SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K
CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934.

Date of report (Date of earliest event reported) December 28, 1995

Commission File Number 1-16914

THE E.W. SCRIPPS COMPANY
(Exact name of registrant as specified in its charter)

Delaware	51-0304972
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification Number)

1105 N. Market Street Wilmington, Delaware	19801
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code: (302) 478-4141

Not Applicable
(Former name, former address and former fiscal year, if changed since last report.)

INDEX TO THE E. W. SCRIPPS COMPANY

REPORT ON FORM 8-K DATED DECEMBER 28, 1995

DESCRIPTION OF THE TRANSACTIONS

On October 28, 1995, The E.W. Scripps Company ("Scripps") and Comcast Corporation ("Comcast") reached an agreement pursuant to which Scripps will contribute all of its non-cable television assets to Scripps Howard, Inc. ("SHI" - a wholly-owned subsidiary of Scripps and the direct or indirect parent of all of Scripps' operations) and SHI's cable television system subsidiaries ("Scripps Cable") will be transferred to and held directly by Scripps. Scripps Cable will then be acquired by Comcast through a tax-free merger (the "Merger") with Scripps. The remaining SHI business will continue as "New Scripps", which will be distributed in a tax-free "spin-off" to Scripps shareholders (the "Spin-Off") and thereafter renamed The E.W. Scripps Company. As a condition of the Merger Scripps has agreed to retire or defease its $61 million aggregate principal amount 7.375% notes due in 1998 ("Defeasance"). The Merger, Spin-off and Defeasance are collectively referred to as the "Transactions." Upon completion of the Transactions the separate existence of Scripps will cease.

The total value in Comcast shares that Scripps shareholders are expected to receive is $1.575 billion, subject to certain closing adjustments. Scripps shareholders will also receive one New Scripps Common Voting Share for each share of Scripps Common Voting Stock held and one New Scripps Class A Common Share for each share of Scripps Class A Common Stock held.

Scripps' historical basis in its assets and liabilities will be carried over to New Scripps. The transactions will be recorded as a reverse-spin transaction, accordingly New Scripps' results of operations for periods prior to the consummation of the Transactions will represent the historical results previously reported by Scripps. Because Scripps Cable represents an entire business segment that will be divested, its results will be reported as "discontinued operations" for all periods presented. Results of the remaining business segments, including results for divested operating units within these segments through their dates of sale, will be reported as "continuing operations." Management of New Scripps intends to maintain the dividend payment policy of Scripps. Future dividends will be subject to New Scripps' earnings, financial condition, and capital requirements.

The closing date of the Transactions is expected to be in the latter part of 1996, subject to regulatory approvals and certain other conditions. Controlling shareholders in Scripps and Comcast have agreed to vote in favor of the Merger. Upon completion of the Transactions New Scripps expects to record a gain of approximately $1.2 billion and a distribution to shareholders of approximately $1.58 billion.

LITIGATION REGARDING THE TRANSACTIONS

On October 30, 1995, three purported class actions on behalf of Scripps stockholders were filed in the Court of Chancery, New Castle County, State of Delaware with respect to the proposed transactions: Steven J. Gutter v. Daniel J. Meyer, et al., Case No. 14650; David Shaev v. Lawrence A. Leser, et al., Case No. 14653 and Jack Shanfield v. Lawrence A. Leser, et al., Case No. 14655. These actions are expected to be consolidated and are collectively referred to herein as the "Stockholders' Litigation".

The Scripps Stockholders' Litigation challenges the terms of the proposed transactions by Scripps and certain of its directors. The Scripps Stockholders' Litigation alleges that the defendants breached their fiduciary duties to the stockholders of Scripps with respect to the proposed transactions because they failed to obtain the best price for the disposition of the cable assets and have failed to maximize shareholder value. The Scripps Stockholders' Litigation further claims, among other things, that the defendants breached their fiduciary duties to the Scripps stockholders by entering into the transactions to benefit The Scripps Trust and Scripps family members contrary to the best interests of the other stockholders of Scripps.

The Scripps Stockholders' Litigation seeks to have the Merger enjoined or, if the Merger is consummated, to have it rescinded and to recover unspecified amounts of damages, fees, and expenses. In addition, the actions seek an order to have a Scripps stockholders' committee consisting of purported class members to participate in the review of any transaction relating to the disposition of the Scripps cable television business.

The defendants named in the Scripps Stockholders' Litigation deny the material allegations asserted against them. It is the defendants' intention to defend vigorously the Scripps Stockholders' Litigation. Defendants are unable to evaluate the likelihood of the outcome, favorable or unfavorable, or to estimate the amount or range of potential loss, if any.

DESCRIPTION OF SCRIPPS AND NEW SCRIPPS

BUSINESS

If the Transactions are consummated, the newspaper, broadcasting and entertainment businesses of Scripps will continue to be operated by New Scripps, which is a wholly owned subsidiary of Scripps and the direct or indirect parent of all of Scripps' newspaper, broadcasting and entertainment businesses. Accordingly, the discussions set forth below of the Scripps newspaper, broadcasting and entertainment business also serves as a discussion of the New Scripps businesses.

Scripps publishes daily newspapers in fifteen markets, operates local television stations in nine markets, and its entertainment division primarily produces television programming and licenses comic characters.

Newspapers

General - Scripps publishes daily newspapers in fifteen markets. From its Washington bureau Scripps operates the Scripps Howard News Service, a supplemental wire service covering stories in the capital, other parts of the United States, and abroad.

Scripps acquired or divested the following newspaper operations between January 1, 1990 and September 30, 1995:

1995 - Divested the Watsonville, California, daily newspaper.

1993 - Acquired the remaining 2.7% minority interest in the Knoxville News-Sentinel. Divested the Tulare, California, and San Juan, Puerto Rico newspapers.

1992 - Acquired three daily newspapers in California (including The Monterey County Herald in connection with the sale of The Pittsburgh Press). Divested The Pittsburgh Press.

Revenues - The composition of Scripps's newspaper operating revenues for the nine months ended September 30, 1995 and 1994 and for the most recent five years is as follows:

(in thousands)

	For the nine months ended September 30, 1995	1994	For the years ended December 31, 1994	1993	1992	1991	1990
Newspaper advertising:							
Local ROP	$ 141,270	$ 135,328	$ 190,147	$ 177,028	$ 168,286	$ 165,900	$ 175,196
Classified ROP	136,146	122,272	161,835	141,994	122,081	118,641	123,537
National ROP	12,014	11,653	15,595	11,999	12,094	12,438	14,814
Preprint	47,576	43,956	63,103	57,304	50,720	45,729	44,502
Total newspaper advertising	337,006	313,209	430,680	388,325	353,181	342,708	358,049
Circulation	93,192	87,173	116,117	112,393	102,679	98,126	95,306
Joint operating agency distributions	31,732	32,064	44,151	38,647	40,018	36,647	37,394
Other	6,408	5,776	8,274	8,815	8,971	7,840	7,896
Total	468,338	438,222	599,222	548,180	504,849	485,321	498,645
Divested newspapers	294	2,725	3,716	19,874	103,838	205,565	213,543
Total newspaper operating revenues	$ 468,632	$ 440,947	$ 602,938	$ 568,054	$ 608,687	$ 690,886	$ 712,188

Scripps's newspaper operating revenues are derived primarily from advertising and circulation. Advertising rates and revenues vary among Scripps's newspapers depending on circulation, type of advertising, local market conditions, and competition. Advertising revenues are derived from run-of-paper ("ROP") advertisements included with news stories in the body of the newspaper and from preprinted advertisements that are generally produced by advertisers and inserted into the newspaper.

ROP is further broken down among "local," "classified," and "national" advertising. Local refers to advertising that is not in the classified advertising section and is purchased by in-market advertisers. Classified refers to advertising in the section of the newspaper that is grouped by type of advertising, e.g., automotive and help wanted. National refers to advertising purchased by businesses that operate beyond the local market and purchase advertising from many newspapers, primarily through advertising agencies. ROP advertisements are generally more profitable to Scripps than preprinted advertisements.

Advertising revenues vary through the year, with the first and third quarters generally having lower revenues than the second and fourth quarters. Advertising rates and volume are highest on Sundays, primarily because circulation and readership is greatest on Sundays.

Advertising information for Scripps' newspapers is as follows:

(in thousands)

	For the nine months ended September 30, 1995	1994	For the years ended December 31, 1994	1993	1992	1991	1990
Newspaper advertising inches:							
Local	4,883	4,955	7,180	6,618	7,016	6,915	7,686
Classified	8,119	7,893	10,889	9,750	8,817	8,280	8,680
National	242	235	358	283	311	363	410
Total full-run advertising inches	13,244	13,083	18,427	16,651	16,144	15,558	16,776

Circulation revenues are derived from home delivery sales of newspapers to subscribers and from single-copy sales made through retail outlets and vending machines. Circulation information for Scripps' newspapers is as follows:

(in thousands) (1) Newspaper	Morning (M) Evening (E)	1995	1994	1993	1992	1991	1990
Daily Paid Circulation							
Albuquerque (NM) Tribune (2)	E	30.0	32.4	34.7	35.5	38.6	40.1
Birmingham (AL) Post-Herald (2)	M (3)	58.2	59.6	60.1	61.9	60.6	62.0
Bremerton (WA) Sun	E	35.9	38.2	39.6	38.6	40.4	41.2
Cincinnati (OH) Post (2)	E (6)	87.4	90.9	95.1	98.5	100.9	104.3
Denver (CO) Rocky Mountain News	M	331.0	344.9	342.9	356.9	355.9	352.0
El Paso (TX) Herald Post (2)	E	22.3	23.7	25.2	27.6	28.3	28.2
Evansville (IN) Courier (2)	M	61.8	62.8	64.3	63.9	62.8	63.2
Knoxville (TN) News-Sentinel	M	124.9	127.9	123.9	126.0	103.9	104.2
Memphis (TN) Commercial Appeal	M	190.2	198.0	196.2	191.8	194.9	210.5
Monterey County (CA) Herald	M (5)	34.7	35.3	34.3	36.7	35.3	35.6
Naples (FL) Daily News	M	47.8	45.2	44.1	42.0	39.8	36.7
Redding (CA) Record-Searchlight	E	37.7	37.1	38.4	38.6	40.6	40.4
San Luis Obispo (CA) Telegram-Tribune	E	32.2	32.2	32.5	31.5	32.5	32.3
Stuart (FL) News	M	36.3	34.7	33.1	30.9	29.7	29.4
Ventura County (CA)	M (4),(7)	96.3	102.9	99.6	97.8	98.9	99.6
Total Daily Circulation		1,226.7	1,265.8	1,264.0	1,278.2	1,263.1	1,279.7
Sunday Paid Circulation							
Bremerton (WA) Sun		39.6	40.5	40.7	39.5		
Denver (CO) Rocky Mountain News		436.1	447.2	453.3	430.1	425.4	407.9
Evansville (IN) Courier		114.0	116.4	118.6	118.1	117.7	116.9
Knoxville (TN) News-Sentinel		174.8	177.9	183.5	182.9	174.9	171.9
Memphis (TN) Commercial Appeal		269.4	279.9	279.5	282.3	282.4	288.8
Monterey County (CA) Herald	(5)	38.1	39.1	35.1	38.2	37.3	37.2
Naples (FL) Daily News		61.4	58.4	57.4	54.8	51.7	48.5
Redding (CA) Record-Searchlight		39.9	40.3	40.7	40.9	40.0	39.3
Stuart (FL) News		44.4	43.1	40.6	37.5	35.4	34.7
Ventura County (CA)	(7)	104.0	108.8	106.2	105.4	107.2	107.8
Total Sunday Circulation		1,321.7	1,351.6	1,355.6	1,329.7	1,272.0	1,253.0

(1) Based on Audit Bureau of Circulation Publisher's Statements ("Statements") for the six-month periods ending September 30, except figures for the Naples Daily News and the Stuart News which are from the Statements for the twelve-month periods ending September 30.

(2) This newspaper is published under a JOA with another newspaper in its market. See "Joint Operating Agencies."

(3) Will move to evening distribution in 2000.

(4) Ventura County edition moved from evening to morning distribution in March 1990. Thousand Oaks and Simi Valley editions moved to morning distribution in January 1995. (see (7)).

(5) Acquired in 1992.

(6) Includes circulation of The Kentucky Post.

(7) Prior year amounts have been restated. Ventura County, Thousand Oaks, and Simi Valley Star are now reported as separate editions of a single newspaper.

Joint operating agency distributions represent Scripps' share of profits of newspapers managed by the other party to a joint operating agency (see "Joint Operating Agencies"). Other newspaper operating revenues include commercial printing.

Joint Operating Agencies - Scripps is currently a party to newspaper joint operating agencies ("JOAs") in five markets. A JOA combines all but the editorial operations of two competing newspapers in a market in order to reduce aggregate expenses and take advantage of economies of scale, thereby allowing the continuing operation of both newspapers in that market. The Newspaper Preservation Act of 1970 ("NPA") provides a limited exemption from anti-trust laws, generally permitting the continuance of JOAs in existence prior to the enactment of the NPA and the formation, under certain circumstances, of new JOAs between newspapers. Except for Scripps' JOA in Cincinnati, all of Scripps' JOAs were entered into prior to the enactment of the NPA. From time to time the legality of pre-NPA JOAs has been challenged on anti-trust grounds but no such challenge has yet succeeded in the courts.

JOA revenues less JOA expenses, as defined in each JOA, equals JOA profits, which are split between the parties to the JOA. In each case JOA expenses exclude editorial expenses. Scripps manages the JOA in Evansville and receives approximately 80% of JOA profits. Each of the other four JOAs are managed by the other party to the JOA. Scripps receives approximately 20% to 40% of JOA profits for those JOAs.

The table below provides certain information about Scripps' JOAs.

Newspaper	Publisher of of Other Newspaper	Year JOA Entered Into	Year of JOA Expiration
Managed by Scripps:			
The Evansville Courier	Hartmann Publications	1938	1998
Managed by Other Publisher:			
The Albuquerque Tribune	Journal Publishing Company	1933	2022
Birmingham Post-Herald	Newhouse Newspapers	1950	2015
The Cincinnati Post	Gannett Newspapers	1977	2007
El Paso Herald Post	Gannett Newspapers	1936	2015

The JOAs generally provide for automatic renewal terms of ten years unless an advance notice of termination ranging from two to five years is given by either party. Scripps has notified Hartmann Publications of its intent to terminate the Evansville JOA.

Competition - Scripps' newspapers compete for advertising revenues primarily with other local media, including other local newspapers, television and radio stations, and direct mail. Competition for advertising revenues is based upon audience size and demographics, price, and effectiveness. Newspapers compete with all other information and entertainment media for consumers' discretionary time.

All of Scripps' newspaper markets are highly competitive, particularly Denver, the largest market in which Scripps publishes a newspaper.

Newspaper Production - Scripps' daily newspapers are printed using offset or flexographic presses and use computer systems for writing, editing, and composing and producing the advertising and news material printed in each edition.

Raw Materials and Labor Costs - Scripps consumed approximately 142,000 metric tons of newsprint for the nine months ended September 30, 1995, a 4% decrease from the same period in 1994. Scripps purchases newsprint from various suppliers, many of which are Canadian. Management believes that Scripps' sources of supply of newsprint are adequate for its anticipated needs. Newsprint prices have risen dramatically in 1994 and 1995. As a result newsprint costs accounted for approximately 22% of Scripps' newspaper operating expenses for the nine months ended September 30, 1995, as compared to 18% in the same period of 1994.

Labor costs accounted for approximately 43% of Scripps' newspaper operating expenses in 1995. A substantial number of Scripps' newspaper employees are represented by labor unions. See "Employees."

Broadcast Television

General - Scripps' television operations consist of nine network-affiliated television stations. Scripps acquired or divested the following broadcast operations between January 1, 1990 and September 30, 1995:

1993 - Divested radio stations and Memphis television station.

1991 - Acquired Baltimore television station WMAR.

