepting in lieu thereof a Voting Trust Certificate or Certificates issued hereunder in the form hereinafter provided, and in consideration of the original deposit of Class B Common Stock by the present Depositing Stockholders the Trustees bind themselves and their successors to accept for deposit and to receive in trust hereunder any additional certificate or certificates of Class B Common Stock owned by any stockholder whomsoever and to hold any certificate so deposited in trust under the terms and conditions of this agreement. Such deposit of any additional certificate or certificates of Class B Common Stock of the Company and such

acceptance of any Voting Trust Certificate or Certificates by the owner thereof shall have the same force and effect as though such owner of Class B Common Stock had in fact subscribed his name to this agreement.

WITHDRAWAL OF STOCK

2. The Trustees shall not convert into Common Stock, par value \$.01 per share ("Common Stock"), of the Company any of the shares of Class B Common Stock deposited hereunder, except in conjunction with a withdrawal of shares permitted by subparagraphs (a) or (b) of this Paragraph 2.

(a) A Depositing Stockholder shall be permitted to withdraw, from time to time, part or all of the Common Stock of the Company into which Class B Common Stock represented by his Voting Trust Certificate or Certificates is convertible (but not any Class B Common Stock of the Company) free of the terms of this agreement, including the Voting Trust Certificate or Certificates issued hereunder, subject to satisfaction of the following conditions and compliance with the following procedures:

(1) Any Common Stock so withdrawn shall be withdrawn solely to the extent that:

A. Such Common Stock is being sold (i) in a public offering pursuant to a registration statement filed by the Company and effective under the Securities Act of 1933, as amended (the "Securities Act"), (ii) pursuant to any other

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transaction that complies with the provisions of Rule 144 promulgated under the Securities Act and is exempt from registration under the Securities Act, (iii) to an employee benefit plan established and maintained by the Company or any wholly-owned subsidiary of the Company or any trustee or fiduciary with respect to any such plan ("Employee Benefit Plan") or (iv) to the Company or any wholly-owned subsidiary of the Company; or

B. Such Common Stock is being transferred (i) to a charitable organization contributions to which are allowed as deductions for federal income, estate or gift tax purposes ("Charitable Organization") or (ii) to any charitable trust or split-interest trust ("Charitable Trust") as described in Section 4947 of the Internal Revenue Code of 1986, as amended, and as it may from time to time be further amended (the "Code").

(2) Such Depositing Stockholder shall be deemed to have instructed, directed and authorized the Trustees to convert a sufficient number of the Company's Class B Common Stock represented by the Voting Trust Certificate or Certificates of such Depositing Stockholder into Common Stock of the Company to the extent necessary to effect such withdrawal, it being understood that under the Company's Restated Certificate of Incorporation dated February 5, 1999 and filed on February 5, 1999 in the office of the Secretary of State of the

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State of Delaware ("Certificate of Incorporation"), the Common Stock so

withdrawn may not thereafter be reconverted into Class B Common Stock of the Company.

(3) A. Any Depositing Stockholder who shall request the withdrawal of shares of Common Stock for purposes of making a sale pursuant to Paragraph 2(a)(1)A. hereof shall, not less than three (3) New York Stock Exchange business days prior to the date on which the closing for the sale of the shares of Common Stock so to be withdrawn and sold is scheduled, deliver to the Trustees (c/o the Company at the address of the Company's principal executive offices), with duplicate copies to the Company, to the Depositary under this agreement and any transfer agent for the Common Stock appointed by the Company (the "Transfer Agent"), a Withdrawal Request substantially in the form prescribed on Exhibit A attached hereto, and, simultaneously with the delivery of such Withdrawal Request or as soon thereafter as practicable (but not less than 48 hours prior to the date of such closing), such Depositing Stockholder (together with the underwriters for such sale, or their representatives, if any) shall furnish to the Trustees (c/o the Company at the address of the Company's principal executive offices), with duplicate copies to the Company, the Depositary and the Transfer Agent, an Instruction Request, substantially in the form prescribed on Exhibit B attached hereto, setting forth the denominations in which certificates for the shares of Common Stock so

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sold are to be delivered at such closing and the names in which such certificates are to be registered.

B. Any Depositing Stockholder who shall request the withdrawal of shares of Common Stock for the purpose of making a transfer to a Charitable Organization or a Charitable Trust pursuant to Paragraph 2(a)(1)B. hereof shall, not less than three (3) New York Stock Exchange business days prior to the date on which the transfer of the shares of Common Stock is to be made, deliver to the Trustees (c/o the Company at the address of the Company's principal executive offices), with duplicate copies to the Company, to the Depositary under this agreement and to the Transfer Agent, a Withdrawal Request, substantially in the form prescribed on Exhibit A-I attached hereto, setting forth the name of the transferee Charitable Organization or Charitable Trust, and, simultaneously with the delivery of such Withdrawal Request or as soon thereafter as practicable (but not less than 48 hours prior to the date of such transfer), such Depositing Stockholder (together with the transferee) shall furnish to the Trustees (c/o the Company at the address of the Company's principal executive offices), with duplicate copies to the Company, the Depositary and the Transfer Agent, an Instruction Request, substantially in the form prescribed on Exhibit B-I attached hereto, setting forth the denominations in which certificates for the shares of Common

Stock to be so transferred are to be delivered and the name(s) in which such certificates are to be registered, and, in the case of a transfer to a Charitable Organization, appropriate documentation, addressed to the Trustees, confirming to the satisfaction of the Trustees that contributions thereto are allowed as deductions for federal income, estate or gift tax purposes, or, in the case of a transfer to a Charitable Trust, an opinion from counsel for the Charitable Trust, addressed to the Trustees, confirming that the Charitable Trust is a charitable trust or split-interest trust as described in Section 4947 of the Code.

(b) In addition to any withdrawal of shares permitted by subparagraph (a) above, a Depositing Stockholder shall be permitted to withdraw, from time to time during the term hereof for any reason, up to an aggregate number of shares of Common Stock of the Company into which Class B Common Stock represented by his Voting Trust Certificate or Certificates is convertible (but not any Class B Common Stock of the Company) free of the terms of this agreement, including the Voting Trust Certificate or Certificates issued hereunder, which equals the greater of (i) 150,000 shares of Common Stock or (ii) ten percent (10%) of the number of shares of Class B Common Stock originally deposited by such Depositing Stockholder hereunder. Appropriate adjustment shall be made for stock dividends, stock splits or reverse splits of the Class B Common Stock. Any Depositing Stockholder who shall request the withdrawal of shares of Common Stock pursuant to this Paragraph 2(b) shall deliver to the Trustees (c/o the Company at the Company's principal executive offices), with duplicate copies to the Company,

to the Depositary under this agreement and the Transfer Agent, a Withdrawal Request substantially in the form prescribed on Exhibit C attached hereto, and, simultaneously with the Withdrawal Request or as soon thereafter as practicable (but not less than 48 hours prior to the date of such withdrawal), an Instruction Request, substantially in the form prescribed on Exhibit B-II attached hereto, setting forth the denominations in which certificates for the shares of Common Stock to be so withdrawn are to be delivered and the names in which such certificates are to be registered.

(c) The Trustees and the Depositing Stockholders agree that in the event of a pledge permitted by Paragraph 5 of this agreement by a Depositing Stockholder of a Voting Trust Certificate to secure indebtedness due the pledgee, each of Ronald H. Ridgway and James V. Maloney, individually, is hereby authorized for and on behalf of the Trustees, and is hereby made, constituted and appointed as their true and lawful agent and attorney-in-fact,

acting separately, for and in the name, place and stead of the Trustees (1) to examine any pledge agreement or power of attorney executed in connection therewith and (2) if such documents are substantially in the form of the General Pledge Agreement ("Pledge Agreement") and Irrevocable Power of Attorney ("Power of Attorney") attached hereto as Exhibit D or in such other form as the Trustees may approve (which approval the Trustees shall not unreasonably withhold), to execute on behalf of the Trustees an Acknowledgement substantially in the form attached hereto as Exhibit E (the "Acknowledgement"). The Trustees shall have the power to designate a replacement or replacements for either or both of the foregoing attorneys-in-fact in their sole discretion. Each of the Secretary for the Voting Trust and the Voting Trustees, or any of them,

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is hereby authorized to certify to any such pledgee the individual or individuals who then act as attorneys-in-fact under this Paragraph 2(c) and any such pledgee shall be entitled to rely on such certification without further inquiry. The Trustees and the Depositing Stockholders further agree that any written notice duly delivered by any such pledgee to any individual or individuals who then act as attorneys-in-fact under this Paragraph 2(c) shall be deemed to constitute notice to the Trustees for purposes of this agreement.

(d) Each Depositing Stockholder represents, warrants and agrees that, in the event of the execution of an Acknowledgment with respect to him pursuant to Paragraph 2(c) above, (i) the obligations of the Trustees, and the rights of the Depositing Stockholder, under this agreement, including, without limitation, Paragraphs 3, 7, 8, 9 and 10 hereof, are expressly subject to the terms of such Acknowledgement and (ii) he shall hold the Trustees and the person or persons executing the Acknowledgement harmless in connection with any actions pursuant thereto.

(e) Each Depositing Stockholder agrees that, in the event of a pledge permitted by Paragraph 5 of this agreement by him or by any other Depositing Stockholder of a Voting Trust Certificate to secure indebtedness due the pledgee and until such time as the pledge, or any loan agreement relating to the pledge, is terminated and any related promissory note of the pledgor is repaid, he shall not, whether by affirmative vote, consent, acquiescence, waiver or otherwise, and without one hundred twenty (120) days' prior written notice to the lender, or the prior written consent of the lender, amend this agreement to affect adversely the right of the pledgor (i) to pledge his Voting Trust Certificate or (ii) to convert, or have converted pursuant

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to the pledgor's Power of Attorney, the shares of Class B Common Stock represented by the pledgor's Voting Trust Certificate into Common Stock of the

Company and withdraw such Common Stock. Each Depositing Stockholder further acknowledges and agrees that any such lender may rely upon the above representation, warranty and agreement in making any loan or extending any credit to a Depositing Stockholder that is secured by a pledge permitted by Paragraph 5 of this agreement by the Depositing Stockholder of a Voting Trust Certificate to secure indebtedness due the pledgee.

VOTING TRUST CERTIFICATES

3. All certificates for shares of Class B Common Stock in the Company at any time delivered to the Trustees hereunder or thereafter acquired as a result of a distribution of shares of Class B Common Stock as a stock dividend or otherwise shall be held and disposed of by the Trustees under and pursuant to the terms and conditions of this agreement. The Trustees, in exchange for the certificate or certificates so deposited hereunder, will cause to be issued and delivered to the Depositing Stockholder a Voting Trust Certificate or Certificates for the appropriate number of shares of Class B Common Stock substantially in the form prescribed on Exhibit F attached hereto.

4. Subject to the provisions of Paragraph 1 of this agreement, the Trustees may issue temporary typewritten or printed Voting Trust Certificates conforming generally to the form prescribed on Exhibit F and may cause the same to be exchanged for definitive Voting Trust Certificates in substantially said form when the same are prepared. The Voting Trust Certificates

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may be executed by any one or more of the Trustees on behalf of all said Trustees. The Trustees, under such rules as they in their discretion may prescribe with respect to indemnity or otherwise, may provide for the issuance and delivery of new Voting Trust Certificates in lieu of lost, stolen or destroyed Voting Trust Certificates or in exchange for mutilated Voting Trust Certificates.

5. The Voting Trust Certificates shall not be transferred, whether by sale, assignment, gift, bequest, appointment or otherwise except to a Permitted Transferee (as that term is defined in the Company's Certificate of Incorporation) of the Company's Class B Common Stock, and the Voting Trustees shall not register any transfer except in compliance therewith.

Subject to the foregoing, the Voting Trust Certificates shall be transferable on the books of the Trustees by the holders of record thereof in person or by duly authorized attorney, subject to such regulations as may be established by the Trustees for that purpose, upon surrender thereof at the office of the Trustees, properly endorsed for transfer, and the Trustees may treat the holders of record thereof, or when duly endorsed in blank the bearers thereof, as the owners of Voting Trust Certificates for all purposes whatsoever.

As a condition of making or permitting any transfer or delivery of stock certificates or Voting Trust Certificates, the trustees may require the payment of a sum sufficient to pay or reimburse them for any stamp tax or other governmental charge in connection therewith or any other charge applicable to such transfer or delivery.

Every transferee of a Voting Trust Certificate or Certificates shall, by the acceptance thereof, become a party hereto with like force and effect as

though an original party

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hereto and shall be embraced within the meaning of the term "Depositing Stockholders" wherever used herein.

Notwithstanding anything to the contrary set forth herein, any Depositing Stockholder may pledge his Voting Trust Certificate and, in connection therewith, the shares of Class B Common Stock represented thereby to a pledgee pursuant to a bona fide pledge thereof as collateral security for indebtedness due to the pledgee, provided that the Voting Trust Certificate and such underlying shares shall not be transferred to or registered in the name of the pledgee and shall remain subject to the provisions of this Paragraph 5 and of Article III(2) (E) of the Company's Certificate of Incorporation. In the event of foreclosure or other similar action with respect to such collateral by the pledgee, (i) the pledged Voting Trust Certificate may be transferred only to a Permitted Transferee of the pledgor or (ii) the Class B Common Stock represented by such pledged Voting Trust Certificate may be converted into the Common Stock of the Company, and such Common Stock may be withdrawn, free of the terms of this agreement, only pursuant to, and in compliance with, Paragraph 2 of this agreement.

THE DEPOSITARY

6. The Trustees agree to deposit with BNY Trust Company of Missouri ("BNY") of St. Louis, Missouri, as Depositary hereunder, the Class B Common Stock of the Company transferred in their name; provided, however, that BNY shall first agree in writing that it will, if requested to do so by any Trustee or any Depositing Stockholder, enter its appearance in any suit which may hereafter be brought in the State of Delaware, in which suit the construction,

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interpretation or validity of this Voting Trust Agreement or any portion thereof shall be an issue. The Trustees may, in their absolute discretion, name a new or other Depositary to hold said shares and deliver such shares to any such new or other Depositary. No Depositary hereunder shall incur any liability to any of the parties hereto or to any assignee of the Voting Trust Certificates except for failure to exercise ordinary care in the performance of the duties of Depositary.

Any Depositary acting hereunder shall be entitled to compensation in such amount as may be fixed from time to time by the Trustees, and shall be reimbursed for all expenses, including counsel fees and liabilities incurred in connection with its duties hereunder.

7. The holder of each Voting Trust Certificate shall be entitled during the life of this Voting Trust, except as hereinafter provided, to receive from time to time payments equal to the dividends payable in money, if any, received by the Trustees on a number of shares of Class B Common Stock of the Company equal to that called for by such Voting Trust Certificate, less such charges and expenses as are herein authorized to be deducted therefrom and less any income or other taxes required by law to be deducted therefrom.

The Trustees, instead of themselves receiving and disbursing dividends, may instruct the Company to pay the amount of any dividends upon the shares of Class B Common Stock held by such Trustees hereunder to which such Trustees from time to time become entitled directly to the holders of the outstanding Voting Trust Certificates after deducting any charges and expenses authorized herein and any income or other taxes required by law to be deducted

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therefrom. Payments in respect of each such dividend shall be made according to their respective interests to the holders of outstanding Voting Trust Certificates registered as such at the close of business on the date fixed by the Trustees as a record date for the determination of the Voting Trust Certificate holders entitled to receive payments in respect of such dividends, or, if the Trustees have not fixed such date, to the holders of outstanding Voting Trust Certificates registered as such at the close of business on the date fixed by the Company for the taking of a record to determine those holders of its Class B Common Stock entitled to receive such dividend; provided, however, that the Trustees may at any time or from time to time thereafter instruct the Company to make payment in respect of such dividends to such Trustees.

At the termination of this Voting Trust, the Trustees shall continue to hold the Class B Common Stock of the Company represented by any Voting Trust Certificate or Certificates issued and outstanding under this agreement and any dividend received on such Class B Common Stock until the surrender of such Voting Trust Certificate or Certificates by the holder or holders thereof.