Revenues - The composition of Scripps' broadcasting operating revenues for the nine months ended September 30, 1995 and 1994 and for the most recent five years is as follows:

(in thousands)

	For the nine months ended September 30, 1995	1994	For the years ended December 31, 1994	1993	1992	1991	1990
Local advertising	$ 108,199	$ 103,124	$ 142,491	$ 130,603	$ 120,148	$ 106,610	$ 98,235
National advertising	91,090	87,768	122,668	114,558	109,204	99,459	89,110
Political advertising	758	5,121	14,291	1,344	8,836	665	8,292
Other	11,664	6,432	8,734	8,439	9,037	9,661	9,509
Total	211,711	202,445	288,184	254,944	247,225	216,395	205,146
Divested television and radio stations				29,350	30,062	29,055	30,434
Total broadcasting operating revenues	$ 211,711	$ 202,445	$ 288,184	$ 284,294	$ 277,287	$ 245,450	$ 235,580

Scripps' television operating revenues are derived primarily from the sale of time to businesses for commercial messages that appear during entertainment and news programming. Local advertising refers to time purchased by local businesses; national refers to regional and national businesses; political refers to campaigns for elective office.

The first and third quarters of each year generally have lower advertising revenues than the second and fourth quarters, due in part to higher retail advertising during the holiday seasons and political advertising in election years. Advertising rates are based primarily upon the size and demographics of the audience for each program.

Information concerning Scripps' stations and the markets in which they operate is as follows:

Station and Market	Network Affiliation	Expiration of FCC License	Rank of Market (1)	Current Affiliation Agreement Expires	Stations in Market (3)	1995	1994	1993	1992	1991	1990
WXYZ, Detroit, Ch. 7	ABC	1997	9	2004	6						
Average Audience Share (2)						21	21	21	22	23	22
Station Rank in Market (3)						1	1	1	1	1	1
WEWS, Cleveland, Ch. 5	ABC	1997	13	2004	10						
Average Audience Share (2)						19	20	20	21	20	21
Station Rank in Market (3)						1	1	1	1	1	1
WFTS, Tampa, Ch. 28	ABC (6)	1997	15	2004	10						
Average Audience Share (2)						10	8	8	7	7	8
Station Rank in Market (3)						4	4	4	4	4	4
KNXV, Phoenix, Ch. 15	ABC (6)	1993 (4)	19	2004	11						
Average Audience Share (2)						10	10	9	10	10	8
Station Rank in Market (3)						4	4	4	4	4	5
WMAR, Baltimore, Ch. 2 (5)	ABC (6)	1996	23	2004	6						
Average Audience Share (2)						15	17	19	17	21	21
Station Rank in Market (3)						3	3	2	2	1	2
WCPO, Cincinnati, Ch. 9	CBS (7)	1997	30	1996	5						
Average Audience Share (2)						17	19	21	22	20	24
Station Rank in Market (3)						1	1	1	1	1	1
KSHB, Kansas City, Ch. 41	NBC (6)	1998	31	2004	7						
Average Audience Share (2)						10	11	10	11	9	10
Station Rank in Market (3)						4	4	4	4	4	4
WPTV, W. Palm Beach, Ch. 5	NBC	1997	45	2004	6						
Average Audience Share (2)						18	20	24	23	25	25
Station Rank in Market (3)						1	1	1	1	1	1
KJRH, Tulsa, Ch. 2	NBC	1998	59	2004	7						
Average Audience Share (2)						16	16	15	16	17	17
Station Rank in Market (3)						3	4	3	3	3	3

All market and audience data is based on November A.C. Nielsen Company survey, except for 1995 which is based on the May survey.

(1) Rank of Market represents the relative size of the television market in the United States.
(2) Represents the number of television households tuned to a specific station Sign-On/Sign-Off, Sunday - Saturday, as a percentage of total viewing households in Area of Dominant Influence.
(3) Stations in Market does not include public broadcasting stations, satellite stations, or translators which rebroadcast signals from distant stations. Station Rank in Market is based on Average Audience Share as described in (2).
(4) Scripps filed an application for renewal of the FCC license on June 1, 1993 for a term to expire in 1998. Petitions to deny or revoke this license are pending.
(5) Station purchased May 30, 1991.
(6) Prior to January 1995 WFTS and KNXV were FOX affiliates and WMAR was a NBC affiliate; prior to September 1994 KSHB was a FOX affiliate.
(7) Affiliation will change to ABC in June 1996. The ABC affiliation agreement has a term of ten years.

Competition - Scripps' television stations compete for advertising revenues primarily with other local media, including other television stations, radio stations, newspapers, and direct mail. Competition for advertising revenues is based upon audience size and demographics, price, and effectiveness. Television stations compete for consumers' discretionary time with all other information and entertainment media. Continuing technological advances will improve the capability of alternative service providers such as traditional cable, "wireless" cable, and direct broadcast satellite television to offer video services in competition with terrestrial broadcasting. The degree of competition from such service providers and from local telephone companies which are pursuing efforts to enter this market is expected to increase. Scripps intends to undertake upgrades in its services as may be permitted by the FCC to maintain its competitive posture, and such facility upgrades may require large capital investments. Technological advances in interactive media services will increase these competitive pressures.

Network Affiliation and Programming - Scripps' television stations are affiliated with national television networks. The networks offer a variety of programs to affiliated stations, which have the right of first refusal before such programming may be offered to other television stations in the same market. Networks compensate affiliated stations for carrying network programming.

In addition to network programs, Scripps' television stations broadcast locally produced programs, syndicated programs, sports events, movies, and public service programs. News is the focus of Scripps' locally produced programming. Advertising during local news programs accounts for more than 30% of a station's revenues.

Federal Regulation of Broadcasting - Television broadcasting is subject to the jurisdiction of the Federal Communications Commission ("FCC") pursuant to the Communications Act of 1934, as amended ("Communications Act"). The Communications Act prohibits the operation of television broadcasting stations except in accordance with a license issued by the FCC and empowers the FCC to revoke, modify, and renew broadcasting licenses, approve the transfer of control of any corporation holding such licenses, determine the location of stations, regulate the equipment used by stations, and adopt and enforce necessary regulations.

Television broadcast licenses are granted for a maximum of five years, and are renewable upon application. Application for renewal of the license for Scripps' Phoenix station was filed in 1993 and is still pending. A petition to deny this renewal application, raising Equal Employment Opportunity issues, has been filed by the League of United Latin American Citizens ("LULAC") and is still pending. While there can be no assurance regarding the outcome of this petition, Scripps has never had a license revoked, has never been denied a renewal, and all previous renewals have been for the maximum term.

FCC regulations govern the multiple ownership of television stations and other media. Under the multiple ownership rule, a license for a television station will generally not be granted or renewed if (i) the applicant already owns, operates, or controls a television station serving substantially the same area, or (ii) the grant of the license would result in the applicant's owning, operating, or controlling, or having an interest in, more than twelve television stations or in television stations whose total national audience reach exceeds 25% of all television households. FCC rules also generally prohibit "cross-ownership" of a television station and daily newspaper or cable television system in the same service area. Scripps' television station and daily newspaper in Cincinnati were owned by Scripps at the time the cross-ownership rules were enacted and enjoy "grandfathered" status. These properties would become subject to the cross-ownership rules upon their sale. The FCC and Congress are actively considering some relaxation of these ownership restrictions.

Under the Cable Television Consumer Protection and Competition Act of 1992 ("1992 Act"), each television broadcast station gained "must-carry" rights on any cable system defined as "local" with respect to that station. Stations may waive their must-carry rights and instead negotiate retransmission consent agreements with local cable companies. Scripps' stations have generally elected to negotiate retransmission consent agreements with cable companies.

Management believes Scripps is in substantial compliance with all applicable regulatory requirements.

Entertainment

General - Scripps' Entertainment segment includes United Media, a licensor and syndicator of news features and comics, Home & Garden Television ("HGTV"), Scripps Howard Productions ("SHP"), Cinetel Productions ("Cinetel"), an independent producer of cable television programming, and Scripps' equity interests in The Television Food Network and SportSouth, both cable television networks.

HGTV was launched on December 30, 1994. Cinetel was acquired on March 31, 1994. SHP began operations in 1993 and began selling programs in 1995.

Revenues - The composition of Scripps' entertainment revenues for the nine months ended September 30, 1995 and 1994 and for the most recent five years is as follows:

(in thousands)

	For the nine months ended September 30,		For the years ended December 31,				
	1995	1994	1994	1993	1992	1991	1990
Licensing	$ 38,682	$ 38,054	$ 49,236	$ 55,083	$ 57,136	$ 62,167	$ 63,127
Syndication of comics and features	13,613	13,545	17,998	18,814	19,013	19,827	20,689
Film and television production	8,921	4,422	5,725	10,757	11,060	9,617	7,896
Other	7,748	322	514	87			
Total entertainment operating revenues	$ 68,964	$ 56,343	$ 73,473	$ 84,741	$ 87,209	$ 91,611	$ 91,712

Scripps, under the trade name United Media, is a leading distributor of news columns, comics, and other features for the newspaper industry. Included among these features is "Peanuts", one of the most successful strips in the history of comic art. United Media sold its worldwide "Garfield" and "US Acres" copyrights in 1994. Film and television production revenues prior to 1994 were primarily related to "Garfield" television programming.

United Media owns and licenses worldwide copyrights relating to "Peanuts" and other character properties for use on numerous products, including plush toys, greeting cards, and apparel, for promotional purposes, and for exhibit on television, video cassettes, and other media. Merchandise, literary, and exhibition licensing revenues are generally a negotiated percentage of the licensee's sales. Scripps generally receives a fixed fee for the use of its copyrights for promotional and advertising purposes. More than half of the licensing revenues are from markets outside the United States. Scripps generally pays a percentage of gross syndication and licensing royalties to the creators of these properties.

HGTV features 24 hours of daily programming focusing on home repair and remodeling, gardening, decorating, and home electronics. While most of the programming is transmitted by HGTV, affiliated local television stations throughout the United States may insert local programming and advertisements in certain time periods. The subscriber base has been established through a collaboration of local television stations (one per market) and cable television systems. Several of the largest cable television system operators have entered into agreements to carry the new network in exchange for permission to carry the signals of local television stations affiliated with HGTV.

Scripps expects to invest an additional $45,000,000 in HGTV over the next three years, including capital expenditures and pre-tax operating losses.

HGTV revenues are derived from the sale of advertising time and from fees received from cable television and other distribution systems that carry the network. Such license fees are generally based on the number of subscribers who can receive HGTV.

HGTV programming is transmitted via satellite to cable television systems. The HGTV audience includes satellite dish owners, who can view HGTV programming without paying a fee.

Scripps established SHP to acquire, create, develop, produce, and own programming product for domestic and international television, including prime-time series for network and first-run syndication, movies, and miniseries for network, cable, and pay cable television broadcast, along with news, information, and entertainment services for the emerging multimedia marketplace. Cinetel produces programs for cable television, such as Club Dance at the Whitehorse Cafe and Shadetree Mechanic.

Scripps' film and television program production revenues are derived from the licensing of programming to broadcast and cable television networks, the fees for which are negotiated with the networks. License fees are recognized as revenue when the programs are available for broadcast. The success of Scripps' programs is dependent upon public taste, which is unpredictable and subject to change. Consequently, operating revenues are subject to substantial fluctuations.

Programs are developed and produced internally and in collaboration with a number of independent writers, producers and creative teams under production arrangements. SHP generally licenses a program prior to commencing production. The initial license fee generally covers the cost of production. SHP retains the distribution rights for foreign, syndicated television, cable television, and home video markets.

Competition - Scripps' syndication operations compete for a limited amount of newspaper space with other distributors of news columns, comics, and other features. Competition is primarily based on price and popularity of the features. Popularity of licensed characters is a primary factor in obtaining and renewing merchandise and promotional licenses.

Scripps' program and production operations compete with all forms of entertainment. In addition to competing for market share with other entertainment companies, Scripps competes to obtain creative talents, story properties, advertiser support and broadcast rights. A significant number of other companies produce and/or distribute programs and provide programming to cable television and other system operators. Competition is primarily based on price, quality of the programming, and public taste.

Employees

As of September 30, 1995 Scripps had approximately 6,700 full-time employees, of whom approximately 4,800 were engaged in newspapers, 1,500 in broadcasting, and 350 in entertainment. Various labor unions represent approximately 1,900 employees, primarily in newspapers. Collective bargaining agreements covering approximately 50% of union-represented employees are being negotiated currently or will be negotiated in 1996. Except for work stoppages at The Pittsburgh Press, which was sold in 1992, Scripps has not experienced any work stoppages since March 1985. Scripps considers its relationship with employees to be generally satisfactory.

PROPERTIES

The properties used in Scripps' newspaper operations generally include business and editorial offices and printing plants.

Scripps' television operations require offices and studios and other real property for towers upon which broadcasting transmitters and antenna equipment are located. Increased capital expenditures in 1994 and 1995 are associated with more local news programming, primarily, in Kansas City, Phoenix, and Tampa. Ongoing advances in the technology for delivering video signals to the home, such as "high definition television," may, in the future, require a high level of capital expenditures in order to maintain competitive position.

Scripps' entertainment operations require offices and studios and other real and personal property to deliver programming product. HGTV and Cinetel operate from an 80,000 square-foot production facility in Knoxville.

Management believes Scripps' present facilities are generally well-maintained and are sufficient to serve its present needs.

LEGAL PROCEEDINGS

Scripps is involved in litigation arising in the ordinary course of business, such as defamation actions and various governmental and administrative proceedings relating to, among other things, renewal of broadcast licenses, none of which is expected to result in material loss.

DIRECTORS AND EXECUTIVE OFFICERS OF SCRIPPS AND NEW SCRIPPS

Executive Officers

The Executive officers of Scripps and New Scripps are identical. Executive officers serve at the pleasure of the Boards of Directors. Certain information as of December 1, 1995, about such officers appears in the table below.

Name	Age	Position
Lawrence A. Leser	60	Chairman of the Board of Directors (since August 1994); Chief Executive Officer (since 1985); Director (since 1977); President (1985 to August 1994)
William R. Burleigh	60	President (since August 1994); Chief Operating Officer (since May 1994); Director (since 1990); Executive Vice President (1990 to August 1994); Senior Vice President/Newspapers and Publishing (1986 to 1990)
Daniel J. Castellini	55	Senior Vice President/Finance and Administration (since 1986)
F. Steven Crawford	47	Senior Vice President/Cable (since September 1992); Vice President, Cable (1990 to September 1992); General Manager, TeleScripps Cable Company (1983 to 1990)
Paul F. (Frank) Gardner	53	Senior Vice President/Broadcasting (since April 1993); Senior Vice President, News Programming, Fox Broadcasting Company (1991 to 1993); Vice President and General Manager, WCPO Television, Cincinnati (1988 to 1991)
Alan M. Horton	52	Senior Vice President/Newspapers (since May 1994); Vice President/Operations, Newspapers (1992 to May 1994); Editor, Naples Daily News (1987 to 1992)
Craig C. Standen	53	Senior Vice President/Corporate Development (since August 1994); Vice President/Marketing-Advertising, Newspapers (1990 to August 1994)
J. Robert Routt	41	Vice President and Controller (since 1985)
E. John Wolfzorn	50	Treasurer (since 1979)
M. Denise Kuprionis	39	Corporate Secretary (since 1987)
Gregory L. Ebel	40	Vice President/Human Resources (since 1994); Senior Vice President, PNC Bank Ohio (1990 to 1994)
Richard A. Boehne	39	Vice President/Corporate Communications and Investor Relations (since 1995); Director of Corporate Communications and Investor Relations (1989 to 1994)

Directors

The directors of Scripps and New Scripps are identical. Each director serves until the next succeeding annual meeting of stockholders and until their respective successors are elected and qualified. Certain information as of December 1, 1995, about such directors appears in the table below.

Name	Age	Director Since	Principal Occupation or Occupation/Business Experience for Past Five Years
Daniel J. Meyer(1)	59	1988	Chairman since January 1, 1991, Chief Executive Officer since April 24, 1990, President and Chief Operating Officer from November 1987 through April 1990, of Cincinnati Milacron Inc. (a manufacturer of metal working and plastics processing machinery and systems).
Nicholas B. Paumgarten	50	1988	Managing Director of J.P. Morgan & Co. Inc. since February 10, 1992 (an investment banking firm); Managing Director of Dillon, Read & Co. Inc. from March 19, 1991 through February 9, 1992 (an investment banking firm); Managing Director from 1981 through March 18, 1991 of The First Boston Corporation (an investment banking firm).
David R. Huhn	58	1991	Retired; President of McAlpin's, Inc., a subsidiary of Mercantile Stores Co., Inc. from October 16, 1991 through February 3, 1994; Chairman and Chief Executive Officer from September 1989 through October 15, 1991, of Mercantile Stores Co., Inc.
John H. Burlingame(2)	62	1988	Executive Partner since 1982 of Baker & Hostetler (law firm).
William R. Burleigh	60	1990	President of Scripps since August 1994; Chief Operating Officer since May 1994, Executive Vice President from March 1990 through August 1994, Senior Vice President/Newspapers and Publishing of Scripps from September 1986 to March 1990; and Vice President and General Editorial Manager of Scripps from January 1984 to September 1986.
Lawrence A. Leser(3)	60	1977	Chairman of Scripps since August 1994, Chief Executive Officer since July 1985, President from July 1985 through August 1994.
Charles E. Scripps(4)	75	1946	Chairman of the Executive Committee of Scripps since August 1994; Chairman of the Board of Directors of Scripps from 1953 to August 1994.
Paul K. Scripps(5)	50	1986	Chairman since December 1989 and Vice Chairman and Editorial Director from December 1988 through December 3, 1989, of John P. Scripps Newspapers, a subsidiary of Scripps.
Robert P. Scripps(6)	77	1949	A Director of Scripps since 1949.

(1) Mr. Meyer is a director of Cincinnati Milacron Inc., Star Bank Corporation (bank holding company), Hubbell Incorporated (manufacturer of wiring and lighting devices) and Sunbeam Corporation (a consumer products company).

(2) Mr. Burlingame is a Trustee of the Scripps Trust.

(3) Mr. Leser is a director of Union Central Life Insurance Company and AK Steel Holding Corporation (steel manufacturer).

(4) Mr. Charles E. Scripps is the brother of Robert P. Scripps and Chairman of the Board of Trustees of the Scripps Trust.

(5) Mr. Paul K. Scripps serves as a director of the Company pursuant to an agreement between the Scripps Trust and John P. Scripps. See "Certain Transactions--John P. Scripps Newspapers."

(6) Mr. Robert P. Scripps is a Trustee of the Scripps Trust and the brother of Charles E. Scripps.

Committees. The Scripps Board has, and after the Spin-Off the New Scripps Board will have, an Executive Committee, an Audit Committee and a Compensation Committee. The functions of each of these committees are described and the members of each are listed below.

Charles E. Scripps, Lawrence A. Leser and John H. Burlingame are the members of the Executive Committee. The Executive Committee exercises all of the powers of the Board in the management of corporate business and affairs between Board meetings, except the power to fill vacancies on the Board or its committees.

Daniel J. Meyer, Nicholas B. Paumgarten and David R. Huhn are the members of the Audit Committee, which nominates the independent auditors each year, reviews the audit plans of both the internal and independent auditors, evaluates the adequacy of and monitors compliance with corporate accounting policies, and reviews the annual financial statements. The internal and independent auditors have unrestricted access to the Audit Committee.

Charles E. Scripps, Daniel J. Meyer and David R. Huhn are the members of the Compensation Committee, which establishes overall compensation policy, determines compensation of senior management and administers the Scripps Incentive Plan (as defined).

Compensation of Directors. Each director elected by the holders of Scripps Class A Common Stock receives an annual fee of $22,000, and an additional $2,000 for each meeting that he attends of the Scripps Board or a committee thereof on which he serves. Additionally, for each committee of which he is chairman, such director receives an annual fee of $3,000. Directors elected by the holders of Scripps Common Voting Stock, with the exception of Charles E. Scripps, do not receive any compensation for services as directors or committee members. Charles E. Scripps receives a fee for such services at the annual rate of $50,000, but does not receive any additional fees for his attendance at Scripps Board or Committee meetings. It is expected that New Scripps will compensate directors following the Spin-Off substantially in accordance with the foregoing practices.

EXECUTIVE COMPENSATION

Prior to the Spin-Off, Scripps executive officers will not have received any compensation from New Scripps for serving as executive officers thereof. It is expected that New Scripps will compensate its executive officers following the Spin-Off substantially in accordance with the compensation practices of Scripps. Stockholders interested in the compensation paid by Scripps to its executive officers may refer to Scripps' Proxy Statement for its 1995 Annual Meeting of Stockholders, a copy of which is on file with the SEC and is available without charge upon written or oral request to Investor Relations, The E.W. Scripps Company, 312 Walnut Street, Cincinnati, Ohio 45202, telephone (513) 977-3825.

Scripps Stock Plans Assumed by New Scripps

Scripps maintains the following stock plans: (i) the 1987 Long-Term Incentive Plan ("Scripps Incentive Plan") and (ii) the 1994 Non-Employee Directors' Stock Option Plan ("Scripps Director's Plan," and collectively, the "Scripps Stock Plans"). In connection with the Merger and related transactions, New Scripps will assume the Scripps Stock Plans and the options and awards outstanding thereunder. All references in such plans to Scripps and Scripps Class A Common Stock will be deemed to refer to New Scripps and New Scripps Class A Common Shares. Approval of the Merger by the holders of Scripps Common Voting Stock will constitute approval of New Scripps' assumption of the Scripps Stock Plans for purposes of the stockholder approval requirements of Rule 16b-3 under the Exchange Act.

Scripps Incentive Plan. Upon consummation of the Spin-Off, New Scripps will assume the Scripps Incentive Plan and all options and awards outstanding thereunder. All such options and awards will be adjusted in accordance with the plan by the Compensation Committee so as to prevent enlargement or dilution of the rights represented by such options and awards. No amendments will be made to the Scripps Incentive Plan as a result of the Spin-Off. All information appearing below about the Scripps Incentive Plan will continue to apply to the plan after assumption thereof by New Scripps.

The purpose of the Scripps Incentive Plan is to promote the long-term growth and profitability of Scripps by enabling it to attract and retain the best available persons for positions of substantial responsibility. Grants of incentive or nonqualified stock options, stock appreciation rights (in tandem with or independent of options) ("SARs"), restricted or nonrestricted share awards, performance units, or any combination thereof, may be made under the Scripps Incentive Plan. Participation is limited to officers and other key employees of Scripps selected by the Compensation Committee. Directors who are not officers of Scripps are not eligible to participate in the Scripps Incentive Plan. Scripps has reserved 3,250,000 shares of Class A Common Stock for issuance under the plan. The maximum number of shares of Scripps Class A Common Stock with respect to which options, SARs, restricted stock or performance units, or any combination thereof, may be granted under the Scripps Incentive Plan to any employee in any one calendar year is limited to 500,000 shares.

Stock Options and SARs. The exercise price of stock options granted under the Scripps Incentive Plan shall not be less than 100% of the fair market value of the shares on the date the option is granted. The Compensation Committee may grant incentive or nonqualified options. Options may be exercised upon payment of the exercise price in cash, in shares previously acquired by the optionee, or a combination of cash and such shares. Options may also be exercised in accordance with a "cashless" exercise procedure that permits the optionee to sell all or a portion of the shares underlying the option or obtain a margin loan from a broker sufficient to enable payment in either case of the exercise price of the option. The Compensation Committee shall determine the date or dates on which each option shall become exercisable. The Compensation Committee may accelerate the vesting of any option or SAR held by an employee who retires or whose employment is otherwise terminated for any reason other than cause. "Cause" means, generally, conviction of a felony, conduct that could cause demonstrable and serious injury to Scripps, or gross dereliction of duty or other grave misconduct. Retired employees have a period of five years following retirement to exercise their options and SARs. Upon a change in control of Scripps there will be an automatic acceleration of the vesting of any outstanding option or SAR as of the date of such change in control.

The Compensation Committee is authorized to grant SARs under the Scripps Incentive Plan independently of or in tandem with stock options. The exercise of an option shall result in an immediate forfeiture of its corresponding tandem SAR, and the exercise of a tandem SAR shall cause an immediate forfeiture of its corresponding option. A tandem SAR shall expire at the same time as and shall be transferable only when and under the same conditions as the related option. Tandem SARs shall be exercised only when, to the extent and on the conditions that the related option is exercisable. Upon exercise, the optionee shall be entitled to distribution of an amount equal to the difference between the fair market value of a share of Scripps Class A Common Stock on the date of exercise and the exercise price of the option to which the SAR corresponds. The Compensation Committee shall decide whether such distribution shall be in cash, in shares, or in a combination thereof. All tandem SARs will be exercised automatically on the last day prior to the expiration date of the related option. An independent SAR will entitle an employee to receive, with respect to each share of Class A Common Stock as to which the SAR is exercised, the excess of the fair market value of one share of such stock on the date of exercise over its fair market value on the date such SAR was granted. As defined in the Scripps Incentive Plan, "fair market value" means the average of the highest and lowest selling prices of the Scripps Class A Common Stock as reported on the New York Stock Exchange on the date in question. Independent SARs may become exercisable at such times or times, and on such conditions as the Compensation Committee may specify, except that no such SAR will become exercisable during the first six months following the date on which it was granted. The Scripps Incentive Plan provides that each independent SAR will be exercised automatically on the last day prior to its expiration date. Payments of the amount to which an employee is entitled upon the exercise of an independent SAR shall be made in cash or shares of Scripps Class A Common Stock, or in any combination thereof, as the Compensation Committee shall determine. To the extent that the payment is made in shares, the shares will be valued at their fair market value on the day of exercise of such SAR.

No option, SAR or performance unit shall be transferable by an employee otherwise than by will or the laws of descent and distribution or pursuant to a qualified domestic relations order. The Scripps Incentive Plan provides that the Compensation Committee shall make adjustments as it deems appropriate in the number and kind of shares reserved for issuance under the Plan, and the number and kind of shares covered by grants made under the plan and in the exercise price of outstanding options, in certain events, such as reorganization, recapitalization, stock split or merger. The Compensation Committee may also authorize cash awards to any participant in order to assist him or her in meeting tax obligations with respect to shares received under the plan.

Share Awards. The Compensation Committee may award shares of Scripps Class A Common Stock under the Scripps Incentive Plan and place restrictions on transfer of such shares. Each award shall specify the applicable restrictions, if any, on such shares, the duration of such restrictions, and the time at which such restrictions shall lapse. Participants will be required to deposit shares with Scripps during the period of any restriction on transfer.

Performance Units. The Compensation Committee may grant performance units to participants under the Scripps Incentive Plan. Each unit shall have a dollar value determined at the time of grant. The value of each unit may be fixed or it may fluctuate based on a performance factor (e.g., return on equity) selected by the Compensation Committee. The Compensation Committee shall establish performance goals that, depending on the extend to which they are met, will determine the final value of the performance units or the final number of units actually earned by participants, or both. Performance units that are earned by a participant may be paid in restricted or nonrestricted shares, in cash, or in a combination of both in the Compensation Committee's discretion.

Miscellaneous. The Scripps Incentive Plan provides for vesting, exercise or forfeiture of rights granted under the Scripps Incentive Plan on retirement, death, disability, termination of employment or a change of control. The Board of Directors may modify, suspend or terminate the Scripps Incentive Plan as long as it does not impair the rights of any participant thereunder. The holders of Scripps Common Voting Stock must approve any increase in the maximum number of shares reserved for issuance under the plan, any change in the classes of employees eligible to participate in the plan and any material increase in the benefits accruing to participants. The Scripps Incentive Plan was approved by the holders of Scripps Common Voting Stock in December 1987 and shall terminate in December 1997 except with respect to awards or options then outstanding.

Scripps Directors' Option Plan. Upon consummation of the Spin-Off, New Scripps will assume the Scripps Directors' Plan and all options outstanding thereunder. All such options will be adjusted in accordance with the plan by the Compensation Committee so as to prevent enlargement or dilution of the rights represented by such options. No amendments will be made to this plan as a result of the Spin-Off. All information appearing below about the Scripps Directors' Plan will continue to apply to the plan after assumption thereof by New Scripps.

The purpose of the plan is to strengthen the alignment of interests between non-employee directors and the stockholders of Scripps through the increased ownership by such directors of shares of Scripps Class A Common Stock. The total number of shares of Class A Common Stock of Scripps that may be made subject to options awarded under the Plan is 50,000. Participation is limited to non-employee directors of Scripps elected by the holders of Class A Common Stock.

Under the plan, each qualified director shall receive a one-time non-qualified stock option for 5,000 shares of Class A Common Stock at the time of initial election. On December 9, 1994, each of the three non-employee directors currently in office received an option for 5,000 shares of Class A Common Stock. The plan was subsequently approved by the holders of the Common Voting Stock.

The exercise price of each option granted under the plan shall be equal to the fair market value of a share of Scripps Class A Common Stock on the date that the option is granted. Options may be exercised in whole or in part upon payment of the exercise price in cash or in shares of Scripps Class A Common Stock previously acquired or a combination of cash and such shares. The plan also provides for "cashless exercise" of options pursuant to which a participant pays the exercise price of his options by selling all or part of the underlying common shares.

The stock options granted under the plan to the current non-employee directors of the Company are exercisable and shall expire on December 9, 2004. All other stock options granted under the plan shall be exercisable on the first anniversary of the recipient's election as a director by the holders of Scripps Class A Common Stock and shall have terms of ten years from the date of grant.

Options granted under the plan are not transferable except as permitted by applicable law. The plan provides for appropriate adjustments in the number and kind of shares reserved for issuance under the plan or covered by options granted under the Plan and in the exercise price of outstanding options in the event of a reorganization, stock split, merger, or similar event. The plan will continue in effect until its expiration on December 9, 2004, and options then outstanding will continue in effect until the expiration of their terms.

Rule 16b-3. Pursuant to Section 16(b) of the Exchange Act, directors, certain officers and 10% stockholders of Scripps are generally liable to Scripps for repayment of any "short-swing" profits realized from any non-exempt purchase and sale of Scripps Common Stock occurring within a six-month period. Rule 16b-3, promulgated under the Exchange Act, provides an exemption from Section 16(b) liability for certain transactions by an officer or director pursuant to an employee benefit plan that complies with such rule. Specifically, the grant of an option under an employee benefit plan that complies with Rule 16b-3 will not be deemed the purchase of a security and the actual or deemed sale of shares in connection with certain option exercises will not be deemed a sale for Section 16(b) purposes. The Scripps Stock Plans are designed to comply with Rule 16b-3.

Federal Income Tax Consequences of the Scripps Stock Plans. The following is a summary of the federal income tax consequences of transactions under the Scripps Stock Plans.

Non-Qualified Stock Options. In general, with respect to non-qualified stock options under each of the Scripps Stock Plans (a) no income is realized by the optionee at the time the option is granted, (b) upon exercise of the option, the optionee realizes ordinary income in an amount equal to the excess of the fair market value of the shares of Class A Common Stock on the date of exercise over the option price paid for the shares, and Scripps is entitled to a tax deduction in the same amount, and (c) at disposition of the Class A Common Stock received upon the exercise of the option, the optionee receives, as either short-term or long-term capital gain (or loss) the difference between the amount realized and the fair market value of the shares on the date of exercise.

Incentive Stock Options. No taxable income is realized by the optionee upon the grant or exercise of an incentive stock option under the Scripps Incentive Plan. If Class A Common Stock is issued to an optionee pursuant to the exercise of an incentive stock option, and if no disqualifying disposition of such stock is made by such optionee within two years after the date of grant or within one year after the transfer of such shares to such optionee, then (a) upon the sale of such stock a long-term capital gain or loss will be realized in an amount equal to the difference between the option price and the amount realized by the optionee and (b) no deduction will be allowed to Scripps for federal income tax purposes. The excess (if any) of the fair market value of the shares on the date of exercise over the option price, however, is includable in alternative minimum taxable income unless the shares are disposed of in the taxable year the option is exercised.