8. In case the Trustees shall receive any fully-paid shares of Class B Common Stock of the Company, as a dividend upon the shares of Class B Common Stock held by them hereunder, the Trustees shall hold such shares subject to this agreement and shall issue Voting Trust Certificates, in proportion to their respective interests, to the holders of outstanding Voting Trust Certificates of record at the close of business on the date fixed by the Company as a record date for the determination of the stockholders entitled to receive distribution in respect of such dividend.

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9. If any dividend in respect of the deposited Class B Common Stock shall be paid otherwise than in money or in fully-paid Class B Common Stock, the Trustees shall distribute the same in kind ratably among the holders of the outstanding Voting Trust Certificates entitled to receive distribution in respect of such dividend upon payment by each holder of a sum sufficient to reimburse the Voting Trustees for any stamp tax, other governmental charge or other expense to which the Voting Trustees shall have been put, or for which they shall have or will become liable in such connection.

10. In case any stock of the Company shall be offered for subscription to the holders of the Class B Common Stock, the Trustees, promptly upon receipt of notice of such offer, shall mail a copy of such notice to each holder of record of Voting Trust Certificates with a notice of the number of shares subscribable with respect to the shares of Class B Common Stock represented by his Voting Trust Certificates. Upon receipt by the Trustees, within such time as shall be fixed by the Trustees prior to the last date fixed by the Company for subscription and payment, of a request from any holder of record of a Voting Trust Certificate to subscribe in his behalf and of the amount of money required to pay for a stated number of shares of such stock (not in excess of the number of shares subscribable in respect of the shares represented by such Voting Trust Certificate), the Trustees shall make such subscription and payment. Upon receiving from the Company the certificate for the shares so subscribed for, the Trustees, if such stock be Class B Common Stock, shall hold the same under this agreement and shall issue to such holder Voting Trust Certificates in respect thereof; or if such stock be stock of another class, the Trustees shall deliver the certificate or certificates therefor to such holder. In case the stock offered for

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subscription by the Company be stock other than Class B Common Stock, the Trustees, in their discretion, may assign such subscription rights, pro rata, to the holders of Voting Trust Certificates in proportion to their respective interests.

The right of any holder of record of a Voting Trust Certificate to subscribe to additional shares of Class B Common Stock as provided in this Paragraph 10 may be assigned and transferred to any Permitted Transferee and to no other person or entity, and the Trustees shall not be required to exercise such subscription right on behalf of any person who is not a Voting Trust Certificate holder or a Permitted Transferee. Any shares of Class B Common Stock acquired pursuant to a subscription right assigned by a Voting Trust Certificate holder to a Permitted Transferee shall be held by the Trustees subject to all the terms and conditions of this agreement.

VOTING RIGHTS

11. Until the actual delivery to the holder of Voting Trust Certificates by or on behalf of the Trustees of the stock certificate deposited hereunder in exchange for said Voting Trust Certificates, pursuant to the provisions hereof, the Trustees shall possess and shall be entitled to exercise all the rights and powers of owners of the shares of Class B Common Stock of the Company deposited hereunder, to vote for every purpose and to consent to any and all corporate acts of the Company guided by the Statement of Policy, it being

expressly stipulated that no right to vote or to consent or to be consulted in respect to all such deposited Class B Common Stock is created in or passes to the holder of any Voting Trust Certificate by or under any such Voting

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Trust Certificate, or by or under this agreement, or by or under any other agreement, express or implied; provided, however, that upon any proposal for (i) the dissolution of the Company, (ii) the sale, lease, exchange or other disposition, other than by mortgage, deed of trust or pledge, of all, or substantially all, the property and assets of the Company, (iii) the merger, consolidation, or recapitalization of the Company, or (iv) any other proposal which, under Articles III (2) G, V (5), VIII, IX (2) and (4), XII, XIII, XIV (3) and (4) or XVI of the Certificate of Incorporation of the Company, requires the affirmative vote of the holders of record of at least a majority of the aggregate voting power of the Class B Common Stock separately or together with the Common Stock, the Trustees shall promptly notify all holders of Voting Trust Certificates hereunder, and the Trustees shall not vote any share or shares of such Class B Common Stock upon any such proposal except in accordance with the written direction of the holder or holders of the Voting Trust Certificates issued in respect of such share or shares of Class B Common Stock.

THE TRUSTEES

12. Except as provided in Paragraph 11, the Trustees shall vote the shares of Class B Common Stock held by them or take any other action with respect to such shares of Class B Common Stock as a unit in accordance with the determination of a majority of the then acting Trustees; provided that such majority shall include two out of three of EMILY RAUH PULITZER, MICHAEL E. PULITZER and DAVID E. MOORE or their successors as Trustees, as designated as provided in the first paragraph of Paragraph 13; and further provided, however, that in the event of a tie vote among the then acting Trustees or in the event that a majority of the

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Trustees does not include two out of three of EMILY RAUH PULITZER, MICHAEL E. PULITZER and DAVID E. MOORE or their successors as Trustees, as designated as provided in the first paragraph of Paragraph 13, as to any matter, the Trustees shall promptly notify all holders of Voting Trust Certificates hereunder, and the Trustees shall not vote any share or shares of Class B Common Stock of the Company deposited hereunder with respect to that matter except in accordance with the written direction of the holder or holders of the Voting Trust Certificates issued in respect of such share or shares of Class B Common Stock.

The Trustees may meet at such time as they may determine, with such notice as their rules may provide, and may act without a meeting by a writing

embodying their action. The Trustees may adopt their own rules of procedure. At any meeting of the Trustees, any Trustee may vote in person or by proxy given to any other Trustee, and any Trustee may give powers of attorney to any other Trustee to sign for him any instrument expressing the actions of the Trustees. The Trustees may vote by proxy at any meeting of the stockholders of the Company, if the Trustees so elect, provided that such proxy be signed by at least a majority of the then acting Trustees.

13. Subject to the provisions of subparagraph (a) hereof, EMILY RAUH PULITZER, MICHAEL E. PULITZER and DAVID E. MOORE shall serve as Trustees, whether or not they serve or continue to serve as Company officers, and each shall be permitted to appoint a successor as Trustee to act in the event of his or her resignation or inability for any reason to act as Trustee hereunder. Any successor Trustee appointed as provided hereunder shall have the same rights and powers as if originally named herein, and any such successor or successors shall

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similarly be authorized to appoint a successor as Trustee in the event of the resignation or inability of such successor or successors to act as Trustee hereunder. Any appointment of a successor Trustee hereunder shall be made by written instrument signed and acknowledged by the Trustee making such appointment and filed with the Trustees acting hereunder and may be revoked by such Trustee at any time before the appointment becomes operative.

ROBERT C. WOODWORTH, President and Chief Executive Officer, RONALD H. RIDGWAY, Senior Vice President-Finance, and COLE C. CAMPBELL, Editor - St. Louis Post-Dispatch, shall serve as such Trustees so long and only so long as they occupy the above-described positions with the Company (or, in the case of Cole C. Campbell, the St. Louis Post-Dispatch) now held by them, respectively. Should any of them resign, retire, become deceased or otherwise cease to act in the position with the Company (or, in the case of Cole C. Campbell, the St. Louis Post-Dispatch), now held by him as above described, the person appointed to the position in the Company (or the St. Louis Post-Dispatch) held by such Trustee shall become Trustee in his place and stead by signifying his acceptance of such trusteeship, it being the intention of this agreement that the persons holding the Company positions of Chairman of the Board, Chief Executive Officer and Senior Vice President-Finance and the position of Editor - St. Louis Post-Dispatch shall always be Trustees and that in the event of a vacancy occurring in any of these positions, the corresponding trusteeship shall remain vacant until the position is filled.

In the event MICHAEL E. PULITZER resigns, retires or otherwise ceases to act in the position of Chairman of the Board, the person appointed to the position of Chairman of the Board shall become an additional Trustee (provided he is not already a Trustee) by signifying his

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acceptance of such trusteeship and shall serve as such Trustee so long as he occupies the position of Chairman of the Board and should he resign, retire, become deceased or cease to act in such position with the Company the next person appointed to the position of Chairman of the Board shall become Trustee in his place and stead by signifying his acceptance of such trusteeship.

Pending the appointment of a successor Trustee to fill any vacancy, the Trustees then remaining in office shall possess and may exercise all the powers of the Trustees hereunder.

Notwithstanding any vacancy or change in the Trustees, the certificate or certificates for shares of Class B Common Stock of the Company standing in the name of the Trustees may be endorsed and transferred by any Trustees or successor Trustees then acting.

(a) Each of EMILY RAUH PULITZER, MICHAEL E. PULITZER and DAVID E. MOORE (individually, "Initial Depositing Stockholder"), or his or her respective successor Trustee designated by him or her or his or her successors as Trustee, shall continue to serve as Trustee hereunder only so long as the Initial Depositing Stockholder and his or her Family (as defined below) hold Voting Trust Certificates representing 20% or more of the Class B Common Stock originally deposited by the Initial Depositing Stockholder and his or her Family hereunder. Appropriate adjustment shall be made for stock dividends, stock splits, or reverse splits of the Class B Common Stock. For purposes of this subparagraph (a), the term "Family" shall mean the persons and entities which shall have any of the following relationships to an Initial Depositing Stockholder: (i) spouse or former spouse, (ii) lineal descendant of such Initial Depositing Stockholder or of the spouse or former spouse of such Initial Depositing Stockholder, (iii) spouse or former spouse of any such lineal descendant, (iv) trust established either before or

after the date of this agreement by such Initial Depositing Stockholder or any of the foregoing, (v) trust established either before or after the date of this agreement of which any of the foregoing is a grantor and which is a Permitted Transferee or (vi) the estate of any of the foregoing persons. All references in the foregoing sentence to "spouse or former spouse" shall include a deceased spouse.

14. The Trustees may employ counsel and incur other indebtedness or expenses deemed necessary by them for the proper discharge of their duties and shall be reimbursed for any such expenses by the Voting Trust Certificate holders, and to that end shall be entitled to deduct on a pro rata basis any such indebtedness or expenses incurred by them from the dividends received by them or to which they may become entitled on Class B Common Stock of the Company deposited hereunder before paying or causing such dividends to be paid to the Voting Trust Certificate holders.

15. The Depositing Stockholders expressly agree that any Trustee may at the same time be an officer, director, consultant, agent, or employee of the Company or of any affiliated or subsidiary company, and may be or become pecuniarily interested in his personal capacity, either directly or indirectly, in any matter or transaction to which the Company or any affiliated or subsidiary company may be a party or in which it may be concerned to the same extent as though he were not a Trustee.

The Depositing Stockholders likewise expressly agree that any Trustee may, for his personal account or otherwise, either acquire from or sell to the Company, any affiliated or

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subsidiary company or any stockholder shares of stock or other securities of the Company or Voting Trust Certificates to the same extent as though he were not a Trustee.

The Depositing Stockholders likewise expressly agree that the Company or any affiliated or subsidiary company may either acquire from or sell to any Trustee, for his personal account or otherwise, shares of stock or other securities of the Company or Voting Trust Certificates to the same extent as though he were not a Trustee.

The Depositing Stockholders likewise expressly agree that any Trustee may, in his personal capacity or otherwise, become a Voting Trust Certificate holder either by depositing hereunder any certificate or certificates for shares of Class B Common Stock now or at any time hereafter owned by him or by acquiring any Voting Trust Certificate and, as such Voting Trust Certificate holder, shall be entitled to exercise all rights and options conferred upon Voting Trust Certificate holders under this agreement to the same extent as though he were not a Trustee.

The Depositing Stockholders recognize that the Trustees who are respectively the Chairman of the Board, Chief Executive Officer, Senior Vice President-Finance and Editor - St. Louis Post-Dispatch do at this time receive, and such Trustees and their successors will hereafter be entitled to receive, substantial compensation for their services as officers or employees of the Company or its subsidiaries, that David E. Moore acts as a Director of, and consultant to, the Company and is compensated for his services and that Emily Rauh Pulitzer acts as a Director of, and consultant to, the Company and is compensated for her services (the "Compensated Trustees").

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The Depositing Stockholders accordingly do expressly agree that the Compensated Trustees may continue to receive such compensation, of whatever character, as is provided by their existing contracts, if any, with the Company or its subsidiaries, with complete propriety and without disqualifying themselves to act as Trustees hereunder; and they do further expressly agree that upon the expiration of the existing contracts, if any, with the Compensated Trustees, or sooner by mutual agreement, the Company, or its subsidiaries and such Compensated Trustees, may enter into new contracts which may change or increase their compensation, because of changing circumstances and responsibilities. The Depositing Stockholders recognize that it would be unfair to limit in any way the right of the Compensated Trustees to adequate

compensation for their services to the Company or its subsidiaries. The Depositing Shareholders further recognize that, in order to carry out the purposes of this agreement, it is, or may be, necessary that the Compensated Trustees act at the same time as Trustees hereunder, as Directors of the Company, and as officers, consultants or employees of the Company or its subsidiaries; and they do agree that the qualifications or eligibility of the Compensated Trustees so to act in any of these capacities shall not be impaired by reason of the fact that they act in the other capacities also. All and singular the provisions of this paragraph shall apply with equal force to any and all successor Trustees under the provisions of Paragraph 13 hereof.

The Compensated Trustees shall not be entitled to compensation for their services as Trustees hereunder, but the successor or successors to Emily Rauh Pulitzer, Michael E. Pulitzer and David E. Moore designated as provided in the first paragraph of Paragraph 13 hereof shall be

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entitled to compensation for their services hereunder equal to the compensation paid by the Company to its outside directors for their services to the Company as directors.

16. In voting or giving directions for voting the shares of Class B Common Stock deposited hereunder or in exercising any consent with respect thereto, the Trustees will exercise their best judgment, guided by the Statement of Policy, as set forth in the preamble hereto, from time to time, to select suitable Directors of the Company to the end that the affairs of the Company shall be properly managed in the interest of its stockholders, and in voting or giving directions for voting and acting on other matters for stockholders' action the Trustees will exercise like judgment, guided by the Statement of Policy; provided, however, that the Trustees assume no responsibility in respect of such management or in respect to any action taken by them or taken in pursuance of their consent thereto, or in pursuance of their votes, and no Trustee shall incur or be under any liability as the holder of securities of the Company as Trustee, fiduciary or otherwise, by reason of any error of law or any error in the construction of this agreement or of any matter or thing done or suggested or omitted to be done in this agreement, except for his own individual malfeasance or wilful neglect.

No bond shall be required of any Trustee for the performance of his services as such.

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GENERAL PROVISIONS

17. This agreement and all covenants herein contained shall inure to the benefit of and be binding upon the parties hereto, their heirs, executors,

administrators, successors and assigns.

18. Any written notice required to be given under this agreement shall be deemed to have been given and received if deposited in the United States mail in a postpaid wrapper addressed as follows:

In case of a notice to the Trustees or to the Company, addressed to the Trustees or to the Company, as the case may be, at the office of the Company.

In case of a notice to a Voting Trust Certificate holder, addressed to such Certificate holder at his or her last address appearing on the records of the Trustees.

19. This agreement and the Voting Trust Certificates issued hereunder may be amended upon the consent in writing of the holders of sixty-six and two-thirds percent (66-2/3%) in interest of the Voting Trust Certificates then issued and outstanding under this agreement; provided, however, that no amendment which shall have the effect of extending the time for termination of this Voting Trust Agreement shall be made without the consent in writing of the holders of all the then issued and outstanding Voting Trust Certificates.

20. This agreement shall be binding upon each of the parties executing the same from the date of its execution by such party. The trust created hereunder shall be effective as of the date hereof, and this agreement and the trust created hereunder shall remain in full force and effect until the 18th day of March, 2009, but shall terminate prior to that date upon the dissolution

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of the Company. This agreement and the trust created hereunder may be terminated at any time with the consent in writing of the holders of sixty-six and two-thirds percent (66-2/3%) in interest of the Voting Trust Certificates then issued and outstanding under this agreement.

21. The invalidity or unenforceability of any term or provision of this agreement shall not affect the validity of the remainder hereof.