If Class A Common Stock acquired upon the exercise of an incentive stock option is disposed of prior to the expiration of either holding period described above, generally (i) the optionee realizes ordinary income in the year of disposition in an amount equal to the excess (if any) of the fair market value of the shares on the date of exercise (or, if less, the amount realized on the disposition of the shares) over the option price paid for such shares and (ii) Scripps will be entitled to deduct the amount realized as ordinary income by the optionee if Scripps satisfies certain federal withholding or reporting requirements. Any further gain (or loss) realized by the participant will be taxed as short-term or long-term capital gain (or loss), as the case may be, and will not result in any deduction for Scripps.

Stock Appreciation Rights. No income will be realized by an optionee in connection with the grant of a stock appreciation right under the Scripps Incentive Plan. When the right is exercised, the optionee will generally be required to recognize as ordinary income in the year of exercise an amount equal to the sum of the amount of cash and the fair market value of any shares received. Scripps will be entitled to a deduction equal to the amount included in such optionee's ordinary income by reason of the exercise if Scripps satisfies certain federal withholding or reporting requirements. If the optionee receives Class A Common Stock upon the exercise of a stock appreciation right, the post-exercise appreciation (or depreciation) will be treated in the same manner as discussed above under "Non-Qualified Stock Options."

Restricted Stock Awards. A recipient of a restricted stock award under the Scripps Incentive Plan generally will recognize ordinary income equal to the difference between the fair market value of the restricted stock at the time the stock is transferable or not subject to a substantial risk of forfeiture and the consideration, if any, paid for the stock. A recipient may elect, however, within 30 days of the date of grant, to recognize taxable ordinary income on the date of grant equal to the excess of the fair market value of the shares of restricted stock on such date (determined without regard to any restrictions other than restrictions which will never lapse) over the consideration, if any, paid for such restricted stock. Scripps generally will be entitled to a deduction equal to the amount that is taxable as ordinary income to the recipient if Scripps satisfies certain federal withholding requirements.

Performance Units. A recipient of performance units under the Scripps Incentive Plan will recognize ordinary income when the objectives for a performance unit are satisfied. The time at which a recipient of a performance unit will recognize ordinary income will generally depend upon whether the recipient receives restricted or nonrestricted stock, cash or a combination thereof. Scripps generally will be entitled to a deduction equal to the amount that is taxable as ordinary income to the recipient if Scripps satisfies certain witholding requirements.

Capital Gains. Under current law, capital gains are subject to the same tax rates that apply to ordinary income, except the rate may not exceed 28%. Capital losses may be utilized to offset capital gains to the extent of capital gains, and $3,000 of capital losses in excess of capital gains ($1,500 in the case of a married individual filing a separate return) is deductible against other income.

To receive long-term capital gain (loss) treatment with respect to any appreciation (depreciation) in the value of Class A Common Stock acquired pursuant to the Scripps Stock Plans, the participant must hold such shares for more than one year. Shares held for one year or less will receive short-term capital gain or loss treatment.

Dividends and Dividend Equivalents. Dividends paid on restricted stock generally will be treated as compensation that is taxable as ordinary income to the participant and may be deductible by Scripps. If, however, the participant makes a Section 83(b) election, the dividends will be taxable as ordinary income to the participants, but will not be deductible by Scripps.

$1,000,000 Deduction Limitation. Scripps is not entitled to deduct annual remuneration in excess of $1 million (the "Deduction Limitation") paid to certain of its employees unless such remuneration satisfies an exception to the Deduction Limitation, including an exception for performance-based compensation established by a compensation committee and approved by shareholders. Thus, unless options, rights or awards granted under the Scripps Incentive Plan satisfy an exception to the Deduction Limitation, Scripps' deduction with respect to such options, rights or awards will be subject to the Deduction Limitation.

Under Treasury Regulations, compensation attributable to stock options or stock appreciation rights is deemed to satisfy the performance based compensation exception if:

> "the grant or award is made by the compensation committee; the plan under which the option or right is granted states the maximum number of shares with respect to which options or rights may be granted during a specified period to any employee; and, under the terms of the option or right the amount of compensation the employee could receive is based solely on an increase in the value of the stock after the date of the grant or award . . ."

If a compensation committee comprised solely of two or more "outside directors" within the meaning of Section 162(m) of the Code makes grants, Scripps' deduction with respect to options granted under the Scripps Incentive Plan will not be subject to the Deduction Limitation.

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The following table sets forth certain information with respect to persons known to Scripps to be the beneficial owners of more than five percent of Scripps Class A Common Stock or Scripps Common Voting Stock. Unless otherwise indicated, all information is as of September 30, 1995, and the persons named in the table have sole voting and investment power with respect to all shares shown therein as being beneficially owned by them. Assuming that the Spin-Off had occurred as of the aforesaid date, the information in the table below would also reflect the number of Class A Common Shares and Common Voting Shares of New Scripps, and the respective percentages thereof, beneficially owned by the persons named in such table.

Name and Address of Beneficial Owner	Class A Common Stock	Percent	Common Voting Stock	Percent
The Edward W. Scripps Trust(1) 312 Walnut Street Cincinnati, Ohio	32,610,000	54.3%	16,040,000	80.2%
Jack R. Howard(2) c/o Scripps Howard, Inc. Attn: Corporate Secretary 312 Walnut Street Cincinnati, Ohio	3,659,198	6.1%	170,000	0.9%
Paul K. Scripps and John P. Scripps Trust(3) 525 C Street, Suite 306 San Diego, California	189,097	0.3%	1,616,113	8.1%
Wellington Management Company(4) 75 State Street Boston, Massachusetts	3,442,030	5.7%	-0-	-0-
The Capital Group Companies, Inc. (5) 333 South Hope Street Los Angeles, California	3,113,400	5.2%	-0-	-0-
Chemical Bank, Trustee(6) 270 Park Avenue New York, New York	71,367	0.1%	1,392,000	7.0%

(1) Under the Trust Agreement establishing the Scripps Trust, the Scripps Trust must retain voting stock sufficient to ensure control of Scripps (and following the Spin-Off, New Scripps) until the final distribution of the Scripps Trust estate unless earlier stock dispositions are necessary for the purpose of preventing loss or damage to such estate. The Scripps Trust will terminate upon the death of the last to survive of four persons specified in the Scripps Trust, the youngest of whom is 72 years of age. Upon the termination of the Scripps Trust, substantially all of its assets (including all shares of capital stock of Scripps or, following the Spin-Off, New Scripps, held by the Scripps Trust) will be distributed to the grandchildren of Robert Paine Scripps (a son of Edward W. Scripps), of whom there are 28. Certain of these grandchildren have entered into an agreement among themselves, other cousins and Scripps which will restrict transfer and govern voting of shares of Scripps Common Voting Stock (and, following the Spin-Off, New Scripps Common Voting Shares) to be held by them upon termination of the Scripps Trust and distribution of the Scripps Trust estate. This agreement will apply to the New Scripps Common Voting Shares following the Spin-Off. See "Certain Transactions--Scripps Family Agreement."

(2) The shares listed for Mr. Howard consist of 3,327,385 shares of Scripps Class A Common Stock and 170,000 shares of Scripps Common Voting Stock held in an irrevocable trust established for the benefit of Mr. Howard and his wife and of which Mr. Howard and his wife are the sole trustees; and 331,813 shares of Scripps Class A Common Stock owned by Mr. Howard's wife. Mr. Howard disclaims any beneficial interest in these shares except those held in the irrevocable trust.

(3) The shares listed for Mr. Paul K. Scripps include 119,520 shares of Scripps Common Voting Stock and 400 shares of Scripps Class A Common Stock held in various trusts for the benefit of certain relatives of Paul K. Scripps and 100 shares of Scripps Class A Common Stock owned by his wife. Mr. Scripps is a trustee of the aforesaid trusts. Mr. Scripps disclaims beneficial ownership of the shares held in such trusts and the shares owned by his wife. The shares listed also include 1,445,453 shares of Scripps Common Voting Stock and 188,497 shares of Scripps Class A Common Stock held by five trusts of which Mr. Scripps is a trustee. Mr. Scripps is the sole beneficiary of one of such trusts, holding 349,018 shares of Scripps Common Voting Stock and 47,124 shares of Scripps Class A Common Stock. He disclaims beneficial ownership of the shares held in the other four trusts.

(4) Represents shares of Class A Common Stock held as of December 31, 1994. Wellington Management Company ("Wellington"), an investment advisory firm, has filed a Schedule 13G with the SEC with respect to Scripps Class A Common Stock. According to the Schedule 13G for the year ended December 31, 1994, the shares listed in the table are owned by various clients of Wellington, which possesses investment or voting power with respect to such shares pursuant to the provisions of investment advisory agreements with such clients.

(5) Represents shares of Class A Common Stock held as of December 31, 1994. The Capital Group Companies, Inc. ("Capital"), the parent company of six investment management companies, has filed a Schedule 13G with the SEC with respect to the Scripps Class A Common Stock. According to the Schedule 13G for the year ended December 31, 1994, the shares listed in the table are owned by various clients of Capital, which possesses investment or voting power with respect to such shares pursuant to the provisions of investment advisory agreements with such clients.

(6) Represents shares of Class A Common Stock held as of December 31, 1994 and Common Voting Stock held as of September 30, 1995. The shares shown in the table are held in two trusts of which Chemical Bank is the sole trustee. These trusts were established by Jack R. Howard's parents for the benefit of his sister.

Security Ownership of Management

The following information is set forth with respect to Scripps Class A Common Stock and Scripps Common Voting Stock beneficially owned as of September 30, 1995, by each director, each named executive officer, and by all directors and executive officers of Scripps as a group. Unless otherwise indicated, the persons named in the table have sole voting and investment power with respect to all shares shown therein as being beneficially owned by them. Assuming that the Spin-Off had occurred as of the aforesaid date, the information in the table below would also reflect the number of New Scripps Class A Common Shares and New Scripps Common Voting Shares, and the respective percentages thereof, beneficially owned by the persons named in the table.

Name of Individual or Number of Persons in Group	Class A Common Stock	Common Voting Percent	Stock	Percent
William R. Burleigh(l)	32,515	*	---	---
John H. Burlingame(2)	0	---	---	---
David R. Huhn(3)	500	*	---	---
Lawrence A. Leser(4)	34,240	*	---	---
Daniel J. Meyer	300	*	---	---
Nicholas B. Paumgarten(5)	3,250	*	---	---
Charles E. Scripps(2)(6)	39,680	*	---	---
Paul K. Scripps(7)	189,097	*	1,616,113	8.0%
Robert P. Scripps(2)	0	---	---	
Daniel J. Castellini(8)	24,735	*	---	---
Paul F. (Frank) Gardner(9)	26,974	*	---	---
Craig C. Standen(10)	11,355	*	---	---
All directors and executive officers as a group (19 persons) (11)	33,001,930	55.0%	17,656,113	88.3%

* Shares owned represent less than one percent of the outstanding shares of such class of stock.

(1) The shares listed for Mr. Burleigh do not include 165,000 shares of Scripps Class A Common Stock underlying exercisable options held by him.

(2) This person is a Trustee of the Scripps Trust and has the power, together with the other Trustees, to vote and dispose of the 32,610,000 shares of Scripps Class A Common Stock and the 16,040,000 shares of Scripps Common Voting Stock held by the Scripps Trust. Messrs. Charles E. Scripps and Robert P. Scripps have a life income interest in the Scripps Trust. Mr. Burlingame disclaims any beneficial interest in the shares held by the Scripps Trust.

(3) The shares listed for Mr. Huhn are held jointly with his wife.

(4) The shares listed for Mr. Leser include 5,500 shares of Scripps Class A Common Stock owned by his wife and 640 shares of Scripps Class A Common Stock owned by one of his children. Mr. Leser disclaims any beneficial interest in these shares. The shares listed do not include 285,500 shares of Scripps Class A Common Stock underlying exercisable options held by Mr. Leser.

(5) The shares listed for Mr. Paumgarten include 2,000 shares of Scripps Class A Common Stock held in trusts for the benefit of Mr. Paumgarten's sons, and 850 shares of Scripps Class A Common Stock owned by his wife. Mr. Paumgarten is the sole trustee of the aforesaid trusts. Mr. Paumgarten disclaims beneficial ownership of the shares held in such trusts and the shares owned by his wife.

(6) The shares listed for Mr. Charles E. Scripps include 300 shares of Scripps Class A Common Stock owned by his wife. Mr. Scripps disclaims any beneficial interest in these shares.

(7) The shares listed for Mr. Paul K. Scripps include 119,520 shares of Scripps Common Voting Stock and 400 shares of Scripps Class A Common Stock held in various trusts for the benefit of certain relatives of Paul K. Scripps and 100 shares of Scripps Class A Common Stock owned by his wife. Mr. Scripps is a trustee of the aforesaid trusts. Mr. Scripps disclaims beneficial ownership of the shares held in such trusts and the shares owned by his wife. The shares listed also include 1,445,453 shares of Scripps Common Voting Stock and 188,497 shares of Scripps Class A Common Stock held by five trusts of which Mr. Scripps is a trustee. Mr. Scripps is the sole beneficiary of one of such trusts, holding 349,018 shares of Scripps Common Voting Stock and 47,124 shares of Scripps Class A Common Stock. He disclaims beneficial ownership of the shares held in the other four trusts.

(8) The shares listed for Mr. Castellini include 1,000 shares of Scripps Class A Common Stock owned by his wife. Mr. Castellini disclaims any beneficial interest in these shares. The shares listed for Mr. Castellini do not include 109,000 shares of Scripps Class A Common Stock underlying exercisable options held by him.

(9) The shares listed for Mr. Gardner do not include 56,500 shares of Scripps Class A Common Stock underlying exercisable options held by him.

(10) The shares listed for Mr. Standen include 180 shares of Scripps Class A Common Stock held by Mr. Standen as custodian for the benefit of his children. Mr. Standen disclaims any beneficial interest in these shares. The shares listed for Mr. Standen do not include 40,275 shares of Scripps Class A Common Stock underlying exercisable options held by him.

(11) The shares listed include 32,610,000 shares of Scripps Class A Common Stock and 16,040,000 shares of Scripps Common Voting Stock owned by the Scripps Trust.

CERTAIN TRANSACTIONS

Scripps Family Agreement. Scripps and certain persons and trusts are parties to an agreement (the "Scripps Family Agreement") restricting the transfer and governing the voting of shares of Scripps Common Voting Stock that such persons and trusts may acquire or own at or after the termination of the Scripps Trust. Such persons and trusts (the "Signatories") consist of certain grandchildren of Robert Paine Scripps who are beneficiaries of the Scripps Trust, the descendants of John P. Scripps, and certain trusts of which descendants of John P. Scripps are trustees and beneficiaries. Robert Paine Scripps and John P. Scripps were sons of the founder of Scripps.

If the Scripps Trust were to have terminated as of September 30, 1995, the Signatories would have held in the aggregate approximately 86% of the outstanding shares of Scripps Common Voting Stock as of such date.

Once effective, the provisions restricting transfer of shares of Scripps Common Voting Stock under the Scripps Family Agreement will continue until twenty-one years after the death of the last survivor of the descendants of Robert Paine Scripps and John P. Scripps alive when the Scripps Trust terminates. The provisions of the Scripps Family Agreement governing the voting of Scripps Common Voting Stock will be effective for a ten year period after termination of the Scripps Trust and may be renewed for additional ten year periods pursuant to certain provisions set forth in the Agreement.

No Signatory will be able to dispose of any shares of Scripps Common Voting Stock (except as otherwise summarized below) without first giving other Signatories and Scripps the opportunity to purchase such stock. Signatories will not be able to convert shares of Scripps Common Voting Stock into shares of Scripps Class A Common Stock except for a limited period of time after giving other Signatories and Scripps the aforesaid opportunity to purchase and except in certain other limited circumstances.

Signatories will be permitted to transfer shares of Scripps Common Voting Stock to their lineal descendants or trusts for the benefit of such descendants, or to any trust for the benefit of such a descendant, or to any trust for the benefit of the spouse of such descendant or any other person or entity. Descendants to whom such shares are sold or transferred outright, and trustees of trusts into which such shares are transferred, must become parties to the Scripps Family Agreement or such shares shall be deemed to be offered for sale pursuant to the Scripps Family Agreement. Signatories will also be permitted to transfer shares of Scripps Common Voting Stock by testamentary transfer to their spouses provided such shares are converted to Scripps Class A Common Stock and to pledge such shares as collateral security provided that the pledgee agrees to be bound by the terms of the Scripps Family Agreement. If title to any such shares subject to any trust is transferred to anyone other than a descendant of Robert Paine Scripps or John P. Scripps, or if a person who is a descendant of Robert Paine Scripps or John P. Scripps acquires outright any such shares held in trust but is not or does not become a party to the Scripps Family Agreement, such shares shall be deemed to be offered for sale pursuant to the Scripps Family Agreement. Any valid transfer of shares of Scripps Common Voting Stock made by Signatories without compliance with the Scripps Family Agreement will result in automatic conversion of such shares to Class A Common Shares.

The Scripps Family Agreement provides that Scripps will call a meeting of the Signatories prior to each annual or special meeting of the stockholders of Scripps held after termination of the Scripps Trust (each such meeting hereinafter referred to as a "Required Meeting"). At each Required Meeting, Scripps will submit for decision by the Signatories each matter, including election of directors, that Scripps will submit to its stockholders at the annual meeting or special meeting with respect to which the Required Meeting has been called. Each Signatory will be entitled, either in person or by proxy, to cast one vote for each share of Scripps Common Voting Stock owned of record or beneficially by him on each matter brought before the meeting. Each Signatory will be bound by the decision reached with respect to each matter brought before such meeting, and, at the related meeting of the stockholders of Scripps, will vote his shares of Scripps Common Voting Stock in accordance with decisions reached at the meeting of the Signatories.

Following the Spin-Off, the Scripps Family Agreement will apply to the New Scripps Common Voting Shares and the New Scripps Class A Common Shares held by the Signatories after termination of the Scripps Trust.

John P. Scripps Newspapers. In connection with the merger in 1986 of the John P. Scripps Newspaper Group ("JPSN") into a wholly owned subsidiary of Scripps (the "JPSN Merger"), Scripps and the Scripps Trust entered into certain agreements discussed below. All of these agreements will apply to New Scripps, the New Scripps Class A Common Shares and the New Scripps Common Voting Shares following the Spin-Off.

JPSN Board Representation Agreement. The Scripps Trust and John P. Scripps entered into a Board Representation Agreement dated March 14, 1986 in connection with the JPSN Merger. Under this agreement, the surviving adult children of Mr. Scripps who are stockholders of Scripps have the right to designate one person to serve on the Scripps Board so long as they continue to own in the aggregate 25% of the sum of (i) the shares issued to them in the JPSN Merger and (ii) the shares received by them from John P. Scripps's estate. In this regard, the Scripps Trust has agreed to vote its Scripps Common Voting Stock in favor of the person designated by John P. Scripps's children. Pursuant to this agreement, Paul K. Scripps currently serves on Scripps Board. The Board Representation Agreement terminates upon the earlier of the termination of the Scripps Trust or the completion of a public offering by Scripps of its Common Voting Stock.

Stockholder Agreement. The former stockholders of the John P. Scripps Newspaper Group, including John P. Scripps and Paul K. Scripps, entered into a Stockholder Agreement with Scripps in connection with the JPSN Merger. This agreement restricts to certain transferees the transfer of Scripps Common Voting Stock received by such stockholders pursuant to the JPSN Merger. These restrictions on transfer will terminate on the earlier of the termination of the Scripps Trust or completion of a public offering of Scripps Common Voting Stock. Under the agreement, if a stockholder has received a written offer to purchase 25% or more of his shares of Scripps Common Voting Stock, Scripps has a "right of first refusal" to purchase such shares on the same terms as the offer. On the death of any of these stockholders, Scripps is obligated to purchase from the stockholder's estate a sufficient number of shares of the Scripps Common Stock to pay federal and state estate taxes attributable to all shares included in such estate. This obligation expires in 2006. Under certain other circumstances, such as bankruptcy or insolvency of a stockholder, Scripps has an option to buy all shares of Scripps Common Stock owned by such stockholder. Under the agreement, stockholders owning 25% or more of the outstanding shares of Scripps Common Voting Stock issued pursuant to the JPSN Merger may require Scripps to register shares of Scripps Common Voting Stock (subject to the right of first refusal mentioned above) under the Securities Act for sale at the stockholders' expense in a public offering. In addition, the former stockholders of the John P. Scripps Newspaper Group will be entitled, subject to certain conditions, to include shares of Scripps Common Voting Stock (subject to the right of first refusal) that they own in any registered public offering of shares of the same class by Scripps. The registration rights expire three years from the date of a registered public offering of shares of Scripps Common Voting Stock.

Other Transactions. Mr. Charles E. Scripps and Mr. Robert P. Scripps, directors of Scripps and New Scripps, are general partners in Jefferson Building Partnership (the "Jefferson Partnership"), which was formed in 1984. The Albuquerque Publishing Company, a subsidiary of Scripps that is a 50% owned partnership that operates The Albuquerque Tribune under a joint operating agreement, leases the facilities for The Albuquerque Tribune from a partnership controlled in part by the Jefferson Partnership. This lease terminates in 2004. Total rent under the lease through September 30, 1995, was approximately $700,000. The Albuquerque Publishing Company has an option to purchase the property that is exercisable until 2034. The purchase price will be equal to 7.7 times the basis rent for the lease year in which the property is purchased. The parties to the Albuquerque joint operating agreement lease the land on which the Albuquerque facilities are situated to the Jefferson Partnership under a lease terminating in 2034 and providing for rent of $150,000 per year, subject to certain adjustments for inflation. The Jefferson Partnership has subleased the land to the Albuquerque Publishing Company as part of the facilities lease arrangement described above.

Mr. Charles E. Scripps is a Trustee of the Scripps Trust. Mr. Scripps is expected to continue to serve as a Trustee of the Scripps Trust in 1996. As a Trustee, Mr. Scripps shares the power, together with the other two Trustees, to vote and dispose of the 32,610,000 shares of Scripps Class A Common Stock and 16,040,000 shares of Scripps Common Voting Stock held by the Scripps Trust. Following the Spin-Off, the Scripps Trust will hold 32,610,000 New Scripps Class A Common Shares and 16,040,000 New Scripps Common Voting Shares. Mr. Scripps has a life income interest in the Scripps Trust.

Mr. John H. Burlingame, a director of Scripps and a Trustee of the Scripps Trust, is the Executive Partner of Baker & Hostetler, which is general counsel to Scripps and the Scripps Trust. Baker & Hostetler has performed legal services for Scripps and the Scripps Trust for many years and is expected to do so in the future.

Mr. Nicholas B. Paumgarten, a director of Scripps, is a Managing Partner of J.P. Morgan & Co. Incorporated ("J.P. Morgan"). Morgan Guaranty Trust Company of New York (an affiliate of J.P. Morgan) is a lender to Scripps under a revolving credit agreement. Another affiliate of J.P. Morgan, J.P. Morgan Securities Inc., has performed investment banking services for Scripps in the past and may perform such services in the future.

MARKET PRICE OF AND DIVIDENDS ON COMMON STOCK AND RELATED STOCKHOLDER MATTERS

New Scripps shares do not currently trade in a public market. New Scripps' Class A Common Shares issued in the Spin-Off are expected to be listed on the New York Stock Exchange ("NYSE") and to trade under the symbol "SSP," which is the symbol under which Scripps Class A Common Stock currently trades on the NYSE.

There are approximately 4,500 owners of Scripps' Class A Common Stock and 27 owners of Scripps' Common Voting Stock (which does not have a public market), based on security position listings. Upon completion of the Transactions the separate existence of Scripps will cease.

Scripps has declared cash dividends in every year since its incorporation in 1922. Management of New Scripps intends to maintain the dividend payment policy of Scripps. Future dividends will be subject to New Scripps' earnings, financial condition, and capital requirements.

The range of market prices of Scripps' Class A Common Stock, which represents the high and low sales prices for each full quarterly period (with the exception of the 4th quarter of 1995 which is through December 20, 1995) and quarterly cash dividends are as follows:

	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Total
1995					
Market price of common stock:					
High	$32.750	$32.375	$34.625	$40.375	
Low	26.750	28.000	30.625	33.500	
Cash dividends per share of common stock	$ .11	$ .13	$ .13	$ .13	$ .50
1994					
Market price of common stock:					
High	$29.250	$29.500	$30.500	$31.000	
Low	24.875	23.000	27.875	27.500	
Cash dividends per share of common stock	$ .11	$ .11	$ .11	$ .11	$ .44
1993					
Market price of common stock:					
High	$29.125	$28.500	$26.625	$30.875	
Low	23.750	24.750	22.875	25.125	
Cash dividends per share of common stock	$ .11	$ .11	$ .11	$ .11	$ .44

SELECTED FINANCIAL DATA

The following selected financial data has been derived from the consolidated financial statements of Scripps. The data should be read in conjunction with "Management's Discussion and Analysis of Financial Condition and Results of Operations and the consolidated financial statements and notes thereto included elsewhere herein.

The income statement data for the five years ended December 31, 1994 and the balance sheet data as of the same dates have been derived from the audited consolidated financial statements of Scripps. The income statement data for the nine months ended September 30, 1995 and 1994 and the balance sheet data as of the same dates have been derived from the unaudited consolidated financial statements of Scripps, which, in the opinion of management, include all adjustments (consisting of normal recurring adjustments) necessary for a fair presentation of financial position and results of operations for such periods. Operating results for the nine month periods are not necessarily indicative of results that may be expected for the entire year or for future interim periods.

THE E.W. SCRIPPS COMPANY
SELECTED FINANCIAL DATA

(in millions, except share data)	September 30, 1995	September 30, 1994	December 31, 1994	December 31, 1993	December 31, 1992	December 31, 1991	December 31, 1990
Summary of Operations							
Operating Revenues:							
Newspapers	$ 468.3	$ 438.2	$ 599.2	$ 548.2	$ 504.8	$ 485.3	$ 498.6
Broadcast television	211.7	202.4	288.2	254.9	247.2	216.4	205.1
Entertainment	69.0	56.3	73.5	84.7	87.2	91.6	91.7
Total	749.0	697.0	960.9	887.9	839.3	793.3	795.4
Divested operating units *	0.3	2.7	3.7	57.4	178.1	281.0	301.7
Total operating revenues	$ 749.3	$ 699.7	$ 964.6	$ 945.2	$ 1,017.4	$ 1,074.3	$ 1,097.2
Operating Income (Loss):							
Newspapers	$ 88.5	$ 90.8	$ 119.8	$ 76.7	$ 88.7	$ 70.8	$ 81.2
Broadcast television	57.5	62.5	94.5	69.1	61.6	49.6	60.8
Entertainment	(7.9)	(0.8)	(7.1)	3.2	7.7	9.6	9.9
Corporate	(12.8)	(11.2)	(15.5)	(13.6)	(15.0)	(12.7)	(14.8)
Total	125.3	141.3	191.7	135.4	143.1	117.3	137.2
Divested operating units *	(0.1)	(0.1)	(0.2)	7.5	(14.6)	33.2	31.8
Unusual items			(7.9)	(0.9)			(36.4)
Total operating income	125.1	141.3	183.6	142.0	128.5	150.4	132.6
Interest expense	(8.6)	(12.9)	(16.3)	(26.4)	(33.8)	(38.4)	(43.3)
Net gains and unusual items		31.6	14.7	94.4	74.5		
Miscellaneous, net	2.6	(0.4)	(0.9)	(2.4)	(3.6)	(0.5)	(1.9)
Income taxes	(52.3)	(67.6)	(80.4)	(86.4)	(65.1)	(48.4)	(44.1)
Minority interests	(2.6)	(7.1)	(7.8)	(16.2)	(9.1)	(7.2)	(8.4)
Income from continuing operations	$ 64.2	$ 84.9	$ 92.8	$ 104.9	$ 91.4	$ 55.9	$ 34.9
Share Data							
Income from continuing operations (excluding unusual items and net gains)	$.80	$ .90	$1.25	$ .72	$ .80	$.75	$.77
Unusual items and net gains		.23	(.04)	.68	.42		(.31)
Income from continuing operations	$.80	$1.13	$1.22	$1.41	$1.22	$.75	$.46
Dividends	$ .37	$ .33	$ .44	$ .44	$ .40	$ .40	$ .40
Common stock price:							
High	$34.625	$30.500	$31.000	$30.875	$29.000	$24.500	$24.000
Low	26.750	23.000	23.000	22.875	22.125	14.750	$13.000
Other Financial Data							
EBITDA (see page 31) - excluding divested operating units * and unusual items:							
Newspapers	$ 116.0	$ 117.3	$ 154.9	$ 114.1	$ 122.8	$ 100.8	$ 106.7
Broadcast television	76.7	77.8	115.8	89.5	81.6	65.9	74.6
Entertainment	(5.7)	0.5	(5.3)	4.2	8.5	10.4	10.7
Corporate	(12.2)	(10.7)	(14.8)	(13.0)	(13.4)	(11.7)	(13.8)
Total **	174.9	185.0	250.6	194.7	199.6	165.5	178.2
Depreciation and amortization of intangible assets **	49.6	43.7	58.9	60.8	64.3	56.2	49.1
Net cash provided by continuing operations**	57.8	105.2	170.2	142.0	127.0	135.9	154.7
Investing activity:**							
Capital expenditures	(40.8)	(29.2)	(54.0)	(36.8)	(86.9)	(114.2)	(49.1)
Other (investing)/divesting activity, net	(39.9)	23.4	18.9	105.4	21.9	(127.9)	13.8
Total assets **	1,362.6	1,315.8	1,286.7	1,255.1	1,286.6	1,296.3	1,095.4
Long-term debt (including current portion)	110.5	137.2	110.4	247.9	441.9	491.8	367.6
Net debt (including current portion) ***	70.0	137.2	104.7	235.9	440.6	475.2	367.6
Stockholders' equity	1,161.0	1,073.7	1,083.5	859.6	733.1	676.6	639.0
Net debt % of total capitalization	6%	11%	9%	22%	38%	41%	37%

* Refers to operating units sold prior to September 30, 1995, but does not include cable television, which is reported as a discontinued business segment. Because Scripps will receive no proceeds from the divestiture of its cable television segment, that segment is excluded from the Summary of Operations.

** Excludes cable television.

*** Net debt is defined as long-term debt less cash equivalents and short-term investments.

Note: Certain amounts may not foot as each is rounded independently.

Notes to Selected Financial Data

In the periods presented Scripps acquired and divested the following:

Acquisitions

- 1994 - The remaining 13.9% minority interest in Scripps Howard Broadcasting Company ("SHB") in exchange for 4,952,659 shares of Scripps Class A Common stock. Cinetel Productions (an independent producer of programs for cable television).
- 1993 - Remaining 2.7% minority interest in the Knoxville News-Sentinel. 5.7% of the outstanding shares of SHB.
- 1992 - Three daily newspapers in California (including The Monterey County Herald in connection with the sale of The Pittsburgh Press).
- 1991 - Baltimore television station WMAR.

Divestitures

- 1995 - Watsonville, California, daily newspaper. No gain or loss was realized.
- 1993 - Book publishing; newspapers in Tulare, California, and San Juan; Memphis television station; radio stations. The net gains on the divestitures increased net income $46.8 million, $.63 per share.
- 1992 - The Pittsburgh Press; TV Data; certain other investments. The net gains on the divestitures increased net income $45.6 million, $.61 per share.