22. The term "Trustee" or "Trustees" wherever used herein means the trustee or trustees for the time acting, and shall include the successor trustee or trustees.

23. The Trustees hereby accept the trusts in this agreement declared and provided and agree faithfully to perform the same upon the terms and conditions hereinabove set forth.

24. All questions concerning the validity and administration of this agreement, and the trust created hereunder, shall be determined under the law of the State of Delaware.

25. This agreement may be executed by the parties herein, or any of them, in any number of counterparts, with the same force and effect as if they had all executed the same instrument.

26. The definitions herein shall apply equally to both the singular and plural forms of the terms defined. Whenever the context may require, any

pronoun shall include the corresponding masculine, feminine and neuter forms.

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POWER OF ATTORNEY

27. In order to facilitate the execution and filing with the Securities and Exchange Commission of a Schedule 13-D, including any and all amendments thereto, with respect to this Voting Trust, each of the Depositing Stockholders hereby grants to each of the Trustees and James V. Maloney the following power of attorney for the limited purposes set forth herein.

Each of the Depositing Stockholders hereby irrevocably constitutes and appoints each of the Trustees and James V. Maloney (individually, the "Attorney"), acting singly, the true and lawful agent and attorney-in-fact of the Depositing Stockholder, with full power and authority, in the Depositing Stockholder's name, place and stead, to execute and deliver, on behalf of the Depositing Stockholder at any time a Schedule 13-D, or any and all amendments thereto, with all exhibits thereto and other documents in connection therewith, as required by the securities laws, the execution and delivery by the Attorney of such Schedule 13-D or amendments thereto being conclusive evidence that such execution and delivery were authorized hereby.

It is expressly understood and intended by each of the Depositing Stockholders that the power of attorney granted in this Paragraph 27 (the "13-D Power of Attorney") is coupled with an interest, is irrevocable and shall in all respects constitute a durable power of attorney. This 13-D Power of Attorney shall survive the death or incapacity of the Depositing Stockholder, or if the Depositing Stockholder is a partnership, corporation, trust or other entity, the dissolution, liquidation or termination thereof, or the assignment of any or all of the Depositing Stockholder's Voting Trust Certificates. This 13-D Power of Attorney shall terminate upon the later to occur of (i) the last Schedule 13-D filing, including any and all amendments thereto, as required by the

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securities laws, with respect to this Voting Trust or (ii) thirty (30) days immediately following the termination of this agreement or the date the Depositing Stockholder shall cease to be a Depositing Stockholder, as the case may be.

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IN WITNESS WHEREOF, the Trustees and the Depositing Stockholders have hereunto set their hands and seals as of the day and year first above written.

TRUSTEES

/s/ Cole C. Campbell

Cole C. Campbell

/s/ David E. Moore

David E. Moore

/s/ Emily Rauh Pulitzer

Emily Rauh Pulitzer

/s/ Michael E. Pulitzer

Michael E. Pulitzer

/s/ Ronald H. Ridgway

Ronald H. Ridgway

/s/ Robert C. Woodworth

Robert C. Woodworth

<TABLE>
<CAPTION>

Depositing
Stockholders

<S>

Date of
Execution

<C>

No. of Deposited
Shares of Class
B Common Stock

<C>

Emily Rauh Pulitzer,
James V. Maloney and William
Bush, Successor Trustees of
Marital Trust A U/T Joseph
Pulitzer, Jr. dtd 6/12/74,
as amended 10/20/92

By: /s/ Emily Rauh Pulitzer March 18, 1999

Emily Rauh Pulitzer, Trustee

By: /s/ James V. Maloney March 18, 1999

James V. Maloney, Trustee

By: /s/ William Bush March 18, 1999

William Bush, Trustee

Emily Rauh Pulitzer,
James V. Maloney and William
Bush, Successor Trustees of
Marital Trust B U/T Joseph
Pulitzer, Jr. dtd 6/12/74,
as amended 10/20/92

By: /s/ Emily Rauh Pulitzer March 18, 1999

Emily Rauh Pulitzer, Trustee

By: /s/ James V. Maloney March 18, 1999

James V. Maloney, Trustee

By: /s/ William Bush March 18, 1999

William Bush, Trustee

</TABLE>

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Depositing
Stockholders

Date of
Execution

No. of Deposited
Shares of Class
B Common Stock

<S>

<C>

<C>

/s/ Emily Rauh Pulitzer March 18, 1999

Emily Rauh Pulitzer

Emily Rauh Pulitzer, as Trustee
of the Pulitzer Family Trust

By: /s/ Emily Rauh Pulitzer March 18, 1999

Emily Rauh Pulitzer

/s/ David E. Moore

March 18, 1999

David E. Moore

David E Moore, Tr. David E. Moore
1998 Grantor Annuity Trust
dtd 2/5/98

By: /s/ David E. Moore

March 18, 1999

David E. Moore, Trustee

Katherine C. Moore

Richard W. Moore

Barbara F. Moore

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Depositing
Stockholders

Date of
Execution

No. of Deposited
Shares of Class
B Common Stock

<S>

<C>

<C>

David E. Moore, Jr

Timothy P. Moore

Deborah Moore

Kate C. Moore

Alexander F. Moore

Meredith C. Moore

Michael E. Pulitzer, Tr.
U/A dtd 3/22/82 F/B/O
Michael E. Pulitzer

By: /s/ Michael E. Pulitzer

Michael E. Pulitzer, Trustee

March 18, 1999

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34
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Depositing Stockholders -----	Date of Execution -----	No. of Deposited Shares of Class B Common Stock -----
<S>	<C>	<C>
Richard A. Palmer, as Trustee U/A dtd 8/16/83 F/B/O Michael E. Pulitzer		
By: /s/ Richard A. Palmer ----- Richard A. Palmer, Trustee	March 18, 1999	-----

The Ceil and Michael E.
Pulitzer Foundation, Inc.

By: /s/ Michael E. Pulitzer

Michael E. Pulitzer, President

March 18, 1999

Cecille Stell Pulitzer, Trustee U/I
Cecille Stell Pulitzer dtd 7/19/91

By:

Cecille Stell Pulitzer, Trustee

Michael E. Pulitzer, Jr.

Ramelle C. Pulitzer

Robert Stair Pulitzer

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Depositing
Stockholders

Date of
Execution

No. of Deposited
Shares of Class
B Common Stock

<S>

<C>

<C>

Elizabeth E. Pulitzer Voges

Christina H. Eisenbeis

Mark C. Eisenbeis, Trustee of the
Mark Eisenbeis Trust dtd 7/19/91

By:

Mark C. Eisenbeis, Trustee

Catherine Dory Culver

Joseph Pulitzer IV

William Bush and Richard A.
Palmer, as Trustees U/I
dtd 11/3/87 F/B/O Bianca
Pulitzer

By: /s/ William Bush

William Bush, Trustee

March 18, 1999

By: /s/ Richard A. Palmer

Richard A. Palmer, Trustee

March 18, 1999

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Depositing Stockholders -----	Date of Execution -----	No. of Deposited Shares of Class B Common Stock -----
<S>	<C>	<C>
James V. Maloney and William Bush, Trustee Bianca Pulitzer 1998 Family Trust U/I dtd 2/9/98		
By: /s/ James V. Maloney ----- James V. Maloney	March 18, 1999	-----
By: /s/ William Bush ----- William Bush, Trustee	March 18, 1999	-----

William Bush and Richard A.
Palmer, as Trustees U/I
dtd 11/3/87 F/B/O Elinor
Pulitzer

By: /s/ William Bush March 18, 1999

William Bush, Trustee

By: /s/ Richard A. Palmer March 18, 1999

Richard A. Palmer, Trustee

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37
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Depositing Stockholders ----- <S>	Date of Execution ----- <C>	No. of Deposited Shares of Class B Common Stock ----- <C>
William Bush and Richard A. Palmer, as Trustees U/I dtd 11/3/87 F/B/O Elkhanah Pulitzer		

By: /s/ William Bush March 18, 1999

William Bush, Trustee

By: /s/ Richard A. Palmer March 18, 1999

Richard A. Palmer, Trustee

James V. Maloney and William
Bush, Trustee Elkhana Pulitzer
1998 Family Trust U/I dtd
2/9/98

By: /s/ James V. Maloney March 18, 1999

James V. Maloney

By: /s/ William Bush March 18, 1999

William Bush, Trustee

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Depositing Stockholders -----	Date of Execution -----	No. of Deposited Shares of Class B Common Stock -----
<S>	<C>	<C>
William Bush and Richard A. Palmer, as Trustees U/I dtd 11/3/87 F/B/O Joseph Pulitzer V	March 18, 1999	-----
By: /s/ William Bush ----- William Bush, Trustee		
By: /s/ Richard A. Palmer ----- Richard A. Palmer, Trustee	March 18, 1999	
William Bush and Richard A. Palmer, as Trustees U/I dtd 10/19/90 F/B/O Clarissa Reed Dore Golding	March 18, 1999	
By: /s/ William Bush ----- William Bush, Trustee		
By: /s/ Richard A. Palmer ----- Richard A. Palmer, Trustee	March 18, 1999	

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No. of Deposited

Depositing
Stockholders

<S>

Date of
Execution

<C>

Shares of Class
B Common Stock

<C>

William Bush and Richard A.
Palmer, as Trustees U/I
dtd 3/12/96 F/B/O
Harrison Stell Golding

By: /s/ William Bush

William Bush, Trustee

March 18, 1999

By: /s/ Richard A. Palmer

Richard A. Palmer, Trustee

March 18, 1999

William Bush and Richard A.
Palmer, as Trustees U/I
dtd 1/14/88 F/B/O Michael
E. Pulitzer III

By: /s/ William Bush

William Bush, Trustee

March 18, 1999

By: /s/ Richard A. Palmer

Richard A. Palmer, Trustee

March 18, 1999

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Depositing
Stockholders

<S>

Date of
Execution

<C>

No. of Deposited
Shares of Class
B Common Stock

<C>

William Bush and Richard A.
Palmer, as Trustees U/I
dtd 1/14/88 F/B/O Philip
Sherwood Pulitzer

By: /s/ William Bush

March 18, 1999

William Bush, Trustee

By: /s/ Richard A. Palmer

March 18, 1999

Richard A. Palmer, Trustee

William Bush and Richard A.
Palmer, as Trustees U/I
dtd 1/14/88 F/B/O Samuel
Pulitzer

By: /s/ William Bush

March 18, 1999

William Bush, Trustee

By: /s/ Richard A. Palmer

March 18, 1999

Richard A. Palmer, Trustee

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Depositing
Stockholders

Date of
Execution

No. of Deposited
Shares of Class
B Common Stock

<S>

<C>

<C>

William Bush and Richard A.
Palmer, as Trustees U/I
dtd 1/14/88 F/B/O Sarah
G. Pulitzer

By: /s/ William Bush

March 18, 1999

William Bush, Trustee

By: /s/ Richard A. Palmer

March 18, 1999

Richard A. Palmer, Trustee

William Bush and Richard A. Palmer
as Trustees U/I
dtd 1/14/88 F/B/O

By: /s/ William Bush March 18, 1999

William Bush, Trustee

By: /s/ Richard A. Palmer March 18, 1999

Richard A. Palmer, Trustee

</TABLE>

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<CAPTION>

Depositing Stockholders -----	Date of Execution -----	No. of Deposited Shares of Class B Common Stock -----
<S>	<C>	<C>
William Bush and Richard A. Palmer, as Trustees U/I dtd 10/21/93 F/B/O Grayson Carrol Voges		

By: /s/ William Bush March 18, 1999

William Bush, Trustee

By: /s/ Richard A. Palmer March 18, 1999

Richard A. Palmer, Trustee

William Bush and Richard A.
Palmer, as Trustees U/I
dtd 5/4/90 F/B/O Shelton
Campbell Voges III

By: /s/ William Bush March 18, 1999

William Bush, Trustee

By: /s/ Richard A. Palmer March 18, 1999

Richard A. Palmer, Trustee

Ramelle C. Pulitzer, as Custodian
for Theodosia C. Pulitzer Under
the NC Uniform Transfers to Minors Act

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Depositing Stockholders -----	Date of Execution -----	No. of Deposited Shares of Class B Common Stock -----
<S>	<C>	<C>

Ramelle C. Pulitzer, as Custodian
for Phillip S. Pulitzer Under
the NC Uniform Transfers to Minors Act

Ramelle C. Pulitzer, as Custodian
for Michael E. Pulitzer, III Under
the NC Uniform Transfers to Minors Act

Richard W. Moore, as Custodian
for Anne L. Moore Under
the New York Uniform Transfers to Minors Act

Barbara F. Moore as Custodian
for Anne L. Moore Under
the New York Uniform Transfers to Minors Act

David E. Moore, Jr., as Custodian
for Alida Livingston Moore Under
the Unified Gifts to Minors Act of Minnesota

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Depositing Stockholders ----- <S>	Date of Execution ----- <C>	No. of Deposited Shares of Class B Common Stock ----- <C>
----- David E. Moore, Jr., as Custodian for Clement Clarke Moore Under the Unified Gifts to Minors Act of Minnesota	-----	-----
----- Timothy P. Moore, as Custodian for Elisabeth W. Moore Under the Unified Gifts to Minors Minors Act of Massachusetts	-----	-----
----- Deborah W. Moore, as Custodian for Elizabeth W. Moore Under the Unified Gifts to Minors Minors Act of Massachusetts	-----	-----
----- Timothy P. Moore, as Custodian for Zachary P. Moore Under the Unified Gifts to Minors Minors Act of Massachusetts	-----	-----
----- Deborah W. Moore, as Custodian for Zachary P. Moore Under the Unified Gifts to Minors Minors Act of Massachusetts	-----	-----

EXHIBIT A

A "Withdrawal Request" as referred to in subparagraph (a) (3)A. of Paragraph 2 of the Voting Trust Agreement, shall be in the following form:

WITHDRAWAL REQUEST

Dated _____, _____

To Trustees
Under Voting
Trust Agreement
Dated as of March 18, 1999
("Voting Trust Agreement")
c/o Pulitzer Inc.
900 North Tucker Boulevard
St. Louis, Missouri 63101

The undersigned hereby requests the withdrawal of _____ shares of Common Stock of Pulitzer Inc. (the "Company"), into which is convertible all or part of the shares of Class B Common Stock of the Company represented by the enclosed Voting Trust Certificate(s) No(s). _____ registered in the undersigned's name, which shares of Common Stock the undersigned has sold in accordance with the provisions of subparagraph (a) (1)A. of Paragraph 2 of the Voting Trust Agreement.

You are authorized and directed by the undersigned to convert into the above number of shares of Common Stock the requisite number of shares of Class B Common Stock represented by the enclosed Voting Trust Certificate(s), it being understood by the undersigned that, under the Company's Restated Certificate of Incorporation, Common Stock may not thereafter be reconverted into Class B Common Stock of the Company.

The undersigned hereby represents and warrants to, and agrees with, you, the Company and First Chicago Trust Company of New York, as the Transfer Agent for the Common Stock, that: (i) the sale of the shares of Common Stock referred to in the first paragraph hereof is being made in compliance with subparagraph (a) (1)A. of Paragraph 2 of the Voting Trust Agreement; (ii) the closing of such sale will be held on _____, _____ and further information concerning the time and place of such closing, as well as the denominations and registrations of certificates to be delivered thereat in accordance with subparagraph (a) (3)A. of Paragraph 2 of the Voting Trust Agreement, will be delivered to the Company, BNY Trust Company of Missouri ("the Depositary") and the Transfer Agent not less than 48 hours prior to such closing date; (iii) all conditions

in Paragraph 2 of the Voting Trust Agreement as to the withdrawal of the shares of Common Stock requested hereby, to be satisfied by the undersigned, have been, or will, prior to such closing, be, satisfied, and all procedures set forth therein, to be complied with by the undersigned, have been, or prior to such closing will be, complied with; and (iv) any additional documents, opinions of legal counsel, or other materials reasonably required of the undersigned by you, the Company, the Depositary or the Transfer Agent in connection with the matters that are the subject of this Withdrawal Request will be furnished by the undersigned at or in advance of the closing.

[Name]

cc: (1) Pulitzer Inc.
(2) Depositary
(3) Transfer Agent

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EXHIBIT A-I

A "Withdrawal Request" as referred to in subparagraph (a)(3)B. of Paragraph 2 of the Voting Trust Agreement, shall be in the following form:

WITHDRAWAL REQUEST

_____, 1999

To Trustees
Under Voting
Trust Agreement
Dated as of March 18, 1999
("Voting Trust Agreement")
c/o Pulitzer Inc.
900 North Tucker Boulevard
St. Louis, Missouri 63101

The undersigned hereby requests the withdrawal of _____ shares of Common Stock of Pulitzer Inc. (the "Company"), into which is convertible all or part of the shares of Class B Common Stock of the Company represented by the enclosed Voting Trust Certificate(s) No(s). _____ registered in the undersigned's name, which shares of Common Stock the undersigned is transferring in accordance with the provisions of subparagraph (a)(1)B. of Paragraph 2 of the Voting Trust Agreement.

You are authorized and directed by the undersigned to convert into the above number of shares of Common Stock the requisite number of shares of Class B Common Stock represented by the enclosed Voting Trust Certificate(s), it being understood by the undersigned that, under the Company's Restated Certificate of Incorporation, Common Stock may not thereafter be reconverted into Class B Common Stock of the Company.

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The undersigned hereby represents and warrants to, and agrees with, you, the Company and First Chicago Trust Company of New York, as the Transfer Agent for the Common Stock, that: (i) the transfer of the shares of Common Stock referred to in the first paragraph hereof is being made in compliance with subparagraph (a)(1)B. of Paragraph 2 of the Voting Trust Agreement; (ii) such transfer is expected to occur on _____ and further information concerning such transfer, as well as the denominations and registrations of certificates to be transferred in accordance with subparagraph (a)(3)B. of Paragraph 2 of the Voting Trust Agreement, will be delivered to the Company, BNY Trust Company of Missouri (the "Depository") and the Transfer Agent not less than 48 hours prior to such date; (iii) all conditions in Paragraph 2 of the Voting Trust Agreement as to the withdrawal of the shares of Common Stock requested hereby, to be satisfied by the undersigned, have been, or will, prior to such transfer, be, satisfied, and all procedures set forth therein, to be complied with by the undersigned, have been, or prior to such transfer will be complied with; and (iv) any additional documents, opinions of legal counsel, or other materials reasonably required of the undersigned by you, the Company, the Depository or the Transfer Agent in connection with the matters that are the subject of this Withdrawal Request will be furnished by the undersigned at or in advance of the transfer.

Name

cc: (1) Pulitzer Inc.
(2) Depository
(3) Transfer Agent

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EXHIBIT B

INSTRUCTION REQUEST

Dated _____, _____

To Trustees
Under Voting
Trust Agreement
Dated as of March 18, 1999
("Voting Trust Agreement")
c/o Pulitzer Inc.
900 North Tucker Boulevard
St. Louis, Missouri 63101

The undersigned hereby requests that the stock certificates representing the _____ shares of Common Stock, \$.01 par value, of Pulitzer Inc., being withdrawn from the provisions of the Voting Trust Agreement pursuant to subparagraph (a)(1)(A). of Paragraph 2 thereof, under a Withdrawal Request dated _____ and duly executed and delivered to the Trustees by the undersigned, be issued and registered in the following names and denominations.

Names

Denominations

Name

cc: (1) Pulitzer Inc.
(2) Depository
(3) Transfer Agent

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EXHIBIT B-I

INSTRUCTION REQUEST

Dated _____, _____

To Trustees
Under Voting
Trust Agreement
Dated as of March 18, 1999
("Voting Trust Agreement")
c/o Pulitzer Inc.
900 North Tucker Boulevard
St. Louis, Missouri 63101

The undersigned hereby requests that the stock certificates representing the shares of Common Stock, \$.01 par value, of Pulitzer Inc., being withdrawn from the provisions of the Voting Trust Agreement pursuant to subparagraph (a)(1)B. of Paragraph 2 thereof, under a Withdrawal Request dated _____ and duly executed and delivered to the Trustees by the undersigned, be issued and registered in the following names and denominations.

Names

Denominations

Name

cc: (1) Pulitzer Inc.
(2) Depositary
(3) Transfer Agent

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EXHIBIT B-II

INSTRUCTION REQUEST

Dated _____, _____

To Trustees
Under Voting
Trust Agreement
Dated as of March 18, 1999
("Voting Trust Agreement")
c/o Pulitzer Inc.
900 North Tucker Boulevard
St. Louis, Missouri 63101

The undersigned hereby requests that the stock certificates representing the shares of Common Stock, \$.01 par value, of Pulitzer Inc., being withdrawn from the provisions of the Voting Trust Agreement pursuant to subparagraph (b) of Paragraph 2 thereof, under a Withdrawal Request dated _____ and duly executed and delivered to the Trustees by the undersigned, be issued and registered in the following names and denominations.

Names

Denominations

Name

cc: (1) Pulitzer Inc.
(2) Depositary
(3) Transfer Agent

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EXHIBIT C

A "Withdrawal Request" as referred to in subparagraph (b) of Paragraph 2 of the Voting Trust Agreement, shall be in the following form:

WITHDRAWAL REQUEST

Dated _____, _____

To Trustees
Under Voting
Trust Agreement
Dated as of March 18, 1999
("Voting Trust Agreement")
c/o Pulitzer Inc.
900 North Tucker Boulevard
St. Louis, Missouri 63101

The undersigned hereby requests the withdrawal of _____ shares of Common Stock of Pulitzer Inc. (the "Company"), into which is convertible all or part of the shares of Class B Common Stock of the Company represented by the enclosed Voting Trust Certificate(s) No(s). _____ registered in the undersigned's name, which shares of Common Stock the undersigned has withdrawn in accordance with the provisions of subparagraph (b) of Paragraph 2 of the Voting Trust Agreement.

You are authorized and directed by the undersigned to convert into the above number of shares of Common Stock the requisite number of shares of Class B Common Stock represented by the enclosed Voting Trust Certificate(s), it being understood by the undersigned that, under the Company's Restated Certificate of Incorporation, Common Stock may not thereafter be reconverted into Class B Common Stock of the Company.

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The undersigned hereby represents and warrants to, and agrees with you, the Company and First Chicago Trust Company of New York, as the Transfer Agent for the Common Stock, that: (i) the number of shares to be withdrawn in accordance with subparagraph (b) of Paragraph 2 of the Voting Trust Agreement (a "Paragraph 2(b) Withdrawal"), when aggregated with all other previous Paragraph 2(b) Withdrawals by the undersigned, does not exceed the limitation on the number of shares of Common Stock which may be withdrawn pursuant thereto; (ii) all conditions in Paragraph 2 of the Voting Trust Agreement as to the withdrawal of the shares of Common Stock requested hereby, to be satisfied by the undersigned, have been, or will, prior to such withdrawal, be, satisfied, and all procedures set forth therein, to be complied with by the undersigned, have been, or prior to such withdrawal will be, complied with; and (iii) any additional documents, opinions of legal counsel, or other materials reasonably required of the undersigned by you, the Company, BNY Trust Company of Missouri, as Depositary, or the Transfer Agent in connection with the matters that are the subject of this Withdrawal Request will be furnished by the undersigned at or in advance of the withdrawal.

[Name]

cc: (1) Pulitzer Inc.
(2) Depositary
(3) Transfer Agent

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EXHIBIT D

GENERAL PLEDGE AGREEMENT

As collateral security for the payment of all indebtedness, obligations or liabilities of the undersigned to ("Bank"), under the dated the date hereof (the "Loan Agreement") between the undersigned and Bank and for the payment of the Promissory Note ("Note") executed by the undersigned pursuant thereto (collectively called "liabilities"), the undersigned hereby pledges and delivers and/or gives to Bank a general lien upon and/or right of set-off as to the following: all the securities, hereinafter set forth and described in the Collateral Schedule (as defined herein), together with all stock splits, stock dividends or other distributions of stock or other securities thereon (collectively the "collateral security"). Any reference herein to the Collateral Schedule shall mean and be deemed to include the Collateral Schedule executed by the undersigned and delivered to Bank concurrently herewith and any additional or superseding Collateral Schedule executed and delivered by the undersigned in favor of and to Bank, provided Bank shall have delivered a copy thereof to the Voting Trustees under the Voting Trust Agreement referred to below by delivery to the individual(s) designated to receive notice on behalf of the Voting Trustees pursuant to Paragraph 2(e) of the Voting Trust Agreement.

If at any time any collateral security shall become unsatisfactory to Bank by reason of decline in value thereof in the opinion of Bank, or for any other reason, the Bank may demand at any time or from time to time the pledge and deposit with Bank of such additional collateral security, or such payment on account, as will be satisfactory to Bank in accordance with the Loan Agreement.

Subject to the provisions of the Power of Attorney granted by the undersigned to Bank on the date thereof (the "Power of Attorney") and the provisions of Paragraphs 2 and 5 of the Voting Trust Agreement referred to therein (the "Voting Trust Agreement"), upon the occurrence of an Event of Default under the Loan Agreement, Bank may (1) appropriate and apply toward the payment and discharge of any such liability, moneys on deposit or otherwise held by Bank for the account of, to the credit of, or belonging to the undersigned, (2) sell or cause to be sold any collateral security, and (3) exercise any or all the rights and remedies of a secured party under the Uniform Commercial Code of the State of (the "Code"). Any sale of collateral may be made without demand of performance and any requirement of the Code for reasonable notice to the undersigned shall be met if such notice is mailed, postage prepaid, to the undersigned at his address as it appears herein or as last shown on the records of Bank at least five business days before the time of sale, disposition or other event, giving rise to the notice. The undersigned agrees it shall be reasonable for the Bank to sell the collateral security on credit for present or future delivery without any assumption of any credit risk. In case of a public sale, notice published by Bank for ten days in a newspaper of general circulation in the city of shall be sufficient. The proceeds of any sale, or sales, of collateral security shall be applied by Bank in the following order: (1) to expenses, including expense for any legal services, arising from the enforcement of any of the

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provisions hereof, or of any of the liabilities, or of any actual or attempted sale; (2) to the payment of or the reduction of any liability of any of the undersigned to Bank with the right of Bank to distribute or allocate such proceeds as Bank shall elect, and its determination with respect to such allocation shall be conclusive, however making proper rebate of interest or discount in case of allocation to any item not due; (3) to the payment of any surplus remaining after payment of the amounts mentioned, to the undersigned or to whomsoever may be lawfully entitled thereto. If any deficiency arises upon any such sale or sales, the undersigned agrees to pay the amount of such deficiency promptly upon demand with legal interest. Notwithstanding that Bank

may continue to hold the collateral security and regardless of the value thereof, the undersigned shall be and remain liable for the payment in full of principal and interest of any balance of the liabilities and expenses any time unpaid.

Subject to compliance with the provisions of the Loan Agreement, the Power of Attorney and Paragraphs 2 and 5 of the Voting Trust Agreement (including, without limitation, restrictions on the ability to sell or transfer the Voting Trust Certificate described in the Collateral Schedule, the shares of Class B Common Stock represented thereby, or the shares of Common Stock into which the Class B Common Stock may be converted), at any time, whether prior to or after default in the payment of any liability of the undersigned to Bank, Bank may at its option, but shall not be obligated to, (1) have transferred to or registered in the name of Bank or its nominee or nominees, any collateral security and thereafter exercise all rights with respect thereto as the absolute owner thereof, without notice or liability to the undersigned, except to account for money or property actually received by Bank; provided, however, that Bank may treat all cash proceeds as additional collateral and such proceeds need not be applied to the reduction of the liability of the undersigned unless Bank so elects; (2) in Bank's name, or in the name of the undersigned, demand, sue for, collect, and receive money, securities or other property which may at any time be payable or receivable on account of or in exchange for any collateral security, or make any compromise or settlement that Bank considers desirable with respect thereto or renew or extend the time of payment or otherwise modify the terms of any obligation included in the collateral security; provided, however, it is expressly agreed that the Bank shall not be obligated to take any step to preserve rights against prior parties on any of the collateral, and that reasonable care of the collateral shall not include the taking of any such step; (3) foreclose the lien of any security interest included in the collateral security and become the purchaser of any property constituting the security without thereby affecting any liability of the undersigned to Bank; (4) transfer any liability and any security therefor of the undersigned, Bank being thereafter fully discharged from every claim and responsibility with respect to any such collateral security so transferred; and (5) surrender or deliver, without further liability on the part of the Bank to account therefor, all or any part of the collateral security to or upon the written order of the undersigned, permit substitutions therefor or additions thereto, and accept the receipt of the undersigned for any collateral security, or proceeds thereof, which receipt shall be a full and complete discharge of Bank as to the undersigned with respect to the collateral so delivered and proceeds so paid.

As additional security, the undersigned agrees that: (i) he will execute and deliver to Bank a Power of Attorney, substantially in the form of Schedule 1 hereto which empowers Bank, upon the occurrence of the circumstances set forth therein, to execute in undersigned's name the

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Withdrawal Request (the "Withdrawal Request") and the Instruction Request (the "Instruction Request"), substantially in the form of Exhibits A and B, respectively, to the Voting Trust Agreement; (ii) he will execute such other documents and deliver such additional instructions as may be reasonably requested by Bank in order to implement the foregoing; (iii) he will not tender any other Withdrawal Request without the prior written consent of Bank until all obligations and liabilities to the Bank shall have been repaid and this Agreement terminated; and (iv) he will not request from the Voting Trustees under the Voting Trust Agreement that they issue to him a duplicate Voting Trust Certificate in respect of any Voting Trust Certificate held by Bank hereunder until the obligations and liabilities under the Note shall have been repaid and satisfied and this Agreement terminated.

Subject to the provisions of the Loan Agreement, the Power of Attorney and

Paragraphs 2 and 5 of the Voting Trust Agreement, the rights and powers of Bank under this Agreement (1) are cumulative and do not exclude any other right which Bank may have independent of this Agreement; and (2) may be exercised or not exercised at the discretion of Bank (i) without regard to any rights of the undersigned, (ii) without forfeiture or waiver because of any delay in the exercising thereof, (iii) without imposing any liability on Bank for so exercising or failing to exercise, and (iv) in the event of a single or partial exercise thereof, without precluding further exercise thereof.

No delay or omission on the part of the Bank in exercising any right hereunder shall operate as a waiver of such right or of any other right hereunder and no waiver shall be construed as a bar to or waiver of any right or remedy in the future.

Rights and powers of Bank under this Agreement shall inure to the benefit of its successors and assigns and any assignee of any liability secured hereby. Any liability of any of the undersigned hereunder shall be binding upon the heirs, legal representatives, successors and assigns of such undersigned.

Revocation or termination of this Agreement, whether by operation of law or otherwise, shall be effective only when written notice thereof shall have been received by Bank, but no such revocation or termination shall affect or impair the pledge of collateral security or the lien thereby created as to any liability secured hereby at the time of receipt by Bank of such notice.

Address _____ Pledgor

Date: _____, _____

SCHEDULE 1 TO
GENERAL PLEDGE AGREEMENT

IRREVOCABLE POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS: That the undersigned, _____, does hereby make, constitute and appoint _____ ("Bank") or its designee as his true and lawful agent and attorney-in-fact, for and in the name, place and stead of the undersigned upon the occurrence of an Event of Default under the _____ Agreement entered into as of the date hereof between Bank and the undersigned (the "Loan Agreement"):

1. To sell all, or part of, the undersigned's interest in the shares of Class B Common Stock of Pulitzer Inc. (the "Company") represented by Voting Trust Certificate No. VT _____ to a Permitted Transferee (as that term is defined in the Company's Restated Certificate of Incorporation).