Total operating income included the following unusual items:

- 1994 - Loss on program rights expected be sold as a result of changes in television network affiliations. The loss reduced net income $4.9 million, $.07 per share.
- 1993 - Change in estimate of disputed music license fees; gain on the sale of certain publishing equipment; a restructuring charge. The net effect of the unusual items reduced net income $0.6 million, $.01 per share.
- 1992 - Operating losses of $32.7 million during the Pittsburgh Press strike (reported in divested operating units) reduced net income $20.2 million; $.27 per share.
- 1990 - Payments to JOA partner related to termination of Knoxville JOA. Net income was reduced $23.7 million, $.31 per share.

Net gains and unusual items included the following unusual items:

- 1994 - Sale of worldwide Garfield and U.S. Acres copyrights. The sale resulted in a pre-tax gain of $31.6 million, $17.4 million after-tax, $.23 per share.
  Estimated loss on sale of real estate associated with changes in television network affiliations; special contribution to a charitable foundation; lawsuits associated with divested operating units. These items totaled $16.9 million and combined with the estimated change in the tax liability for prior years reduced net income $15.1 million, $.20 per share.
- 1993 - Received $2.5 million fee in connection with Ogden, Utah, newspaper sale. Combined with the change in the estimate of prior year tax liabilities and the effect of the increase in the federal income tax rate to 35% from 34%, net income was increased $4.8 million, $.06 per share.
- 1992 - Write-down of real estate and investments totaled $3.5 million. Combined with the adjustment of the tax liability for prior years, net income was increased $6.1 million, $.08 per share.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

On October 28, 1995 The E.W. Scripps Company ("Scripps") and Comcast Corporation ("Comcast") reached an agreement pursuant to which Scripps will contribute all of its non-cable television assets to Scripps Howard, Inc. ("SHI" - a wholly-owned subsidiary of Scripps and the direct or indirect parent of all of Scripps' operations) and SHI's cable television system subsidaries ("Scripps Cable") will be transferred to and held directly by Scripps. Scripps Cable will then be acquired by Comcast through a tax-free merger (the "Merger") with Scripps. The remaining SHI business will continue as "New Scripps", which will be distributed in a tax-free "spin-off" to Scripps shareholders (the "Spin-Off") and thereafter renamed The E.W. Scripps Company. The Merger and the Spin-Off are collectively referred to as the "Transactions." Upon completion of the Transactions the separate existence of Scripps will cease.

Because Scripps Cable represents an entire business segment that will be divested, its results are reported as "discontinued operations" in Scripps' consolidated financial statements. Results of the remaining business segments, including results for divested operating units within these segments through their dates of sale, are reported as "continuing operations."

Scripps' historical basis in its assets and liabilities will be carried over to New Scripps. The Transactions will be recorded as a reverse spin transaction, accordingly New Scripps' results of operations for periods prior to the consummation of the Transactions will represent the historical results of operations previously reported by Scripps. Scripps Cable is excluded from Management's Discussion and Analysis of Financial Condition and Results of Operations results because management believes its results are not relevant to understanding Scripps' ongoing operations.

Consolidated results of continuing operations were as follows:

(in thousands, except per share data)	(Unaudited) For the nine months ended September 30, 1995	Change	1994	For the years ended December 31, 1994	Change	1993	Change	1992
Operating revenues:								
Newspapers	$ 468,338	6.9 %	$ 438,222	$ 599,222	9.3 %	$ 548,180	8.6 %	$ 504,849
Broadcast television	211,711	4.6 %	202,445	288,184	13.0 %	254,944	3.1 %	247,225
Entertainment	68,964	22.4 %	56,343	73,473	(13.3)%	84,741	(2.8)%	87,209
Total	749,013	7.5 %	697,010	960,879	8.2 %	887,865	5.8 %	839,283
Divested operating units	294		2,725	3,716		57,350		178,072
Total operating revenues	$ 749,307	7.1 %	$ 699,735	$ 964,595	2.1 %	$ 945,215	(7.1)%	$ 1,017,355
Operating income:								
Newspapers	$ 88,491	(2.5)%	$ 90,776	$ 119,759	56.1 %	$ 76,701	(13.5)%	$ 88,680
Broadcast television	57,455	(8.0)%	62,455	94,540	36.9 %	69,071	12.1 %	61,629
Entertainment	(7,905)		(752)	(7,083)		3,239	(58.0)%	7,708
Corporate	(12,782)	(14.6)%	(11,154)	(15,471)	(13.5)%	(13,625)	8.9 %	(14,956)
Total	125,259	(11.4)%	141,325	191,745	41.6 %	135,386	(5.4)%	143,061
Divested operating units	(130)		(64)	(220)		7,476		(14,577)
Unusual items				(7,915)		(900)		
Total operating income	125,129	(11.4)%	141,261	183,610	29.3 %	141,962	10.5 %	128,484
Interest expense	(8,623)		(12,934)	(16,274)		(26,397)		(33,792)
Net gains and unusual items			31,621	14,651		94,374		74,483
Miscellaneous, net	2,603		(387)	(917)		(2,413)		(3,583)
Income taxes	(52,285)		(67,597)	(80,441)		(86,387)		(65,145)
Minority interest	(2,587)		(7,068)	(7,833)		(16,228)		(9,087)
Income from continuing operations	$ 64,237	(24.3)%	$ 84,896	$ 92,796	(11.5)%	$ 104,911	14.8 %	$ 91,360
Per share of common stock:								
Income from continuing operations	$ .80	(29.2)%	$1.13	$1.22	(13.5)%	$1.41	15.6 %	$1.22
Note Ref.								
(i) Garfield gain			(.23)	(.23)				
(ii) Net gains on sales of divested operating units						(.63)		(.61)
(iii) TV programs/property write-downs				.09				
(iv) Special charitable contribution				.06				
(v) Change in tax liability				.07		(.07)		(.11)
(vi) Lawsuits re: divested operating units				.05				
(vii) ASCAP adjustment and other items						.02		
(viii), (ix) Pittsburgh strike and write-downs								.30
Adjusted income from continuing operations (excluding unusual items and net gains)	$ .80	(11.1)%	$ .90	$ 1.25	73.6 %	$ .72	(10.0)%	$ .80

Note: The sum of the reported income per share from continuing operations and the per share effect of unusual items and net gains may not equal the adjusted income per share from continuing operations as each is computed independently based on the weighted average shares outstanding for the respective periods.

(in thousands)	(Unaudited) For the nine months ended September 30, 1995	Change	1994	For the years ended December 31, 1994	Change	1993	Change	1992
Other Financial and Statistical Data - excluding divested operating units and unusual items								
Total advertising revenues	$ 554,420	7.5 %	$ 515,654	$ 718,864	11.8 %	$ 643,269	7.1 %	$ 600,406
Advertising revenues as a percentage of total revenues	74.0 %		74.0 %	74.8 %		72.5 %		71.5 %
EBITDA:								
Newspapers	$ 116,009	(1.1)%	$ 117,342	$ 154,917	35.8 %	$ 114,061	(7.1)%	$ 122,806
Broadcast television	76,710	(1.4)%	77,794	115,829	29.5 %	89,477	9.6 %	81,604
Entertainment	(5,680)		543	(5,344)		4,156	(51.4)%	8,544
Corporate	(12,151)	(13.5)%	(10,710)	(14,820)	(14.0)%	(13,000)	3.0 %	(13,396)
Total	$ 174,888	(5.5)%	$ 184,969	$ 250,582	28.7 %	$ 194,694	(2.4)%	$ 199,558
Effective income tax rate	43.9 %		42.4 %	44.4 %		41.6 %		39.3 %
Weighted average shares outstanding	79,930	6.5 %	75,059	76,246	2.1 %	74,650	0.1 %	74,602
Total capital expenditures	$ 40,792	39.9 %	$ 29,150	$ 53,951	49.6 %	$ 36,073	(56.7)%	$ 83,332

Earnings before interest, income taxes, depreciation, and amortization ("EBITDA") is included in the discussion of segment results because:

Changes in depreciation and amortization are often unrelated to current performance. Management believes the year-over-year change in EBITDA is a more useful measure of year-over-year performance than the change in operating income because, combined with information on capital spending plans, it is a more reliable indicator of results that may be expected in future periods.

Banks and other lenders use EBITDA to determine Scripps' borrowing capacity.

Financial analysts use EBITDA to value communications media companies.

Acquisitions of communications media businesses are based on multiples of EBITDA.

EBITDA should not, however, be construed as an alternative measure of the amount of Scripps' income or cash flows from operating activities.

Operating losses for the nine-month period ended September 30, 1995 and 1994 for HGTV totaled $10,500,000, $6,400,000 after-tax, $.08 per share and $3,500,000, $1,900,000 after-tax, $.03 per share. For the full year of 1994 operating losses for HGTV amounted to $7,700,000 and reduced Scripps' net income by $4,500,000, $.06 per share.

In the third quarter of 1994 Scripps acquired the remaining 13.9% minority interest in Scripps Howard Broadcasting Company ("SHB") in exchange for 4,952,659 shares of Scripps Class A Common stock. In 1993 Scripps purchased 5.7% of the outstanding shares of SHB and the remaining 2.7% minority interest in the Knoxville News-Sentinel.

The average balance of outstanding debt decreased $64,000,000 in 1995 through September 30, $202,000,000 in 1994 and $101,000,000 in 1993.

The effective income tax rate in all periods is affected by the changes in estimate of the tax liability for prior years described in (v) below.

Net gains and unusual items affecting the comparability of Scripps' reported results of operations include the following:

(i) In 1994 Scripps sold its worldwide Garfield and U.S. Acres copyrights. The sale resulted in a pre-tax gain of $31,600,000, $17,400,000 after-tax, $.23 per share.

(ii) Scripps divested the following operations:

1995 - Newspaper in Watsonville, California.

1993 - Book publishing; newspapers in Tulare, California, and San Juan; Memphis television station; radio stations.

1992 - The Pittsburgh Press; TV Data; certain other investments.

The business units referred to above, and any related gains on the sales of the business units, are hereinafter referred to as the "Divested Operating Units."

The following items related to Divested Operating Units affected the comparability of Scripps' reported results of operations:

(in thousands, except per share data)	1993	1992
Net gains recognized (before minority interests and income taxes)	$ 91,900	$ 78,000
Net gains recognized (after minority interests and income taxes)	46,800	45,600
Net gains recognized per share (after minority interests and income taxes)	$ .63	$ .61

The Herald, a newspaper with a circulation of approximately 37,000 in Monterey, California, was acquired on December 31, 1992 in connection with the sale of The Pittsburgh Press.

(iii) In late 1994 and early 1995 Scripps' three television stations that had been Fox affiliates changed their network affiliation. In connection with the change certain program rights were expected to be sold at an estimated loss of $7,900,000. Two of the stations are constructing new buildings to accommodate expanded local news programming, and currently owned real estate will be sold at an estimated loss of $2,800,000. These estimated losses were recorded in the fourth quarter of 1994, reducing net income $6,600,000, $.09 per share.

(iv) In the fourth quarter of 1994 Scripps made a special contribution to a charitable foundation that reduced pre-tax income by $8,000,000 and net income by $4,500,000, $.06 per share.

(v) In 1992 management changed its estimate of the tax liability for prior years, increasing net income $8,400,000, $.11 per share. In 1993 management changed its estimate of the tax basis and lives of certain intangible assets. The resulting change in the estimated tax liability for prior years increased net income in 1993 by $5,400,000, $.07 per share. In 1994 the Internal Revenue Service proposed adjustments related to those intangible assets. Based upon the proposed adjustments management again changed its estimate of the tax liability for prior years, decreasing net income in 1994 by $5,300,000, $.07 per share.

(vi) In 1994 Scripps accrued an estimate of the ultimate costs of certain lawsuits associated with Divested Operating Units. The accrual reduced net income by $3,600,000, $.05 per share.

(vii) Other unusual items in 1993 include the following:

Management changed the estimate of the additional amount of copyright fees Scripps would owe when a dispute between the television industry and the American Society of Composers, Authors and Publishers was resolved. The adjustment increased operating income $4,300,000 and net income $2,300,000, $.03 per share.

Scripps realized a $1,100,000 gain on the sale of certain publishing equipment and received a $2,500,000 fee in connection with the sale of the Ogden, Utah, Standard Examiner, increasing net income $2,300,000, $.03 per share.

Scripps recorded a $6,300,000 restructuring charge. The charge reduced net income $3,600,000, $.05 per share.

The federal income tax rate was increased to 35% from 34%. The effect on Scripps' deferred tax liabilities reduced net income $2,300,000, $.03 per share.

(viii) The Pittsburgh Press was not published after May 17, 1992 due to a strike. Reported 1992 results include operating losses of $32,700,000 and net losses of $20,200,000, $.27 per share, during the strike period. Scripps sold The Pittsburgh Press on December 31, 1992 (see (ii) above).

(ix) In 1992 Scripps reduced the carrying value of certain property and investments to estimated realizable value. The resultant $3,500,000 charge reduced net income $2,300,000, $.03 per share.

Operating results, excluding the Divested Operating Units and unusual items described above, for each of Scripps' business segments are presented on the following pages. The effects of the foregoing unusual items and the Divested Operations are excluded from the segment operating results because management believes they are not relevant to understanding Scripps' ongoing operations.

NEWSPAPERS - Operating results for the newspaper segment, excluding Divested Operating Units and unusual items, were as follows:

(in thousands, except newsprint information)	(Unaudited) For the nine months ended September 30, 1995	Change	1994	For the years ended December 31, 1994	Change	1993	Change	1992
Operating revenues:								
Local	$ 141,270	4.4 %	$ 135,328	$ 190,147	7.4 %	$ 177,028	5.2 %	$ 168,286
Classified	136,146	11.3 %	122,272	161,835	14.0 %	141,994	16.3 %	122,081
National	12,014	3.1 %	11,653	15,595	30.0 %	11,999	(0.8)%	12,094
Preprint	47,576	8.2 %	43,956	63,103	10.1 %	57,304	13.0 %	50,720
Newspaper advertising	337,006	7.6 %	313,209	430,680	10.9 %	388,325	10.0 %	353,181
Circulation	93,192	6.9 %	87,173	116,117	3.3 %	112,393	9.5 %	102,679
Joint operating agency distributions	31,732	(1.0)%	32,064	44,151	14.2 %	38,647	(3.4)%	40,018
Other	6,408	10.9 %	5,776	8,274	(6.1)%	8,815	(1.7)%	8,971
Total operating revenues	468,338	6.9 %	438,222	599,222	9.3 %	548,180	8.6 %	504,849
Operating expenses:								
Employee compensation and benefits	164,177	1.3 %	162,064	217,806	(1.1)%	220,176	11.2 %	197,961
Newsprint and ink	88,235	33.4 %	66,130	93,815	9.5 %	85,671	9.2 %	78,454
Other	99,917	7.8 %	92,686	132,684	3.4 %	128,272	21.4 %	105,628
Depreciation and amortization	27,518	3.6 %	26,566	35,158	(5.9)%	37,360	9.5 %	34,126
Total operating expenses	379,847	9.3 %	347,446	479,463	1.7 %	471,479	13.3 %	416,169
Operating income	$ 88,491	(2.5)%	$ 90,776	$ 119,759	56.1 %	$ 76,701	(13.5)%	$ 88,680
Other Financial and Statistical Data:								
Earnings before interest, income taxes, depreciation, and amortization ("EBITDA")	$ 116,009	(1.1)%	$ 117,342	$ 154,917	35.8 %	$ 114,061	(7.1)%	$ 122,806
Percent of operating revenues:								
Operating income	18.9 %		20.7 %	20.0 %		14.0 %		17.6 %
EBITDA	24.8 %		26.8 %	25.9 %		20.8 %		24.3 %
Capital expenditures	$ 14,696	11.2 %	$ 13,214	$ 21,225	(12.5)%	$ 24,250	(67.0)%	$ 73,392
Advertising inches:								
Local	4,883	(1.5)%	4,955	7,180	8.5 %	6,618	(5.7)%	7,016
Classified	8,119	2.9 %	7,893	10,889	11.7 %	9,750	10.6 %	8,817
National	242	3.0 %	235	358	26.5 %	283	(9.0)%	311
Total full run ROP	13,244	1.2 %	13,083	18,427	10.7 %	16,651	3.1 %	16,144

Advertising revenue in the nine months ended September 30, 1995 increased primarily due to higher advertising rates. Increased advertising volume and higher rates led to increases in advertising revenues at all of Scripps' newspapers in 1994. Operating revenues and expenses in 1993 were boosted by the fourth-quarter-1992 acquisition of three California daily newspapers.