2. To complete and execute the Withdrawal Request and Instruction Request, attached as Exhibits A and B, respectively, to the Voting Trust Agreement dated as of March 18, 1999 by and among certain stockholders of the Company and the Trustees named therein (the "Voting Trust Agreement"), with such date and sale

closing date, in the case of the Withdrawal Request, and such number of shares, in the case of the Instruction Request, as Bank deems appropriate; to execute and deliver said Withdrawal Request and Instruction Request in accordance with the provisions of Paragraph 2 of the Voting Trust Agreement; and to withdraw pursuant to such Withdrawal Request, from the Voting Trust created by the Voting Trust Agreement, such number of shares of Common Stock of the Company into which the shares of Class B Common Stock then represented by Voting Trust Certificate No. VT _____ may be converted, subsequent to such conversion as provided in the Voting Trust Agreement and said Withdrawal Request and Instruction Request, as shall be necessary, as determined by Bank in its sole discretion, to satisfy the obligations of the undersigned to Bank under the Loan Agreement and the General Pledge Agreement entered into on the date hereof between Bank and the undersigned;

3. To sell such shares of Common Stock of the Company in accordance with the provisions of Paragraphs 2 and 5 of the Voting Trust Agreement; and

4. To comply otherwise with the provisions of the Voting Trust Agreement, Withdrawal Request and Instruction Request in order to effect the transactions contemplated hereby of behalf of the undersigned for the benefit of Bank.

In consideration for and in reliance upon the powers granted by the undersigned, Bank has entered into the Loan Agreement with the undersigned. The powers hereby conferred are coupled with an interest and shall continue in full force and effect and be binding upon the

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undersigned and his heirs, assigns and legal representatives, and shall not be revoked by the undersigned until the undersigned has fulfilled all his obligations under the Loan Agreement, or any renewal, extension, amendment, restatement or modification thereof, and the Loan Agreement, or any renewal, extension, amendment, restatement or modification thereof, is cancelled.

This irrevocable power of attorney shall not be affected by the subsequent disability or incapacity of the undersigned and shall in all respects constitute a durable power of attorney.

Executed this _____ day of _____, _____.

ACKNOWLEDGEMENT

STATE OF)
)SS.
COUNTY OF)

On this _____ day of _____, _____, before me personally appeared _____ known to me to be the person who executed the foregoing Irrevocable Power of Attorney and said _____ acknowledged to me that he executed the same as his free act and deed.

ACKNOWLEDGEMENT

The undersigned, on behalf of all the Voting Trustees ("Trustees"), under that certain Voting Trust Agreement dated as of March 18, 1999 ("Voting Trust Agreement"), hereby acknowledges the pledge of Voting Trust Certificate No. VT by ("Borrower") to ("Bank") pursuant to the General Pledge Agreement dated , ("Pledge Agreement") in connection with the dated , between Borrower and Bank (the "Loan Agreement").

The undersigned, on behalf of all the Trustees, further acknowledges Bank's rights under the Power of Attorney dated , granted by Borrower to Bank (the "Power of Attorney"), attached as Schedule 1 to the Pledge Agreement.

Notwithstanding any provision contained in the Voting Trust Agreement to the contrary, until such time as the Loan Agreement is terminated, the Note referred to therein is paid, and the Trustees have confirmed such facts with the Bank, the undersigned, on behalf of all the Trustees, agrees that:

- (i) the Trustees and the Trust established under the Voting Trust Agreement (the "Trust") shall not honor any Withdrawal Request with respect to the shares of Class B Common Stock evidenced by Voting Trust Certificate No. VT issued under the Trust or any shares of Common Stock issuable upon conversion thereof, other than those Withdrawal Requests and Instruction Requests executed by Bank pursuant to the Power of Attorney;
- (ii) the Trustees and the Trust shall not issue a new Voting Trust Certificate or replacement Voting Trust Certificate with respect to the shares evidenced by Voting Trust Certificate No. VT except at the request and direction of Bank as pledgee of Voting Trust Certificate No. VT ;
- (iii) in the event any provision (including any amendment), or the termination, of the Voting Trust Agreement, whether by expiration of time, affirmative vote of the beneficiaries of the Trust or otherwise, necessitates a distribution of shares, warrants, options or other securities of the Company, or any successor

or affiliated entity of the Company, all those securities which are to be distributed with respect to Voting Trust Certificate No. VT _____ shall be delivered to Bank as pledgee of Voting Trust Certificate No. VT _____; and

(iv) the Trustees and the Trust shall otherwise honor Bank's rights and powers under and in accordance with the Power of Attorney and the Pledge Agreement.

As Attorney-In-Fact for the Voting Trustees

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EXHIBIT F

VOTING TRUST CERTIFICATE

No. _____ Shares of Class B
Common Stock

PULITZER INC.

Incorporated under the Laws of the State of Delaware

THIS IS TO CERTIFY THAT, subject to the provisions hereof and of the Voting Trust Agreement hereinafter mentioned, on the surrender hereof, properly endorsed, _____, will be entitled to receive on the 18th day of March, 2009, or on the earlier termination of the Voting Trust Agreement, as therein provided, a certificate or certificates, expressed to be fully-paid and non-assessable, for _____ shares of Class B Common Stock, represented by this Certificate, of Pulitzer Inc. (hereinafter called the "Company"), a corporation organized and existing under the laws of the State of Delaware, or its successor, and in the event of a withdrawal of Common Stock pursuant to a Withdrawal Request as contemplated by Paragraph 2 of the Voting Trust Agreement, will be entitled to receive a certificate or certificates for the Common Stock so withdrawn under the terms and conditions set forth in such Paragraph 2, and in the meantime, subject to the provisions of the Voting Trust Agreement, is entitled to receive payments equal and of like character to the dividends, if any, received by the Trustees upon the number of shares of Class B Common Stock held by the Trustees for the Depositing Stockholder, less such charges and expenses as are authorized by the Voting Trust Agreement to be deducted therefrom and less any income or other taxes required by law to be deducted therefrom; provided, however, such

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dividends, if received by the Trustees in Class B Common Stock, shall be payable in Voting Trust Certificates for such stock. If the Trustees shall exercise on behalf of any holder of Voting Trust Certificates any right to subscribe to Class B Common Stock, in accordance with the provisions of the Voting Trust Agreement, the Trustees shall issue Voting Trust Certificates in respect thereof.

Until actual delivery of the stock certificates called for hereby following the termination of the Voting Trust Agreement (or in the case of Common Stock properly withdrawn pursuant to a Withdrawal Request until actual delivery of the stock certificates for such withdrawn Common Stock), the Trustees, upon the terms and subject to the provisions stated in the Voting Trust Agreement, shall possess and shall be entitled to exercise all rights and

powers of the owners of such Class B Common Stock to vote for every purpose and to consent to any and all corporate acts of the Company, except as such right is expressly limited by the terms of the Voting Trust Agreement; it being expressly stipulated that except as expressly provided in the Voting Trust Agreement, no right to vote such Class B Common Stock and no right to consent or be consulted in respect of such Class B Common Stock is created or passes to any holder hereof by or under this Certificate or by or under any agreement express or implied.

This Certificate is issued under and pursuant to, and the rights of each successive holder hereof are subject to and limited by, the terms and provisions of a certain Voting Trust Agreement, dated as of the 18th day of March, 1999, between certain owners of Class B Common Stock of the Company and Cole C. Campbell, David E. Moore, Emily Rauh Pulitzer, Michael E. Pulitzer, Ronald H. Ridgway, and Robert C. Woodworth, as Trustees (herein referred to, and as it may be amended from time to time, the "Voting Trust Agreement"), one copy of which is on file at

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the principal office of the Company at St. Louis, Missouri and one copy of which is on file in the registered office of the Company in the State of Delaware. Each holder of this Certificate by the acceptance hereof assents and agrees to be bound by all the provisions of the Voting Trust Agreement.

This Certificate is not transferable whether by sale, assignment, gift, bequest, appointment or otherwise by the holder of record hereof except to a Permitted Transferee (as that term is defined in the Company's Restated Certificate of Incorporation) of the Company's Class B Common Stock, subject to such regulations as may be established by the Trustees for that purpose, upon surrender hereof at the office of the Trustees, properly endorsed for transfer, and the Trustees may treat the holder of record hereof as the owner of this Certificate for all purposes. Every transferee of this Certificate shall by the acceptance hereof become a party to the Voting Trust Agreement with like force and effect as though an original party thereto and shall be embraced within the meaning of the term "Depositing Stockholders" wherever used therein.

Notwithstanding anything to the contrary set forth herein, this Certificate may be pledged in accordance with, and subject to the limitations of, the terms of the Voting Trust Agreement.

As a condition of making or permitting any transfer or delivery of stock certificates or Voting Trust Certificates, the Trustees may require the payment of a sum sufficient to pay or reimburse them for any stamp tax or other governmental charge in connection therewith, or any other charges applicable to such transfer or delivery.

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The Voting Trust Agreement and this Certificate may be amended at any time and from time to time in the manner therein provided by the Trustees with the consent in writing of the holders of sixty-six and two-thirds percent (66-2/3%) in interest of the then issued and outstanding Voting Trust Certificates; provided, however, that no amendment which shall have the effect of extending

the time for termination of the Voting Trust Agreement shall be made without the consent in writing of the holders of all of the then issued and outstanding Voting Trust Certificates. The Voting Trust Agreement and the trust created thereunder shall terminate upon the dissolution of the Company and may be terminated at any time with the consent in writing of the holders of sixty-six and two-thirds percent (66-2/3%) in interest of the then issued and outstanding Voting Trust Certificates.

IN WITNESS WHEREOF, the Trustees have caused this Certificate to be signed on their behalf by one of their number and countersigned by their duly authorized Agent.

Dated: _____

COLE C. CAMPBELL
DAVID E. MOORE
EMILY RAUH PULITZER
MICHAEL E. PULITZER
RONALD H. RIDGWAY
ROBERT C. WOODWORTH

COUNTERSIGNED:
BNY TRUST COMPANY OF MISSOURI
Agent

By: _____
Authorized Officer

VOTING TRUSTEES

By: _____
A Voting Trustee

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(FORM OF ASSIGNMENT FOR REVERSE SIDE
OF VOTING TRUST CERTIFICATE)

FOR VALUE RECEIVED, _____ hereby sells, assigns and transfers unto _____ the within Certificate and all rights and interests thereby and does hereby irrevocably constitute and appoint _____ attorney to transfer such certificate on the books of the Trustees under the Voting Trust Agreement within referred to, with full power of substitution in the premises.

Date: _____

Name

In the presence of:

Name

CONTRIBUTION AND ASSUMPTION AGREEMENT

This Contribution and Assumption Agreement (this "Agreement"), dated as of March 18, 1999, is made by and between Pulitzer Publishing Company, a Delaware corporation (the "Company"), and Pulitzer Inc., a Delaware corporation and wholly-owned subsidiary of the Company ("Newco"). Capitalized terms used herein and not otherwise defined herein shall have the respective meanings ascribed thereto in the Amended and Restated Agreement and Plan of Merger, dated as of May 25, 1998, among the Company, Newco and Hearst-Argyle Television, Inc., a Delaware corporation ("Acquiror") to which a form of this Agreement is annexed as Exhibit C (the "Merger Agreement").

RECITALS

WHEREAS, pursuant to the Merger Agreement, the Company has agreed to contribute to Newco and/or its wholly-owned Subsidiaries (collectively, the "Newco Group") all of the assets of the Company, except those specifically identified in Section 2.02(a) of the Merger Agreement, pursuant to the terms of this Agreement, as a step in a series of transactions as a result of which (i) Acquiror will acquire Broadcasting and the Broadcasting Assets by means of a merger of the Company with and into Acquiror, and (ii) the Newco Group will conduct the businesses previously conducted by the Company and its Subsidiaries (other than the operations of Broadcasting).

NOW, THEREFORE, in consideration of the foregoing and the agreements set forth below, the parties hereto agree as follows:

ARTICLE I

CONTRIBUTION AND ASSUMPTION

1.01 CONTRIBUTION OF ASSETS.

(a) Subject to Section 1.01(b), effective immediately prior to the Distribution (the "Time of Contribution") the Company hereby contributes, grants, conveys, assigns, transfers and delivers to the Newco Group, without recourse (the "Contribution"), all of the Company's right, title and interest in and to the following (collectively, the "Contributed Assets"): (i) any and all assets of the Company, whether tangible or intangible and whether fixed, contingent or otherwise, including, without limitation, the capital stock or other equity interests of all its Subsidiaries; (ii) the name "Pulitzer" or any part thereof whether alone or in combination with one or more other words; (iii) all real property, furniture, fixtures, equipment, tools, vehicles, supplies,

buildings, improvements,

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accounts receivable, notes, prepaid expenses, securities, patents, trademarks, trade names, copyrights, Licenses, leases and contract rights; and (iv) all other tangible or intangible assets of the Company wherever located.

(b) Notwithstanding Section 1.01(a), the Company hereby retains and does not contribute, grant, convey, assign, transfer or deliver to the Newco Group (i) the issued and outstanding capital stock of PBC or the Broadcasting Subsidiaries; (ii) the Broadcasting Assets; and (iii) the Company's rights created pursuant to the Merger Agreement, this Agreement and the Transaction Agreements (collectively, the "Retained Assets").

(c) Notwithstanding anything contained in this Agreement or in the Merger Agreement to the contrary, the Newco Group acknowledges and agrees that the Company makes and has made no warranty, either express or implied, including, without limitation, warranties of merchantability or fitness for a particular purpose, with respect to any Contributed Assets.

1.02 ASSUMPTION OF LIABILITIES.

(a) Subject to Sections 1.02(b) and 1.07 hereof, effective as of the Time of Contribution, the Newco Group, in partial consideration for the Contribution, hereby unconditionally assumes and agrees to pay, satisfy and discharge any and all liabilities of the Company of every kind whatsoever, whether absolute, known, unknown, fixed, contingent or otherwise, that exist as of the date hereof or exist as of, or otherwise relate to any period ending on or prior to the Effective Time (the "Assumed Liabilities").

(b) Notwithstanding Section 1.02(a), the Company hereby retains, and the Newco Group does not assume and will have no liability with respect to the following (collectively, the "Retained Liabilities"): (i) the New Company Debt; (ii) any liabilities associated with the radio and/or television business operations of Broadcasting or the Broadcasting Assets except as otherwise specifically provided in the Merger Agreement, including Sections 6.06(g), 6.09, 6.11, 6.25 and 6.28 thereof; and (iii) the Company's obligations created pursuant to the Merger Agreement, this Agreement and the Transaction Agreements.

(c) It is expressly agreed by the parties hereto that all of the obligations of Newco under the Merger Agreement, this Agreement and the Transaction Agreements shall be treated as Assumed Liabilities and not as Retained Liabilities under this Agreement.

1.03 ISSUANCE OF NEWCO STOCK. In partial consideration for the Contribution, at the Time of Contribution Newco shall issue and deliver to the Company at the Company's request prior to the Distribution the following:

(i) such number of newly issued shares of Newco Common Stock as will be required for the Distribution; and

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(ii) such number of newly issued shares of Newco Class B Common Stock as will be required for the Distribution.

1.04 TRANSFER AND ASSUMPTION DOCUMENTATION. In furtherance of the contribution, grant, conveyance, assignment, transfer and delivery of the Contributed Assets and the assumption of the Assumed Liabilities set forth in this Article I, at the Time of Contribution or as promptly as practicable thereafter, (i) the Company shall execute and deliver, and cause its Subsidiaries to execute and deliver, such deeds, bills of sale, stock powers, certificates of title, assignments of leases and contracts and other instruments of contribution, grant, conveyance, assignment, transfer and delivery necessary to evidence such contribution, grant, conveyance, assignment, transfer and delivery, and (ii) the Newco Group shall execute and deliver such instruments of assumption as and to the extent necessary to evidence such assumption.

1.05 NONASSIGNABLE CONTRACTS. Anything contained herein to the contrary notwithstanding, this Agreement shall not constitute an agreement to assign any lease, license agreement, contract, agreement, sales order, purchase order, open bid or other commitment or asset (each an "Applicable Asset") if an assignment or attempted assignment of the same, without the consent of the other party or parties thereto, would constitute a breach thereof or in any way impair the rights of the Company or the Newco Group thereunder. The Company shall, prior to the Time of Contribution, use reasonable best efforts (it being understood that such efforts shall not include any requirement of the Company to expend money or offer or grant any financial accommodation) as requested by the Newco Group, and the Newco Group shall cooperate in all reasonable respects with the Company, to obtain all consents and waivers and to resolve all impracticalities of assignments or transfers necessary to convey the Contributed Assets to the Newco Group. If any such consent is not obtained or if any attempted assignment would be ineffective or would impair the Newco Group's rights with respect to any Applicable Asset so that the Newco Group would not receive all such rights, then (x) the Company shall use reasonable best efforts (it being understood that such efforts shall not include any requirement of the Company to expend money or offer or grant any financial accommodation) to provide or cause to be provided to the Newco Group, to the extent permitted by law, the benefits of any such

Applicable Asset and the Company shall promptly pay or cause to be paid to the Newco Group when received all moneys received by the Company with respect to any such Applicable Asset and (y) in consideration thereof the Newco Group shall pay, perform and discharge on behalf of the Company all of the Company's debts, liabilities, obligations and commitments thereunder in a timely manner and in accordance with the terms thereof. In addition, the Company shall take such other actions (at Newco's expense) as may reasonably be requested by Newco in order to place Newco, insofar as reasonably possible, in the same position as if such Applicable Asset had been transferred as contemplated hereby and so all the benefits and burdens related thereto, including possession, use, risk of loss, potential for gain and dominion, control and command, shall inure to Newco. If and when such consents and proposals are obtained, the transfer of the Applicable Asset shall be effected in accordance with the terms of this Agreement.

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1.06 EMPLOYEE BENEFITS. All Company Employee Plans are subject to the terms of Section 6.11 of the Merger Agreement, and all obligations of Newco under such Section shall be treated as Assumed Liabilities and not as Retained Liabilities under this Agreement.

1.07 EMPLOYEE STOCK OPTIONS. All plans and arrangements with respect to the Company's employee stock options and restricted stock awards in place as of the date hereof and all options and awards outstanding thereunder as of the date hereof are subject to the terms of Section 6.12 of the Merger Agreement.

1.08 FURTHER ASSURANCES. Each of the parties hereto promptly shall execute such documents and other instruments and take such further actions as may be reasonably required or desirable to carry out the provisions hereof and to consummate the transactions contemplated hereby.

1.09 TAX MATTERS. Notwithstanding anything to the contrary in this Agreement, liabilities of the parties for Taxes are subject to the terms of Section 6.09 of the Merger Agreement, and all obligations of Newco under Section 6.09 of the Merger Agreement shall be treated as Assumed Liabilities and not as Retained Liabilities under this Agreement. The Contribution and the Merger are intended to qualify as tax-free reorganizations within the meaning of Sections 368(a)(1)(D) and 368(a)(1)(A) of the Code, respectively, and the Distribution is intended to be subject to Section 355(a) of the Code.

1.10 COOPERATION. The parties shall cooperate with each other in all reasonable respects in order to ensure the smooth transfer of the Contributed

Assets, the Assumed Liabilities and the businesses related thereto, including, without limitation, entering into any service or other sharing agreements that may be reasonably necessary.

1.11 OTHER MATTERS. After the Effective Time and except as otherwise provided herein or in the Merger Agreement, neither the Surviving Corporation nor any of its Subsidiaries shall have any liability to the Newco Group in respect of any inter-company contract, commitment or account in existence immediately prior to the Effective Time among the Company, Newco and/or any of their respective Subsidiaries.

ARTICLE II

INDEMNIFICATION

2.01 INDEMNIFICATION BY THE COMPANY. The Company shall indemnify, defend and hold harmless the Newco Group and their respective successors-in-interest and each of their respective past and present officers and directors against any losses, claims, damages or liabilities, joint or several, arising out of or in connection with the Retained Liabilities, the Retained Assets or the operations of Broadcasting, except as otherwise provided in the Merger Agreement, including

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Sections 6.06(g), 6.09, 6.11, 6.25 and 6.28. The Company shall reimburse the Newco Group, each of their respective successors-in-interest, and each of their respective past and present officers and directors for any legal or any other expenses reasonably incurred by any of them in connection with investigating or defending any such loss, claim, damage or liability referred to in the preceding sentence.

2.02 INDEMNIFICATION BY NEWCO. Newco shall indemnify, defend and hold harmless the Company, PBC and each of the Broadcasting Subsidiaries and their respective successors-in-interest, and each of their respective past and present officers and directors against any losses, claims, damages or liabilities, joint or several, arising out of or in connection with the Assumed Liabilities, the Contributed Assets or the operations of any of the businesses contributed to the Newco Group, except as otherwise provided in the Merger Agreement, including Sections 6.06(f), 6.09, and 6.25 thereof. Newco shall reimburse the Company, PBC and each of the Broadcasting Subsidiaries, each of their respective successors-in-interest and each of their past and present respective officers and directors for any legal or any other expenses reasonably incurred by any of

them in connection with investigating or defending any such loss, claim, damage or liability referred to in the preceding sentence.

2.03 NOTIFICATION OF CLAIMS. For the purpose of this Article II, the term "Indemnifying Party" shall mean the party having an obligation hereunder to indemnify the other party pursuant to this Article II, and the term "Indemnified Party" shall mean the party having the right to be indemnified pursuant to this Article II. Whenever any claim shall arise for indemnification under this Article II, the Indemnified Party shall promptly notify the Indemnifying Party in writing of such claim and, when known, the facts constituting the basis for such claim (in reasonable detail). Failure by the Indemnified Party to so notify the Indemnifying Party shall not relieve the Indemnifying Party of any liability hereunder except to the extent that such failure materially prejudices the Indemnifying Party.

2.04 INDEMNIFICATION PROCEDURES.

(a) After receipt of the notice of claim required by Section 2.03, if the Indemnifying Party undertakes to defend any such claim, then the Indemnifying Party shall be entitled, if it so elects, to take control of the defense and investigation with respect to such claim and to employ and engage attorneys of its own choice, reasonably acceptable to the Indemnified Party, to handle and defend the same, at the Indemnifying Party's cost, risk and expense, upon written notice to the Indemnified Party of such election, which notice acknowledges the Indemnifying Party's obligation to provide indemnification hereunder. The Indemnifying Party shall not settle any third-party claim that is the subject of indemnification without the written consent of the Indemnified Party, which consent shall not be unreasonably withheld; provided, however, that the Indemnifying Party may settle a claim without the Indemnified Party's consent if such settlement (i) makes no admission or acknowledgment of liability or culpability with respect to the Indemnified Party, (ii) includes a complete release of the Indemnified Party, and (iii) does not require the Indemnified Party to make

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any payment or forego or take any action or otherwise materially adversely affect the Indemnified Party. The Indemnified Party shall cooperate in all reasonable respects with the Indemnifying Party and its attorneys in the investigation, trial and defense of any lawsuit or action with respect to such claim and any appeal arising therefrom (including the filing in the Indemnified Party's name of appropriate cross-claims and counterclaims). The Indemnified Party may, at its own cost and expense, participate in any investigation, trial and defense of such lawsuit or action controlled by the Indemnifying Party and

any appeal arising therefrom.

(b) If, after receipt of a notice of claim pursuant to Section 2.03, the Indemnifying Party does not undertake to defend any such claim, the Indemnified Party may, but shall have no obligation to, contest any lawsuit or action with respect to such claim and the Indemnifying Party shall be bound by the result obtained with respect thereto by the Indemnified Party (including, without limitation, the settlement thereof without the consent of the Indemnifying Party). If there are one or more legal defenses available to the Indemnified Party that conflict with those available to the Indemnifying Party or there is otherwise an actual or potential conflict of interest, the Indemnified Party shall have the right, at the expense of the Indemnifying Party, to assume the defense of the lawsuit or action; provided, however, that the Indemnified Party may not settle such lawsuit or action without the consent of the Indemnifying Party, which consent shall not be unreasonably withheld or delayed.

2.05 CONSENT TO JURISDICTION AND SERVICE OF PROCESS. The parties hereto irrevocably: (i) agree that any suit, action or other legal proceeding arising out of this Agreement may be brought in the courts of the State of New York or the courts of the United States located in New York County, New York, (ii) consent to the jurisdiction of each court in any such suit, action or proceeding, (iii) waive any objection which they, or any of them, may have to the laying of venue of any such suit, action or proceeding in any of such courts, and (iv) waive the right to a trial by jury in any suit, action or other legal proceeding. Each of the Company and Newco agrees that service of any and all process which may be served in any such suit, action or other proceeding may be made by written notice in accordance with the provisions of this Agreement, and that such service of process on the Company or Newco (as the case may be) or with respect to the Company or Newco, their respective successors or assigns, to the extent permitted by applicable law, shall be taken and held to be valid personal service.

2.06 SEVERABILITY. If any term or other provision of this Agreement is invalid, illegal or incapable of being enforced by any rule of law or public policy, all other conditions and provisions of this Agreement shall nevertheless remain in full force and effect so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any party. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible in an acceptable manner to the end that the transactions contemplated hereby are fulfilled to the fullest extent possible.

2.07 FAILURE OR INDULGENCE NOT WAIVER; REMEDIES CUMULATIVE. No failure or delay on the part of any party hereto in the exercise of any right hereunder shall impair such right or be construed to be a waiver of, or acquiescence in, any breach of any representation, warranty or agreement herein, nor shall any single or partial exercise of any right preclude other or further exercises thereof or of any other right. All rights and remedies existing under this Agreement are cumulative to, and not exclusive of, any rights or remedies otherwise available.

ARTICLE III

MISCELLANEOUS

3.01 ENTIRE AGREEMENT. This Agreement, together with the Merger Agreement, constitutes the entire agreement among the parties with respect to the subject matter hereof and supersedes all prior written and oral and all contemporaneous oral agreements and understandings with respect to the subject matter hereof.

3.02 GOVERNING LAW. This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware, regardless of the laws that might otherwise govern under principles of conflicts of laws applicable thereto.

3.03 DESCRIPTIVE HEADINGS. The descriptive headings herein are inserted for convenience of reference only and are not intended to be part of or to affect the meaning or interpretation of this Agreement.

3.04 NOTICES. All notices and other communications hereunder shall be in writing and shall be deemed to have been duly given when delivered in person, by telecopy with confirmation of transmission, by express or overnight mail delivered by a nationally recognized air courier (delivery charges prepaid), or by registered or certified mail (postage prepaid, return receipt requested) to the respective parties as follows:

If to the Company (prior to the Merger) or Newco:

Pulitzer Publishing Company
Pulitzer Inc.
900 North Tucker Boulevard
St. Louis, Missouri 63101

Attention: Michael E. Pulitzer
Telecopy: (314) 340-3125

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with a copy to:

Fulbright & Jaworski L.L.P.
666 Fifth Avenue
New York, New York 10103

Attention: Richard A. Palmer, Esq.
Telecopy: (212) 752-5958

If to the Company (after the Merger):

Hearst-Argyle Television, Inc.
888 Seventh Avenue
New York, New York 10019

Attention: Dean H. Blythe
Telecopy: (212) 887-6855

with a copy to:

Rogers & Wells LLP
200 Park Avenue
New York, New York 10166

Attention: Steven A. Hobbs
Telecopy: (212) 878-8375

or to such other address as the party to whom notice is given may have previously furnished to the others in writing in the manner set forth above. Any notice or communication delivered in person shall be deemed effective on delivery. Any notice or communication sent by telecopy or by air courier shall be deemed effective on the first business day at the place at which such notice or communication is received following the day on which such notice or communication was sent. Any notice or communication sent by registered or certified mail shall be deemed effective on the fifth business day at the place

from which such notice or communication was mailed following the day on which such notice or communication was mailed.

3.05 PARTIES IN INTEREST. This Agreement shall be binding upon and inure solely to the benefit of each party hereto, and nothing in this Agreement, express or implied, is intended to confer upon any other Person any rights or remedies of any nature whatsoever under or by reason

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of this Agreement, except as provided in Sections 3.07 and 3.08 and except for Article II (which are intended to be for the benefit of the Persons provided for therein and may be enforced by such Persons).

3.06 COUNTERPARTS. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original as against any party whose signature appears thereon, and all of which shall together constitute one and the same instrument. This Agreement shall become binding when one or more counterparts hereof, individually or taken together, shall bear the signatures of all of the parties reflected hereon as the signatories.

3.07 PERSONAL LIABILITY. This Agreement shall not create or be deemed to create or permit any personal liability or obligation on the part of any direct or indirect stockholder of any party hereto or any officer, director, employee, agent, representative or investor of any party hereto.

3.08 BINDING EFFECT; ASSIGNMENT. This Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective legal representatives and successors, including the Surviving Corporation in the Merger. This Agreement may not be assigned by any party hereto and any purported assignment in violation hereof shall be null and void.

3.09 AMENDMENT. This Agreement may not be amended except by an instrument in writing signed on behalf of all the parties.

3.10 LEGAL FEES; COSTS. If any party hereto institutes any action or proceeding, whether before a court or arbitrator, to enforce any provision of this Agreement, the prevailing party therein shall be entitled to receive from the losing party reasonable attorneys' fees and costs incurred in such action or proceeding, whether or not such action or proceeding is prosecuted to judgment.

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IN WITNESS WHEREOF, each of the parties has caused this Agreement to be executed on its behalf by its officers thereunto duly authorized on the day and year first above written.

PULITZER PUBLISHING COMPANY

By: /s/ MICHAEL E. PULITZER

Michael E. Pulitzer
Chairman, President
and Chief Executive Officer

PULITZER INC.

By: /s/ ROBERT C. WOODWORTH

Robert C. Woodworth
President and Chief Executive Officer

PULITZER INC.
900 North Tucker Boulevard
St. Louis, Missouri 63101

March 18, 1999

Ms. Emily Rauh Pulitzer
c/o Pulitzer Inc.
900 North Tucker Boulevard
St. Louis, Missouri 63101

Dear Emily:

This letter will confirm the mutual agreement between you and Pulitzer Inc. (the "Company") regarding your provision of consulting services to the Company:

1. From the date hereof through December 31, 1999 (the "Consulting Period"), you agree to provide consulting and advisory services to the Company and its subsidiaries as requested by the Chairman of the Board of Directors; provided, however, that any such request will not interfere with your normal civic and other commitments. Such services generally will consist of providing advice regarding the business operations of the Company and its subsidiaries and general advice regarding long-term strategic planning, and may be rendered at the Company's office in St. Louis, Missouri, or at any other mutually agreeable location. Beginning January 1, 2000, and each January 1 thereafter, the Consulting Period will be automatically extended for a period of one calendar year unless a party furnishes written notice to the other party of its intent to terminate this agreement not later than 30 days prior to the start of the next succeeding calendar year.

2. During the Consulting Period, the Company's management will use its best efforts to cause you to be a member of the Board of Directors and the Long-Range Planning Committee and will include you on the management slate for election as a director at every stockholder's meeting at which your term as a director would otherwise expire. For such service, you will receive the fees, including reimbursement for expenses, payable to an outside director of the Company or to members of any such committee, as applicable.

3. In consideration of your services as a consultant as described under paragraph 1, the Company will pay compensation to you as described below:

(a) The Company will pay you, on a monthly basis, \$147,000 per

calendar year. Payments will be made within ten days after the last business day of the month during which such consulting services are performed.

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Ms. Emily Rauh Pulitzer
March 18, 1999
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(b) Upon the presentation of receipts and other proper documentation, the Company will reimburse you, as soon as practicable, for all ordinary and necessary business expenses incurred by you while providing consulting services to the Company.

(c) The Company will make available suitable office space and secretarial services at its St. Louis office as you may reasonably require from time to time in order to provide consulting services.

4. Notwithstanding Paragraph 1, the Consulting Period and the mutual obligations between you and the Company as described herein will terminate upon your death or disability. For this purpose, "disability" means a mental or physical condition as determined by the Board of Directors of the Company which prevents you from providing the consulting services described under paragraph 1 for six consecutive calendar months.

5. During the Consulting Period, you will not be precluded from accepting employment with an employer unrelated to the Company and its subsidiaries or from engaging in any business or other consulting arrangements; provided, however, such other employment, business or arrangement must not be competitive with any business of the Company and its subsidiaries.