Because the supply of newsprint exceeded demand, its price generally declined from 1988 through August 1992. Since the first quarter of 1994 prices have increased sharply. Newsprint consumption decreased 4% in the first nine months of 1995, however the average price of newsprint increased 40% compared to the average price in the first nine months of 1994.

Depreciation expense for 1992 includes a charge of $5,500,000 to reduce the book value of certain equipment to estimated net realizable value.

Capital expenditures in 1992 included construction of the new production facility in Denver.

BROADCAST TELEVISION - Operating results for the broadcast television segment, excluding Divested Operating Units and unusual items, were as follows:

(in thousands)	(Unaudited) For the nine months ended September 30, 1995	Change	1994	For the years ended December 31, 1994	Change	1993	Change	1992
Operating revenues:								
Local	$ 108,199	4.9 %	$ 103,124	$ 142,491	9.1 %	$ 130,603	8.7 %	$ 120,148
National	91,090	3.8 %	87,768	122,668	7.1 %	114,558	4.9 %	109,204
Political	758		5,121	14,291		1,344		8,836
Other	11,664	81.3 %	6,432	8,734	3.5 %	8,439	(6.6)%	9,037
Total operating revenues	211,711	4.6 %	202,445	288,184	13.0 %	254,944	3.1 %	247,225
Operating expenses:								
Employee compensation and benefits	66,666	21.2 %	55,015	76,535	9.0 %	70,213	5.1 %	66,814
Program rights	31,488	(16.3)%	37,603	48,759	(9.1)%	53,621	(7.5)%	57,992
Other	36,847	15.0 %	32,033	47,061	13.0 %	41,633	2.0 %	40,815
Depreciation and amortization	19,255	25.5 %	15,339	21,289	4.3 %	20,406	2.2 %	19,975
Total operating expenses	154,256	10.2 %	139,990	193,644	4.2 %	185,873	0.1 %	185,596
Operating income	$ 57,455	(8.0)%	$ 62,455	$ 94,540	36.9 %	$ 69,071	12.1 %	$ 61,629
Other Financial and Statistical Data:								
Earnings before interest, income taxes, depreciation, and amortization ("EBITDA")	$ 76,710	(1.4)%	$ 77,794	$ 115,829	29.5 %	$ 89,477	9.6 %	$ 81,604
Percent of operating revenues:								
Operating income	27.1 %		30.9 %	32.8 %		27.1 %		24.9 %
EBITDA	36.2 %		38.4 %	40.2 %		35.1 %		33.0 %
Capital expenditures	$ 15,042	16.2 %	$ 12,940	$ 23,532	154.9 %	$ 9,234	32.9 %	$ 6,948

In 1995 Scripps' Cincinnati station signed an agreement to change to ABC from CBS. In 1994 Scripps negotiated 10-year affiliation agreements with ABC to replace Fox affiliations at its Phoenix and Tampa stations and changed its Kansas City station's affiliation from Fox to NBC. Also in 1994, Scripps signed an agreement to change its Baltimore station's affiliation to ABC from NBC in January 1995 and to extend the ABC affiliation agreements at the Cleveland and Detroit television stations.

Increased demand for advertising time led to increased EBITDA at all the television stations in 1994. Demand for local and national advertising moderated at Scripps' television stations in the first nine months of 1995. Revenue in the fourth quarter of 1995 is expected to decrease versus the fourth quarter of 1994 as the 1994 period included substantial political advertising.

The increase in other revenue in the 1995 nine month period is primarily due to the new and extended affiliation agreements with ABC. The increase in employee costs, other operating expenses, depreciation and amortization, and capital expenditures in 1994 and in the first nine months of 1995 is due primarily to Scripps' expanded schedules of local news programs at the former Fox affiliates. The decrease in program rights expense is due to the availability of more network programming at the former Fox affiliates.

Program rights decreased in 1994 because the Baltimore station no longer carried Orioles baseball games. Program rights decreased in 1993 as several syndicated programs previously aired by Scripps' stations were replaced with less-costly programs.

Depreciation and amortization in the 1995 nine month period also increased as a result of the acquisition of the remaining minority interest in SHB.

ENTERTAINMENT - Operating results for the entertainment segment, excluding unusual items, were as follows:

(in thousands)	(Unaudited) For the nine months ended September 30,			For the years ended December 31,				
	1995	Change	1994	1994	Change	1993	Change	1992
Operating revenues:								
Licensing	$ 38,682	1.7 %	$ 38,054	$ 49,236	(10.6)%	$ 55,083	(3.6)%	$ 57,136
Syndication of comics and features	13,613	0.5 %	13,545	17,998	(4.3)%	18,814	(1.0)%	19,013
Film and television production	8,921	101.7 %	4,422	5,725	(46.8)%	10,757	(2.7)%	11,060
Other	7,748		322	514		87		
Total operating revenues	68,964	22.4 %	56,343	73,473	(13.3)%	84,741	(2.8)%	87,209
Operating expenses:								
Employee compensation and benefits	14,603	47.2 %	9,920	14,040	1.4 %	13,849	1.4 %	13,656
Artists' royalties	26,663	1.1 %	26,360	34,668	(5.3)%	36,592	(2.0)%	37,346
Production costs	10,662		2,712	3,408	(57.4)%	7,993	(3.3)%	8,267
Other	22,716	35.1 %	16,808	26,701	20.5 %	22,151	14.2 %	19,396
Depreciation and amortization	2,225	71.8 %	1,295	1,739	89.6 %	917	9.7 %	836
Total operating expenses	76,869	34.6 %	57,095	80,556	(1.2)%	81,502	2.5 %	79,501
Operating income (loss)	$ (7,905)		$ (752)	$ (7,083)		$ 3,239	(58.0)%	$ 7,708
Other Financial and Statistical Data:								
Earnings before interest, income taxes, depreciation, and amortization ("EBITDA")	$ (5,680)		$ 543	$ (5,344)		$ 4,156	(51.4)%	$ 8,544
Percent of operating revenues:								
Operating income (loss)	(11.5)%		(1.3)%	(9.6)%		3.8 %		8.8 %
EBITDA	(8.2)%		1.0 %	(7.3)%		4.9 %		9.8 %
Capital expenditures	$ 9,549		$ 2,581	$ 7,989		$ 981		$ 297

HGTV, a 24-hour cable television network, was launched on December 30, 1994. Scripps expects to invest an additional $45,000,000 in HGTV in the next three years, including capital expenditures and pre-tax operating losses. Operating losses for HGTV for the nine-months ended 1995 and 1994 totaled $10,500,000 and $3,500,000. Operating losses for HGTV amounted to $7,700,000 for the year ended December 31, 1994.

Scripps acquired Cinetel Productions in Knoxville, Tennessee, on March 31, 1994. Cinetel is one of the largest independent producers of programs for cable television. Cinetel's results of operations are included in the Entertainment segment from the date of acquisition. SHP began operations in 1993 and began selling programs in 1995.

In 1994 Scripps completed the sale of its Garfield and U.S. Acres copyrights, resulting in the decrease in licensing and syndication revenues. Film and television revenues prior to 1994 primarily relate to Garfield.

Excluding Garfield, domestic licensing revenues increased 12% in the 1995 nine month period and 7.6% for the full year of 1994. Foreign licensing revenues increased 21% in 1995 and were flat in 1994. In Japan, which accounts for approximately 70% of foreign licensing revenue and 47% of total licensing revenue, revenues in local currency decreased 6% in 1995, 8% in 1994 and 12% in 1993. The change in the exchange rate for the Japanese yen increased licensing revenues $1,900,000 in 1995, $1,600,000 in 1994 and $2,700,000 in 1993.

Capital expenditures in 1995 and 1994 primarily relate to the launch of HGTV.

LIQUIDITY AND CAPITAL RESOURCES

Cash flow provided by continuing operating activities for the nine months ended September 30 was $57,800,000 in 1995 compared to $105,200,000 in 1994. Payment of income taxes related to the settlement with the Internal Revenue Service of the audits of the 1985 through 1987 federal income tax returns caused the decrease. For the full year of 1994 cash flow from operating activities for continuing operations was $170,200,000 compared to $142,000,000 in 1993.

Scripps expects to finance its capital requirements and investments in HGTV primarily through cash flow from operations.

INDEPENDENT AUDITORS' REPORT

To the Board of Directors and Stockholders,
The E.W. Scripps Company:

We have audited the accompanying consolidated balance sheets of The E.W. Scripps Company and subsidiary companies as of December 31, 1994 and 1993, and the related consolidated statements of income, stockholders' equity and cash flows for each of the three years in the period ended December 31, 1994. Our audits also included the financial statement schedule listed in the Index at Item E-1. These financial statements and financial statement schedule are the responsibility of the Company's management. Our responsibility is to express an opinion on the financial statements and financial statement schedule 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 Company at December 31, 1994 and 1993, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 1994 in conformity with generally accepted accounting principles. Also, in our opinion, such 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.

As discussed in Note 1 to the consolidated financial statements, as of December 31, 1993 the Company changed its method of accounting for certain investments to conform with Statement of Financial Accounting Standards No. 115.

As discussed in Note 1 to the consolidated financial statements, in 1992 the Company changed its method of accounting for postretirement benefits other than pensions to conform with Statement of Financial Accounting Standards No. 106.

DELOITTE & TOUCHE LLP
Cincinnati, Ohio
January 23, 1995 (December 27, 1995 as to Notes 1 and 12)

THE E.W. SCRIPPS COMPANY
CONSOLIDATED BALANCE SHEETS

(in thousands)	(Unaudited) As of September 30, 1995	As of December 31, 1994	1993
ASSETS			
Current Assets:			
Cash and cash equivalents	$ 14,579	$ 16,609	$ 18,606
Short-term investments	38,000		
Accounts and notes receivable (less allowances - $4,022, $4,538, and $5,728)	142,555	146,003	142,821
Program rights and production costs	46,199	35,073	42,823
Refundable income taxes	23,255	25,214	
Inventories	16,476	11,768	9,369
Deferred income taxes	18,350	16,606	13,201
Net assets of discontinued operations	305,760		
Miscellaneous	20,796	16,821	15,685
Total current assets	625,970	268,094	242,505
Net assets of discontinued operations		322,737	329,899
Investments	52,108	34,879	79,765
Property, Plant, and Equipment	424,493	419,534	412,220
Goodwill and Other Intangible Assets	500,704	514,396	467,694
Other Assets:			
Program rights and production costs (less current portion)	55,577	38,779	43,257
Miscellaneous	9,551	11,005	9,656
Total other assets	65,128	49,784	52,913
TOTAL ASSETS	$ 1,668,403	$ 1,609,424	$ 1,584,996

See notes to consolidated financial statements.

THE E.W. SCRIPPS COMPANY
CONSOLIDATED BALANCE SHEETS

(in thousands, except share data)	(Unaudited) As of September 30, 1995	As of December 31, 1994	1993
LIABILITIES AND STOCKHOLDERS' EQUITY			
Current Liabilities:			
Current portion of long-term debt	$ 47,043		$ 96,383
Accounts payable	80,868	$ 123,120	71,624
Customer deposits and unearned revenue	20,847	20,757	16,475
Accrued liabilities:			
Employee compensation and benefits	29,924	31,372	31,362
Artist and author royalties	9,277	8,177	10,985
Interest	2,297	1,999	2,834
Income taxes	2,345	2,507	7,763
Miscellaneous	39,617	43,437	33,460
Total current liabilities	232,218	231,369	270,886
Deferred Income Taxes	78,806	67,876	106,107
Long-Term Debt (less current portion)	63,461	110,431	151,535
Other Long-Term Obligations and Minority Interests	132,871	116,280	196,833
Stockholders' Equity:			
Preferred stock, $.01 par - authorized: 25,000,000 shares; none outstanding			
Common stock, $.01 par:			
Class A - authorized: 120,000,000 shares; issued and outstanding: 1995 - 60,028,980 shares; 1994 - 59,671,242 shares; and 1993 - 54,586,495 shares	600	597	546
Voting - authorized: 30,000,000 shares; issued and outstanding: 1995 - 19,990,833 shares; 1994 and 1993 - 20,174,833 shares	200	202	202
Total	800	799	748
Additional paid-in capital	252,655	248,098	97,945
Retained earnings	886,515	823,204	733,978
Unrealized gains on securities available for sale	21,997	12,518	27,381
Unvested restricted stock awards	(1,823)	(2,036)	(1,009)
Foreign currency translation adjustment	903	885	592
Total stockholders' equity	1,161,047	1,083,468	859,635
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	$ 1,668,403	$ 1,609,424	$ 1,584,996

See notes to consolidated financial statements.

THE E.W. SCRIPPS COMPANY
CONSOLIDATED STATEMENTS OF INCOME

(in thousands, except per share data)	(Unaudited) For the nine months ended September 30, 1995	1994	For the years ended December 31, 1994	1993	1992
Operating Revenues:					
Advertising	$ 337,234	$ 315,301	$ 433,551	$ 401,247	$ 432,799
Circulation	93,242	87,598	116,684	116,413	123,375
Other newspaper revenue	38,156	38,048	52,703	50,394	52,513
Total newspapers	468,632	440,947	602,938	568,054	608,687
Broadcasting	211,711	202,445	288,184	284,294	277,287
Entertainment	68,964	56,343	73,473	84,741	87,209
Other				8,126	44,172
Total operating revenues	749,307	699,735	964,595	945,215	1,017,355
Operating Expenses:					
Employee compensation and benefits	252,914	234,488	318,629	336,609	378,758
Newsprint and ink	88,260	66,374	94,160	89,062	90,044
Program rights and production costs	42,150	40,315	60,082	63,731	68,367
Other operating expenses	191,222	173,563	249,178	253,002	287,353
Depreciation	34,477	29,823	40,040	41,089	44,172
Amortization of intangible assets	15,155	13,911	18,896	19,760	20,177
Total operating expenses	624,178	558,474	780,985	803,253	888,871
Operating Income	125,129	141,261	183,610	141,962	128,484
Other Credits (Charges):					
Interest expense	(8,623)	(12,934)	(16,274)	(26,397)	(33,792)
Net gains and unusual items		31,621	14,651	94,374	74,483
Miscellaneous, net	2,603	(387)	(917)	(2,413)	(3,583)
Net other credits (charges)	(6,020)	18,300	(2,540)	65,564	37,108
Income from Continuing Operations Before Taxes and Minority Interests	119,109	159,561	181,070	207,526	165,592
Provision for Income Taxes	52,285	67,597	80,441	86,387	65,145
Income from Continuing Operations Before Minority Interests	66,824	91,964	100,629	121,139	100,447
Minority Interests	2,587	7,068	7,833	16,228	9,087
Income From Continuing Operations	64,237	84,896	92,796	104,911	91,360
Income From Discontinued Operations	28,650	14,130	29,887	23,775	14,959
Cumulative Effect of Accounting Change - Adoption of FAS No. 106 (net of deferred income taxes of $15,533)					(22,413)
Net Income	$ 92,887	$ 99,026	$ 122,683	$ 128,686	$ 83,906
Per Share of Common Stock:					
Income From Continuing Operations	$.80	$1.13	$1.22	$1.41	$1.22
Income From Discontinued Operations	.36	.19	.39	.32	.20
Cumulative Effect of Accounting Change					(.30)
Net Income	$1.16	$1.32	$1.61	$1.72	$1.12

Note: The sum of the income per share amounts may not equal the net income per share amount as each is computed independently based on the weighted average shares outstanding.

See notes to consolidated financial statements.