6. During the Consulting Period, you will be entitled to medical benefits in accordance with the prior arrangements between you and Pulitzer Publishing Company.

7. Any notice described herein will be sent to the Company, if applicable, at its office in St. Louis, Missouri, and to you, if applicable, c/o the Company at its office in St. Louis, Missouri.

8. The mutual obligations described herein will be binding on and inure to the benefit of the Company and any successor-in-interest to the Company and be binding on and inure to the benefit of, and be enforceable by, you and your personal or legal representative and heirs.

9. The mutual obligations described herein may not be modified, except by a written instrument signed by you and the Company, and will be construed in

accordance with the laws of the State of Missouri.

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Ms. Emily Rauh Pulitzer
March 18, 1999
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If the foregoing provisions correctly describe the agreement between you and the Company regarding your performance of consulting services for the Company, please sign and return the enclosed copy of this letter.

Sincerely,

/s/ Robert C. Woodworth

Robert C. Woodworth
President and Chief Executive Officer

/s/ Emily Rauh Pulitzer

Emily Rauh Pulitzer

PULITZER INC.
900 North Tucker Boulevard
St. Louis, Missouri 63101

March 18, 1999

Mr. David E. Moore
8 Bird Lane
Rye, New York 10580

Dear David:

This letter will confirm the mutual agreement between you and Pulitzer Inc. (the "Company") regarding your provision of consulting services to the Company:

1. From the date hereof through December 31, 1999 (the "Consulting Period"), you agree to provide consulting and advisory services to the Company and its subsidiaries as requested by the Chairman of the Board of Directors; provided, however, that any such request will not interfere with your normal business activities. Such services generally will consist of providing managerial advice regarding the business operations of the Company and its subsidiaries and general business advice regarding long-term strategic planning, and may be rendered at the Company's office in St. Louis, Missouri, or at any other mutually agreeable location. Beginning January 1, 2000, and each January 1 thereafter, the Consulting Period will be automatically extended for a period of one calendar year unless a party furnishes written notice to the other party of its intent to terminate this agreement not later than 30 days prior to the start of the next succeeding calendar year.

2. During the Consulting Period, the Company's management will use its best efforts to cause you to be a member of the Board of Directors, the Long-Range Planning Committee, the Executive Committee and the Compensation Committee, and will include you on the management slate for election as a director at every stockholder's meeting at which your term as a director would otherwise expire. For such service, you will receive the fees, including reimbursement for expenses, payable to an outside director of the Company or to members of any such committee, as applicable.

3. In consideration of your services as a consultant as described under paragraph 1, the Company will pay compensation to you as described below:

(a) The Company will pay you, on a monthly basis, \$147,000 per calendar year. Payments will be made within ten days after the last business day of the month during which such consulting services are performed.

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Mr. David Moore

March 18, 1999

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(b) Upon the presentation of receipts and other proper documentation, the Company will reimburse you, as soon as practicable, for all ordinary and necessary business expenses incurred by you while providing consulting services to the Company.

(c) The Company will make available suitable office space and secretarial services at its St. Louis office as you may reasonably require from time to time in order to provide consulting services.

4. Notwithstanding Paragraph 1, the Consulting Period and the mutual obligations between you and the Company as described herein will terminate upon your death or disability. For this purpose, "disability" means a mental or physical condition as determined by the Board of Directors of the Company which prevents you from providing the consulting services described under paragraph 1 for six consecutive calendar months.

5. During the Consulting Period, you will not be precluded from accepting employment with an employer unrelated to the Company and its subsidiaries or from engaging in any business or other consulting arrangements; provided, however, such other employment, business or arrangement must not be competitive with any business of the Company and its subsidiaries. For this purpose, employment with American City Business Journals shall not violate this agreement.

6. During the Consulting Period, you will be entitled to medical benefits in accordance with the prior arrangements between you and Pulitzer Publishing Company.

7. Any notice described herein will be sent to the Company, if applicable, at its office in St. Louis, Missouri, and to you, if applicable, c/o the Company at its office in St. Louis, Missouri.

8. The mutual obligations described herein will be binding on and inure to the benefit of the Company and any successor-in-interest to the Company and be binding on and inure to the benefit of, and be enforceable by, you and your personal or legal representative and heirs.

9. The mutual obligations described herein may not be modified, except by a written instrument signed by you and the Company, and will be construed in accordance with the laws of the State of Missouri.

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Mr. David Moore
March 18, 1999
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If the foregoing provisions correctly describe the agreement between you and the Company regarding your performance of consulting services for the Company, please sign and return the enclosed copy of this letter.

Sincerely,

/s/ Robert C. Woodworth

Robert C. Woodworth
President and Chief Executive Officer

/s/ David E. Moore

David E. Moore

REGISTRATION RIGHTS AGREEMENT

REGISTRATION RIGHTS AGREEMENT, dated as of March 18, 1999, by and among PULITZER INC., a Delaware corporation (the "Company"), and Emily Rauh Pulitzer, Michael E. Pulitzer and David E. Moore (collectively, the "Stockholders" and individually referred to herein as a "Stockholder").

W I T N E S S E T H:

WHEREAS, the Stockholders own, directly or indirectly, outstanding shares (the "Shares") of Class B Common Stock, \$.01 par value per share (the "Class B Common Stock"), of the Company exchangeable for a like number of shares of Common Stock, \$.01 par value per share (the "Common Stock"), of the Company;

WHEREAS, the Shares have been deposited in a Voting Trust (the "Voting Trust") pursuant to a voting trust agreement, dated as of March 18, 1999, which, among other things, restricts the transfer of such Shares;

WHEREAS, the Voting Trust permits the withdrawal from the Voting Trust of all or a portion of the Shares upon their exchange for shares of the Common Stock under certain circumstances, including the sale of the Common Stock pursuant to a registered public offering;

WHEREAS, the Company desires to grant to each Stockholder, including each Stockholder's heirs, legal representatives, successors and assigns whose names are registered on the books maintained by the Company, and any parent, sibling, spouse, child, grandchild or other relative of each Stockholder (each, a "Family Relative"), or any custodian or trustee for the benefit of any of the Stockholders or Family Relatives, or any partnership, corporation or other entity for which a Stockholder or Family Relative acts as a trustee or which is owned by a Stockholder or a Family Relative, (collectively, the "Holders" and individually referred to herein as a "Holder"), certain registration rights with respect to shares of the Common Stock issuable upon exchange of the Shares.

NOW, THEREFORE, in consideration of the foregoing premises and other good and valuable consideration, the parties hereby agree as follows:

1. REPRESENTATIONS AND WARRANTIES.

(a) Status, Power and Authority. The Company represents and warrants that it is duly organized and validly existing under the laws of the State of Delaware, that it has the

legal power and authority to enter into this Agreement and carry out its obligations hereunder and that this Agreement constitutes a legal, valid and binding obligation of the Company.

(b) Covenant Against Material False Statement or Omission. The Company covenants to the Holders that any registration statement, prospectus, and any amendments or supplements thereto filed by the Company pursuant to Section 3 or 4 of this Agreement will comply in all material respects with the Securities Act of 1933, as amended (the "Securities Act"), and the rules and regulations promulgated thereunder, and that none of such registration statements, prospectuses, or amendments or supplements thereto shall contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading (provided, however, that the covenants contained in this section do not apply to any statements or omissions in such registration statement, prospectus, or amendment or supplement thereto made in reliance upon information furnished in writing to the Company by the Holders expressly for use therein).

2. Certain Definitions. As used in this Agreement, the following terms shall have the following respective meanings:

(a) "Commission" shall mean the Securities and Exchange Commission or any other federal agency at the time administering the Securities Act.

(b) "Initiating Holders" shall, except as provided in Section 3(c) hereof, mean the Holders of not less than five percent of the outstanding shares of Class B Common Stock.

(c) "Market Value" shall mean as of the date specified for its computation the closing sale price for the security as reported on the principal securities exchange on which such security is traded or if not traded on an exchange, the closing sale price as reported on the NASDAQ national market system, or if not so listed or traded, the closing bid price reported in the over-the-counter market.

(d) The term "register", "registered" and "registration" shall refer to a registration effected by preparing and filing a registration statement in compliance with the Securities Act and the applicable rules and regulations thereunder, and the declaration or ordering of the effectiveness of such registration statement.

(e) "Registration Expenses" shall mean all expenses incurred by the Company in compliance with Sections 3 and 4 hereof, including, without limitation, all registration and filing fees, printing expenses, fees and disbursements of counsel for the Company, blue sky fees and expenses, and the expense of any special audits incident to or required by any such registration (but excluding the compensation of regular employees of the Company; which shall be paid in any event by the Company).

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(f) "Selling Expenses" shall mean all underwriting discounts and selling commissions applicable to the sale of the Common Stock and all fees and disbursements of counsel for the selling Holdings.

3. Requested Registration.

(a) Request for Registration. If the Company shall receive from Initiating Holders, at any time or times not earlier than three months and not later than nine months after the end of a fiscal year of the Company, a written request that the Company effect any registration with respect to all or a part of the shares of the Common Stock issuable upon exchange of the Shares of any one or more of the Initiating Holders having a Market Value of not less than \$2,000,000 on the business day preceding the date of such written request, the Company will:

(i) promptly give written notice of the proposed registration to all other Holders; and

(ii) as soon as practicable, use its diligent best efforts to effect such registration (including, without limitation, the execution of an undertaking to file post-effective amendments, appropriate qualification under applicable blue sky or other state securities laws and appropriate compliance with applicable regulations issued under the Securities Act) as may be so requested and as would permit or facilitate the sale and distribution of all or such portion of such shares of the Common Stock as are specified in such request, together with all or such portion of the shares of common stock of any Holder or Holders joining in such request as are specified in a written request given within twenty (20) days after mailing of such written notice by the Company; provided that the Company shall not be obligated to effect, or to take any action to effect, any such registration pursuant to this Section 3:

(A) In any particular jurisdiction in which the Company would be required to execute a general consent to service of process in effecting such registration, qualification or compliance, unless

the Company is already subject to service in such jurisdiction and except as may be required by the Securities Act or applicable rules or regulations thereunder; or

(B) More than two times pursuant to requests hereunder in any consecutive 12 month period; or

(C) Within 120 days of the effectiveness of a registration statement filed by the Company pursuant to which the Holders were entitled to register all or part of the shares of the Common Stock issuable upon exchange of their Shares; or

(D) If the Company informs the Initiating Holders that the Company intends to file a registration statement within 30 days of the written request from

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the Initiating Holders pursuant to which the Holders will have the right to register all or part of the shares of the Common Stock issuable upon exchange of their shares.

Subject to the foregoing clauses (A), (B), (C) and (D), the Company shall file a registration statement covering shares of the Common Stock so requested to be registered as soon as practicable after receipt of the request or requests of the Initiating Holders.

The registration statement filed pursuant to the request of the Initiating Holder may, subject to the provisions of Section 3(b) below, include other securities of the Company which are being sold by the Company or which are held by officers or directors of the Company (other than the Holders) or which are held by persons who, by virtue of agreements with the Company, are entitled to include their securities in any such registration.

(b) Underwriting. If the Initiating Holders intend to distribute the shares of the Common Stock covered by their request by means of an underwriting, they shall so advise the Company as a part of their request made pursuant to Section 3 and the Company shall include such information in the written notice referred to in Section 3 (a) (i) above. The right of any Holder to registration pursuant to this Section 3 shall be conditioned upon such Holder's participation in such underwriting and the inclusion of such Holder's shares of the Common Stock in the underwriting (unless otherwise mutually agreed by a majority in interest of the Initiating Holders and such Holder with respect to

such participation and inclusion) to the extent provided herein. A Holder may elect to include in such underwriting all or a part of the shares of the Common Stock issuable upon the exchange of that Holder's Shares.

If officers or directors of the Company (other than the Holders) holding shares of the Common Stock of the Company shall request inclusion in any registration pursuant to this Section 3, or if holders of securities of the Company who are entitled, by contract with the Company, to have securities included in such a registration (the "Other Stockholders") request such inclusion, the Initiating Holders shall, on behalf of all Holders, offer to include the securities of the Company held by such officers, directors and Other Stockholders in the underwriting and may condition such offer to such officers, directors and Other Stockholders on their acceptance of the further applicable provisions of this Agreement. The Company shall (together with all Holders, officers, directors and Other Stockholders proposing to distribute their securities through such underwriting) enter into an underwriting agreement in customary form with the representative of the underwriter or underwriters selected for such underwriting by a majority in interest of the Initiating Holders and reasonably acceptable to the Company. Notwithstanding any other provision of this Section 3, if the representative advises the Initiating Holders in writing that marketing factors require a limitation on the number of shares to be underwritten, the Initiating Holders shall so advise all Holders of shares of the Common Stock, officers and directors of the Company and Other Stockholders whose securities would otherwise be underwritten pursuant hereto, and the number of shares of the Common Stock and other securities that may be included in the registration and underwriting shall be allocated among all such Holders, officers and directors of the Company and Other Stockholders in proportion,

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as nearly as practicable, to the respective amounts of shares of the Common Stock or other securities which they had requested to be included in such registration at the time of filing the registration statement. No shares of the Common Stock or other securities excluded from the underwriting by reason of the underwriter's marketing limitation shall be included in such registration. If any Holder of shares of the Common Stock, officer, director or Other Shareholder who has requested inclusion in such registration as provided above disapproves of the terms of the underwriting, such person may elect to withdraw therefrom by written notice to the Company, the underwriter and the Initiating Holders. The securities so withdrawn shall also be withdrawn from registration. If the underwriter has not limited the number of shares of the Common Stock to be underwritten, the Company may include its securities for its own account in such registration if the underwriter so agrees and if the number of shares of the Common Stock which would otherwise have been included in such registration and underwriting will not thereby be limited.

(c) Registration at Request of the Estate of a Holder. Within nine months of the death of any Holder, the estate of that Holder may on a single occasion act as an Initiating Holder notwithstanding the failure to meet the five percent ownership requirement set forth in Section 2(b) and may request registration of all or part of the shares of the Common Stock issuable upon exchange of the Shares held by such estate notwithstanding a failure to meet the \$2,000,000 minimum Market Value set forth in Section 3(a), provided that such estate could not within three months following the request for registration then sell pursuant to Rule 144 under the Securities Act all the shares of the Common Stock issuable upon exchange of the Shares held by such estate. If an estate acting as an Initiating Holder pursuant to this Section 3(c) intends to distribute shares of the Common Stock by means of an underwriting pursuant to Section 3(b), the provisions of Section 3(b) requiring a reduction in the shares of the Common Stock included in the registration and underwriting shall not apply to the shares of the Common Stock being registered for the estate and the shares of the Common Stock included by all other participants in the registration and underwriting shall be reduced accordingly. The provisions of this Section 3(c) may only be used one time by each estate.

4. Company Registration.

(a) If the Company shall determine to register any of its securities either for its own account or the account of a security holder or holders, other than the first registration of the Company's securities on Form S-1, or a registration relating solely to employee benefit plans, or a registration relating solely to a Commission Rule 145 transaction, or a registration on any registration form which does not permit secondary sales or does not include substantially the same information as would be required to be included in a registration statement covering the sale of shares of the Common Stock, the Company will:

(i) promptly give to each Holder written notice thereof; and

(ii) include in such registration (and any related qualification under applicable blue sky or other state securities laws), and in any underwriting involved

therein, all the shares of the Common Stock specified in a written request or requests, delivered by any Holder within twenty (20) days

after mailing of the written notice from the Company described in clause (i) above, except as set forth in Section 4(b) below. Such written request may specify all or a part of the shares of the Common Stock issuable upon exchange of a Holder's Shares.

(b) Underwriting. If the registration of which the Company gives notice is for a registered public offering involving an underwriting, the Company shall so advise the Holders as a part of the written notice given pursuant to Section 4(a) (i). In such event the right of any Holder to registration pursuant to this Section 4 shall be conditioned upon such Holder's participation in such underwriting and the inclusion of such Holder's shares of the Common Stock in the underwriting to the extent provided herein and shall be further conditioned upon the Company receiving requests to include in the underwriting shares of the Common Stock having a Market Value as of the fifteenth day following mailing of the Company's notice of not less than \$500,000. All Holders proposing to distribute their securities through such underwriting shall (together with the Company and the officers and directors of the Company and Other Stockholders distributing their securities through such underwriting) enter into an underwriting agreement in customary form with the underwriter or underwriters selected for underwriting by the Company. Notwithstanding any other provision of this Section 4, if the underwriter determines that marketing factors require a limitation on the number of shares to be underwritten, the underwriter may (subject to the allocation priority set forth below) limit the number of shares of the Common Stock to be included in the registration and underwriting by all Holders, officers and directors of the Company and Other Stockholders requesting registration. The Company shall advise all holders of shares of the Common Stock requesting registration of the limitation on the number of shares to be underwritten, and the number of shares of the Common Stock that are entitled to be included in the registration and underwriting shall be allocated in the following manner: the number of shares to be included in the registration and underwriting by the Company shall not be reduced and any remaining shares shall be allocated among all such Holders, officers and directors of the Company and Other Stockholders in proportion, as nearly as practicable, to the respective amounts of shares of the Common Stock or other securities which they had requested to be included in such registration at the time of filing the registration statement. If any Holder of shares of the Common Stock or any officer, director of Other Stockholder disapproves of the terms of any such underwriting, that person may elect to withdraw therefrom by written notice to the Company and the underwriter. Any shares of the Common Stock excluded or withdrawn from such underwriting shall be withdrawn from such registration.

5. Expenses of Registration. All Registration Expenses incurred in connection with any registration, qualification or compliance pursuant to this Agreement shall be borne by the Company, and all Selling Expenses shall be borne by the holders of the securities so registered pro rata on the basis of the number of their shares so registered; provided, however, that the Company shall not be required to pay any Registration Expenses if, as a result of the withdrawal of a request for registration by Initiating Holders, the registration statement does not become effective, in which case the Holders, officers and directors of the Company and Other Stockholders requesting

registration shall bear such Registration Expenses pro rata on the basis of the number of their shares so included in the registration request, and provided, further, that such registration shall not be counted as a registration pursuant to Section 3(a)(ii)(B).

6. Registration on Form S-3. The Company shall use its best efforts to qualify for registration on Form S-3 or any comparable or successor form or forms; and to that end the Company shall register (whether or not required by law to do so) the Common Stock under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), in accordance with the provisions of the Exchange Act following the effective date of the first registration of any securities of the Company on Form S-1 or any comparable or successor form or forms. After the Company has qualified for the use of Form S-3 or any comparable or successor form or forms, in addition to the rights contained in the foregoing provisions of this Agreement, the Holders shall have the right to request registrations on Form S-3 in accordance with the procedures set forth in Section 3(a) provided the restrictions in Section 3(a)(ii)(B) shall not apply.

7. Registration Procedures, In the case of each registration effected by the Company pursuant to this Agreement, the Company will keep each Holder advised in writing as to the initiation of each registration and as to completion thereof. As its expense, the Company shall:

(a) Keep such registration effective for a period of one hundred twenty (120) days or until the Holder or Holders have completed the distribution described in the registration statement relating thereto, whichever first occurs; provided, however, that (i) such 120-day period shall be extended for a period of time equal to the period the Holder refrains from selling any securities included in such registration in accordance with the provisions of Section 11 hereof; and (ii) in the case of any registration of shares of the Common Stock on Form S-3, or any successor form or forms, which are intended to be offered on a continuous or delayed basis, such 120-day period shall be extended, if necessary, to keep the registration statement effective until all such shares of the Common Stock are sold, provided that Rule 415, or any successor rule under the Securities Act, permits an offering on a continuous or delayed basis, and provided further that applicable rules under the Securities Act governing the obligation to file a post-effective amendment which (y) includes any prospectus required by Section 10(a)(3) of the Securities Act or (z) reflects facts or events representing a material change in the information set forth in the registration statement, the incorporation by reference in the

registration statement of information required to be included in (y) and (z) above to be contained in periodic reports filed pursuant to Section 13 or 15(d) of the Exchange Act;

(b) Furnish such number of prospectuses and other documents incident thereto as a Holder from time to time may reasonably request; and

(c) In connection with any underwritten offering pursuant to a registration statement filed pursuant to Section 3 hereof, the Company will enter into any underwriting agreement reasonably necessary to effect the offer and sale of the Common Stock, provided such underwriting

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agreement contains customary underwriting provisions, and provided further that if the underwriter so requests, the underwriting agreement will contain customary indemnification any contribution provisions.

8. Indemnification.

(a) The Company will indemnify each Holder, each of its officers, directors and partners, if any, and each person controlling such Holder, with respect to which registration, qualification or compliance has been effected pursuant to this Agreement, against all claims, losses, damages and liabilities (or actions in respect thereof) arising out of or based on any untrue statement (or alleged untrue statement) of a material fact contained in any prospectus, offering circular or other document (including any related registration statement, notification or the like) incident to any such registration, qualification or compliance, or based on any omission (or alleged omission) to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, or any violation by the Company of the Securities Act or any rule or regulation thereunder applicable to the Company and relating to action or inaction required of the Company in connection with any such registration, qualification or compliance, and will reimburse each such Holder, each of its officers, directors and partners, if any, and each person controlling such Holder, for any legal and any other expenses reasonably incurred in connection with investigating and defending any such claim, loss, damage, liability or expense arises out of or is based on any untrue statement or omission based upon written information furnished to the Company by such Holder and stated to be specifically for use therein.

(b) Each Holder will, if shares of the Common Stock issuable upon exchange of the Shares held by that Holder are included in the securities

as to which such registration, qualification or compliance is being effected, indemnify the Company, each of its directors and officers, each person who controls the Company within the meaning of the Securities Act and the rules and regulations thereunder, each other such Holder and each Other Stockholder and each of their officers, directors and partners, and each person controlling such Holder or Other Stockholder, against all claims, losses, damages and liabilities (or actions in respect thereof) arising out of or based on any untrue statement (or alleged untrue statement) of a material fact contained in any such registration statement, prospectus, offering circular or other document, or any omission (or alleged omission) to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, and will reimburse the Company and such Holders, Other Stockholders, directors, officers, partners, persons or control persons for any legal or any other expenses reasonably incurred in connection with investigating or defending any such claim, loss, damage, liability or action, in each case to the extent, but only to the extent, that such untrue statement (or alleged untrue statement) or omission (or alleged omission) is made in such registration statement, prospectus, offering circular or other document in reliance upon and in conformity with written information furnished to the Company by such Holder and stated to be specifically for use therein; provided, however, that the obligations of such Holders hereunder shall be limited to an amount equal to the proceeds to each such Holder of securities sold as contemplated herein.

(c) Each party entitled to indemnification under this Section 8 (the "Indemnified Party") shall give notice to the party required to provide indemnification (the "Indemnifying Party") promptly after such Indemnified Party has actual knowledge of any claim as to which indemnity may be sought, and shall permit the Indemnifying Party to assume the defense or any such claim or any litigation resulting therefrom, provided that counsel for the Indemnifying Party, who shall conduct the defense of such claim or any litigation resulting therefrom, shall be approved by the Indemnified Party (whose approval shall not unreasonably be withheld), and the Indemnified Party may participate in such defense at such party's expense, and provided further that the failure or any Indemnified Party to give notice as provided herein shall not relieve the Indemnifying Party of its obligations under this Agreement. No Indemnifying Party, in the defense of any such claim or litigation, shall, except with the consent of each Indemnified Party, consent to entry of any judgement or enter into any settlement which does not include as an unconditional term thereof the giving by the claimant or plaintiff to such Indemnified Party of a release from all liability in respect to such claim or litigation. Each Indemnified Party

shall furnish such information regarding itself or the claim in question as an Indemnifying Party may reasonably request in writing and as shall be reasonably required in connection with defense of such claim and litigation resulting therefrom.

9. Information by Holder. Each Holder shall furnish to the Company such information regarding such Holder and the distribution proposed by such Holder as the Company may reasonably request in writing and as shall be reasonably required in connection with any registration, qualification or compliance referred to in this Agreement.

10. Rule 144 Reporting. With a view to making available the benefits of certain rules and regulations of the Commission which may permit the sale of the Common Stock to the public without registration, the Company agrees to:

(a) Make and keep public information available, as those terms are understood and defined in Rule 144 under the Securities Act, at all times from and after ninety (90) days following the effective date of the first registration under the Securities Act filed by the Company for an offering of its securities to the general public;

(b) Use its best efforts to file with the Commission in a timely manner all reports and other documents required of the Company under the Securities Act and the Exchange Act at any time after it has become subject to such reporting requirements; and

(c) Furnish to a Holder forthwith upon request a written statement by the Company as to its compliance with the reporting requirements of Rule 144 (at any time from and after ninety (90) days following the effective date of the first registration statement filed by the Company for an offering of its securities to the general public), and of the Securities Act and the Exchange Act (at any time after it has become subject to such reporting requirements), a copy of the most recent annual or quarterly report of the company, and such other reports and documents so filed as a Holder

may reasonably request in availing itself of any rule or regulation of the Commission allowing a Holder to see any such securities without registration.

11. "Market Stand-off" Agreement. If requested by the Company and an underwriter of the Common Stock (or other securities) of the Company,

Stockholders will not sell or otherwise transfer or dispose of any of the Common Stock (or other securities) of the Company issuable upon exchange of the Shares held by them during the one hundred twenty (120) day period following the effective date of a registration statement of the Company filed under the Securities Act, other than a registration statement relating solely to employee benefit plans, a registration statement relating solely to a Commission Rule 145 transaction, or a registration statement covering a delayed or continuous offering pursuant to Rule 415 under the Securities Act.

The Company may impose stop-transfer instructions with respect to the shares (or securities) subject to the foregoing restriction until the end of said one hundred twenty (120) day period.

12. Limitations on Grant of Subsequent Registration Rights. The Company shall not enter into any agreement with any holder or prospective holder of the securities of the Company giving such holder or prospective holder the right to require the Company to initiate any registration of any securities of the Company or to require the Company to include in any registration securities owned by such holder unless such agreement is consistent with the provisions of this Agreement and with the rights of the Holders hereunder.

13. Term. The obligations of the Company to effect any registration pursuant to this Agreement shall terminate at such time as the Holders may sell all shares of the Common Stock issuable upon exchange of their Shares within a three month period in reliance on Rule 144 under the Securities Act, or any comparable or successor rule, assuming that the Holders at such time are not required to aggregate their sales with sales by any other Holder other than a predecessor Holder and assuming the average weekly volume of trading in the Common Stock during any period is less than one percent of the shares of the Common Stock outstanding.

14. Amendments and Waivers. This Agreement may be amended and the Company may take any action herein prohibited, or omit to perform any act herein required to be performed by it, only if the Company shall have obtained the written consent to such amendment, action or omission to act, of the Holders of more than 80% of the Shares and, in the case of any amendment, action or omission to act which adversely affects any Holder of Shares differently from any of the other Holders of Shares, the written consent of such Holder. Each Holder of any Shares at the time or thereafter outstanding shall be bound by any consent authorized by this Section 14.

15. Notices. All communications provided for hereunder shall be sent by first-class mail and (a) if addressed to a Holder, at the address that such Holder shall have furnished to the Company in writing, or, until any such other Holder so furnished to the Company an address, then

to and at the address of the last Holder of such Shares who has furnished an address to the Company, or (b) if addressed to the Company, at 900 North Tucker Boulevard, St. Louis, Missouri 63101 to the attention of its President, or at such other address, or to the attention of such other officer, as the Company shall have furnished to each Holder at the time outstanding, with a copy of all such notices to: Fulbright & Jaworski L.L.P., 666 Fifth Avenue, New York, New York 10103 to the attention of Richard A. Palmer.

16. Assignment. This Agreement shall be binding upon and inure to the benefit of and be enforceable by the parties hereto and their respective heirs, legal representatives, successors and assigns. In addition, and whether or not any express assignment shall have been made, the provisions of this Agreement which are for the benefit of the parties hereto other than the Company shall also be for the benefit of and enforceable by any subsequent Holder, subject to the provisos respecting the minimum numbers or percentages of Shares required in order to be entitled to certain rights, or take certain actions, contained herein.

17. Descriptive Headings. The descriptive headings of the several sections and paragraphs of this Agreement are inserted for reference only and shall not limit or otherwise affect the meaning hereof.

18. Governing Law. This Agreement shall be construed and enforced in accordance with, and the rights of the parties shall be governed by, the laws of the State of New York.

19. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all such counterparts shall together constitute one and the same instrument.

IN WITNESS WHEREOF, the parties have executed and delivered this Agreement or caused this Agreement to be executed and delivered by their respective officers thereunto duly authorized as of the date first above written.

By: /s/ Ronald H. Ridgway

Ronald H. Ridgway
Senior Vice President - Finance

/s/ Emily Rauh Pulitzer

Emily Rauh Pulitzer

/s/ Michael E. Pulitzer

Michael E. Pulitzer

/s/ David E. Moore

David E. Moore

<TABLE>
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SUBSIDIARIES OF REGISTRANT	STATE OF INCORPORATION	NAMES UNDER WHICH THEY DO BUSINESS
<S>	<C>	<C>
Star Publishing Company	AZ	The Arizona Daily Star
Pulitzer Technologies, Inc.	MO	POSTnet
News Information, Inc.	DE	N/A
WEJ Investment Company	MO	N/A
Pulitzer Ventures, Inc.	DE	N/A
Lerner Newspapers, Inc.	DE	N/A
Pulitzer Community Newspapers, Inc. and its wholly-owned subsidiaries:		
PCN Service Company	DE	The Daily Herald
Hanford Sentinel, Inc.	NV	N/A
Pulitzer Missouri Newspapers, Inc.	WA	The Hanford Sentinel
Napa Valley Publishing Company	DE	Daily Press Leader
Flagstaff Publishing Company	WA	The Napa Valley Register
Santa Maria Times, Inc.	WA	The Arizona Daily Sun
Troy Daily News, Inc.	NV	Santa Maria Times
Sonoma-Marin Publishing Company	OH	Troy Daily News
Kauai Publishing Company	DE	Argus-Courier
Northern Lakes Publishing Company	DE	The Garden Island
Northern Illinois Publishing Company	DE	The Daily News
Southwestern Oregon Publishing Company	DE	The Daily Chronicle
Eastern Missouri Publishing Company	OR	The World
Southwest Montana Publishing Company	MO	The Daily Journal
	MT	Revalli Republic

</TABLE>

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints ROBERT C. WOODWORTH and RONALD H. RIDGWAY, and each of them, his true and lawful attorneys-in-fact and agents, with full power of substitution and resubstitution, for him and in his name, place and stead, in any and all capacities, to sign Pulitzer Inc.'s Annual Report on Form 10-K, and to file the same, with all exhibits thereto and other documents in connection therewith, and any amendments thereto, with the Securities and Exchange Commission and New York Stock Exchange, Inc., granting unto said attorneys-in-fact and agents and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, or each of them, or their substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

<TABLE> <CAPTION>		
Signature -----	Title -----	Date -----
<S>	<C>	<C>
/s/ Michael E. Pulitzer ----- (Michael E. Pulitzer)	Director; Chairman	March 18, 1999
/s/ Robert C. Woodworth ----- (Robert C. Woodworth)	Director; President and Chief Executive Officer (Principal Executive Officer)	March 18, 1999
/s/ Ronald H. Ridgway ----- (Ronald H. Ridgway)	Director; Senior Vice President-Finance (Principal Financial and Accounting Officer)	March 18, 1999
/s/ Ken J. Elkins ----- (Ken J. Elkins)	Director	March 18, 1999
/s/ David E. Moore ----- (David E. Moore)	Director	March 18, 1999
/s/ William Bush ----- (William Bush)	Director	March 18, 1999
/s/ Emily Rauh Pulitzer ----- (Emily Rauh Pulitzer)	Director	March 18, 1999
/s/ Alice B. Hayes ----- (Alice B. Hayes)	Director	March 18, 1999
/s/ James M. Snowden Jr. ----- (James M. Snowden, Jr.)	Director	March 18, 1999

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