THE E.W. SCRIPPS COMPANY
CONSOLIDATED STATEMENTS OF CASH FLOWS

(in thousands, except share data)	Nine months ended September 30, 1995	1994	Years ended December 31, 1994	1993	1992
Cash Flows from Operating Activities:					
Income from continuing operations	$ 64,237	$ 84,896	$ 92,796	$ 104,911	$ 91,360
Adjustments to reconcile income from continuing operations to net cash flows from continuing operating activities:					
Depreciation and amortization	49,632	43,734	58,936	60,849	64,349
Deferred income taxes	4,462	6,719	2,400	41,174	21,386
Minority interests in income of subsidiary companies	2,587	7,068	7,833	16,228	9,087
Net gains and unusual items		(31,621)	(1,109)	(91,878)	(77,990)
Changes in certain working capital accounts, net of effects from subsidiary companies purchased and sold	(71,099)	(12,232)	9,040	315	11,230
Miscellaneous, net	7,997	6,685	337	10,424	7,583
Net cash provided by continuing operating activities	57,816	105,249	170,233	142,023	127,005
Income from discontinued operations	28,650	14,130	29,887	23,775	14,959
Adjustment to derive cash flows from discontinued operating activities:	53,928	47,717	48,737	59,754	61,156
Net cash provided by discontinued operating activities	82,578	61,847	78,624	83,529	76,115
Net operating activities	140,394	167,096	248,857	225,552	203,120
Cash Flows from Investing Activities:					
Additions to property, plant, and equipment	(40,792)	(29,151)	(53,952)	(36,845)	(86,919)
Purchase of subsidiary companies and investments	(44,270)	(27,561)	(32,389)	(41,459)	(16,646)
Sale of subsidiary companies, copyrights, and investments	2,729	47,591	47,592	140,538	36,966
Miscellaneous, net	1,621	3,332	3,659	6,398	1,595
Net cash provided by (used in) investing activities of continuing operations	(80,712)	(5,789)	(35,090)	68,632	(65,004)
Net cash provided by (used in) investing activities of discontinued cable operations	(29,028)	(29,075)	(40,496)	(64,007)	(61,117)
Net investing activities	(109,740)	(34,864)	(75,586)	4,625	(126,121)
Cash Flows from Financing Activities:					
Increase in long-term debt					50,500
Payments on long-term debt	(38)	(111,038)	(137,885)	(194,015)	(100,602)
Dividends paid	(29,576)	(24,679)	(33,457)	(32,847)	(29,841)
Dividends paid to minority interests	(1,274)	(2,655)	(3,817)	(4,189)	(4,489)
Miscellaneous, net	704	1,284	1,649	1,998	(538)
Net cash provided by (used in) financing activities of continuing operations	(30,184)	(137,088)	(173,510)	(229,053)	(84,970)
Net cash provided by (used in) financing activities of discontinued cable operations	(2,500)	(1,045)	(1,758)	(1,494)	(153)
Net financing activities	(32,684)	(138,133)	(175,268)	(230,547)	(85,123)
Increase (Decrease) in Cash and Cash Equivalents	(2,030)	(5,901)	(1,997)	(370)	(8,124)
Cash and Cash Equivalents:					
Beginning of year	16,609	18,606	18,606	18,976	27,100
End of period	$ 14,579	$ 12,705	$ 16,609	$ 18,606	$ 18,976
Supplemental Cash Flow Disclosures:					
Acquisition of remaining minority interest in Scripps Howard Broadcasting Company in exchange for 4,952,659 shares of Class A Common stock		$ 146,724	$ 146,724		
Interest paid, excluding amounts capitalized	$ 8,325	13,586	17,109	$ 32,123	$ 36,109
Income taxes paid	51,422	67,580	127,009	44,962	34,940
Increase in program rights and related liabilities	75,373	32,746	30,685	51,614	48,251
Received in the sale of The Pittsburgh Press:					
Net tangible assets of The Monterey County Herald					20,375
Pittsburgh Post-Gazette preferred stock					14,000

See notes to consolidated financial statements.

THE E.W. SCRIPPS COMPANY
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY

(in thousands, except share data)	Common Stock	Additional Paid-in Capital	Retained Earnings	Unrealized Gains on Securities Available for Sale	Unvested Restricted Stock Awards	Foreign Currency Translation Adjustment
As of December 31, 1991	$ 746	$ 92,351	$ 584,074		$ (851)	$ 274
Net income			83,906			
Dividends: declared and paid - $.40 per share			(29,841)			
Class A Common shares issued pursuant to compensation plans, net: 86,164 shares issued, 3,500 shares forfeited,		2,015			(373)	
Amortization of restricted stock awards					708	
Foreign currency translation adjustment						95
As of December 31, 1992	746	94,366	638,139		(516)	369
Net income			128,686			
Dividends: declared and paid - $.44 per share			(32,847)			
Class A Common shares issued pursuant to compensation plans, net: 165,775 shares issued, 4,270 shares forfeited, and 17,071 shares repurchased	2	3,054			(817)	
Tax benefits on compensation plans		525				
Amortization of restricted stock awards					324	
Foreign currency translation adjustment						223
Adoption of FAS No. 115, net of deferred income tax of $14,744				$ 27,381		
As of December 31, 1993	748	97,945	733,978	27,381	(1,009)	592
Net income			122,683			
Dividends: declared and paid - $.44 per share			(33,457)			
Acquisition of minority interest in Scripps Howard Broadcasting Company in exchange for 4,952,659 shares of Class A Common stock	49	146,675				
Class A Common shares issued pursuant to compensation plans: 140,025 shares issued, 2,810 shares forfeited, and 5,127 shares repurchased	2	3,226			(1,527)	
Tax benefits on compensation plans		252				
Amortization of restricted stock awards					500	
Foreign currency translation adjustment						293
Increase (decrease) in unrealized gains on securities available for sale, net of deferred income tax of $7,992				(14,863)		
As of December 31, 1994	799	248,098	823,204	12,518	(2,036)	885
Net income			92,887			
Dividends: declared and paid - $.37 per share			(29,576)			
Conversion of 184,000 Voting common shares to 184,000 Class A common shares						
Class A Common shares issued pursuant to compensation plans: 191,750 shares issued, 1,250 shares forfeited, and 16,762 shares repurchased	1	3,950			(538)	
Tax benefits on compensation plans		607				
Amortization of restricted stock awards					751	
Foreign currency translation adjustment						18
Increase (decrease) in unrealized gains on securities available for sale, net of deferred income tax of $5,104				9,479		
As of September 30, 1995	$ 800	$ 252,655	$ 886,515	$ 21,997	$ (1,823)	$ 903

See notes to consolidated financial statements.

THE E.W. SCRIPPS COMPANY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1.SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Proposed Transaction - On October 28, 1995 The E.W. Scripps Company ("Scripps") and Comcast Corporation ("Comcast") reached an agreement pursuant to which Scripps will contribute all of its non-cable television assets to Scripps Howard, Inc. ("SHI" - a wholly-owned subsidiary of Scripps and the direct or indirect parent of all of Scripps' operations) and SHI's cable television system subsidiaries ("Scripps Cable") will be transferred to and held directly by Scripps. Scripps Cable will then be acquired by Comcast through a tax-free merger (the "Merger") with Scripps. The remaining SHI business will continue as "New Scripps", which will be distributed in a tax-free "spin-off" to Scripps shareholders (the "Spin-Off") and thereafter renamed The E.W. Scripps Company. The Merger and the Spin-Off are collectively referred to as the "Transactions." Upon completion of the Transactions the separate existence of Scripps will cease. Scripps' historical basis in its assets and liabilities will be carried over to New Scripps. The Transaction will be recorded as a reverse-spin transaction, accordingly New Scripps' results of operations for periods prior to the consummation of the Transactions will represent the historical results previously reported by Scripps.

The closing date of the Transactions is expected to be in the latter part of 1996 subject to regulatory approvals and certain other conditions. Controlling shareholders in Scripps and Comcast have agreed to vote in favor of the Merger.

Because Scripps Cable represents an entire business segment that will be divested, its results are reported as "discontinued operations" for all periods presented. See Note 12. Results of the remaining business segments, including results for divested operating units within these segments through their dates of sale, are reported as "continuing operations."

Nature of Operations - Scripps publishes daily newspapers in fifteen markets, operates local television stations in nine markets, and its entertainment division primarily produces television programming and licenses comic characters. The relative importance of each line of business is indicated in the Segment Information presented in Note 9.

The newspaper and television operations are diversified geographically and Scripps has a diverse customer base. More than 70% of Scripps' operating revenues are derived from advertising, and as a result operating results can be affected by changes in the demand for advertising nationally and in Scripps' local markets.

Scripps grants credit to substantially all of its customers. Management believes bad debt losses resulting from default by a single customer, or defaults by customers in any depressed region or business sector, would not have a material effect on Scripps' financial position.

Unaudited Interim Financial Statements - The combined financial statements as of September 30, 1995 and for the nine months ended September 30, 1995 and 1994 are unaudited. In management's opinion the interim financial statements include all adjustments (consisting of normal recurring adjustments) necessary for a fair presentation of the financial position and results of operations and cash flows for these periods.

The results for the interim periods are not necessarily indicative of the results that may be expected for the full year.

Use of Estimates - Preparation of the financial statements requires the use of estimates. Scripps' financial statements include estimates for such items as income taxes payable and self-insured risks. Self-insured risks are primarily employee medical costs and disability income, workers' compensation, and general liability. The recorded liability for self-insured risks is not discounted. Management does not believe it is likely that its estimates for such items will change materially in the near term.

Consolidation - The consolidated financial statements include the accounts of Scripps and its majority-owned subsidiary companies.

Program Rights and Production Costs - Program rights are recorded at the time such programs become available for broadcast. Amortization is computed using the straight-line method based on the license period or based on usage, whichever yields the greater accumulated amortization for each program. The liability for program rights is not discounted for imputed interest.

Production costs represent costs incurred in the production of programming for distribution. Amortization of capitalized costs is based on the percentage of current period revenues to anticipated total revenues for each program.

Program and production costs are stated at the lower of unamortized cost or fair value. The portion of the unamortized balance expected to be amortized within one year is classified as a current asset.

Estimated fair values (which are based on current rates available to Scripps for debt of the same remaining maturity) and the carrying amounts of Scripps' program rights liabilities were as follows:

(in thousands)	(Unaudited) As of September 30, 1995	As of December 31, 1994	1993
Liabilities for programs available for broadcast:			
Carrying amount	$ 78,700	$ 48,300	$ 64,300
Fair value	70,000	42,800	58,700

Goodwill and Other Intangible Assets - Goodwill and other intangible assets are stated at the lower of unamortized cost or fair value. Fair value is estimated based upon estimated future net cash flows. An impairment loss is recognized when the unamortized cost of the asset exceeds the undiscounted estimated future net cash flows. Goodwill represents the cost of acquisitions in excess of tangible assets and identifiable intangible assets received. Non-competition agreements are amortized on a straight-line basis over the terms of the agreements. Goodwill acquired after October 1970, customer lists, and other intangible assets are amortized on a straight-line basis over periods of up to 40 years. Goodwill acquired before November 1970 ($6,600,000) is not amortized.

The Financial Accounting Standards Board ("FASB") issued Financial Accounting Standard ("FAS") No. 121 - Accounting for the Impairment of Long-Lived Assets and for Long-Lived Assets to be Disposed of in March 1995. The standard requires that long-lived assets and certain identifiable intangible assets to be reviewed for impairment and that long-lived assets to be disposed of be reported at the lower of carrying amount or fair value less costs to sell. The standard, which Scripps is required to adopt in 1996, will not have any impact on Scripps' results of operations or financial position.

Property, Plant, and Equipment - Depreciation is computed using the straight-line method over estimated useful lives as follows:

Buildings and improvements	35 years
Newspaper presses	20 years
Other newspaper production equipment	5 to 10 years
Television transmitting towers	15 years
Other television and program production equipment	5 to 15 years
Office and other equipment	5 to 10 years

Interest costs related to major capital projects are capitalized and classified as property, plant, and equipment.

Income Taxes - Deferred income taxes are provided for temporary differences between the tax basis and reported amounts of assets and liabilities that will result in taxable or deductible amounts in future years. Scripps' temporary differences primarily result from accelerated depreciation and amortization for tax purposes and accrued expenses not deductible for tax purposes until paid. Also, Scripps received a tax certificate from the Federal Communications Commission upon the 1993 sale of the Memphis television and radio stations, enabling Scripps to defer payment of income taxes on the $60,500,000 tax-basis gain for a minimum of two years.

Investments - Scripps adopted Statement of Financial Accounting Standards ("FAS") No. 115 - Accounting for Certain Investments in Debt and Equity Securities on December 31, 1993.

Investments in 20%- to 50%-owned companies and in all joint ventures are accounted for under the equity method. Investments in other debt and equity securities are classified as available for sale and are carried at fair value. Fair value is determined by reference to quoted market prices for those or similar securities. Unrealized gains or losses on those securities are recognized as a separate component of stockholders' equity. The cost of securities sold is determined by specific identification.

Newspaper Joint Operating Agencies - Scripps is currently a party to newspaper joint operating agencies ("JOAs") in five markets. A JOA combines all but the editorial operations of two competing newspapers in a market. In each JOA the managing party distributes a portion of JOA profits to the other party. Scripps manages the JOA in Evansville. The JOAs in Albuquerque, Birmingham, Cincinnati, and El Paso are managed by the other parties to the JOAs. Scripps managed the JOA in Pittsburgh prior to the sale of The Pittsburgh Press.

Scripps includes the full amount of company-managed JOA assets and liabilities, and revenues earned and expenses incurred in the operation of the JOA, in the consolidated financial statements. Distributions of JOA operating profits to the non-managing party are included in other operating expenses in the Consolidated Statements of Income.

For JOAs managed by the other party, Scripps includes distributions of JOA operating profits in operating revenues in the Consolidated Statements of Income. Scripps does not include any assets or liabilities of JOAs managed by other parties in its Consolidated Balance Sheets as Scripps has no residual interest in the net assets of the JOAs.

Inventories - Inventories are stated at the lower of cost or market. The cost of newsprint included in inventory is computed using the last in, first out ("LIFO") method. At December 31 newsprint inventories were approximately 65% of total inventories in 1994 and 62% in 1993. The cost of other inventories is computed using the first in, first out ("FIFO") method. Inventories would have been $1,200,000 and $200,000 higher at December 31, 1994 and 1993 if FIFO (which approximates current cost) had been used to compute the cost of newsprint.

Postemployment Benefits - Scripps adopted FAS No. 106 - Employers' Accounting for Postretirement Benefits Other Than Pensions in 1992. Postretirement benefits are recognized during the years that employees render service. Other postemployment benefits, such as disability-related benefits and severance, are recognized when the benefits become payable.

Stock-Based Compensation - The FASB issued FAS No. 123 - Accounting for Stock-Based Compensation in October 1995. The standard defines a fair value based method of accounting for stock-based compensation, but permits compensation expense to continue to be measured using the intrinsic value based method previously used. Scripps intends to continue measuring compensation expense using the intrinsic value based method and under the provisions of the standard, which must be adopted in 1996, will be required to make pro forma disclosures of net income and earnings per share as if the fair value method had been used. Pro forma net income and earnings per share for the nine months ended September 30, 1995 have not been quantified.

Cash and Cash Equivalents - Cash and cash equivalents represent cash on hand, bank deposits, and highly liquid debt instruments with an original maturity of up to three months. Cash equivalents are stated at cost plus accrued interest, which approximates fair value.

Short-term Investments - Short-term investments represent excess cash invested in securities not meeting the criteria to be classified as cash equivalents. Short-term investments primarily consist of preferred stocks, and are carried at cost plus accrued dividends, which approximates fair value.

Net Income Per Share - Net income per share computations are based upon the weighted average common shares outstanding. Common stock equivalents in the form of stock options are excluded from the computations as they have no material effect on the per share amounts. Weighted average shares outstanding were as follows:

(in thousands)	(Unaudited) For the nine months ended September 30,		For the years ended December 31,		
	1995	1994	1994	1993	1992
Weighted average shares outstanding	79,930	75,059	76,246	74,650	74,602

2. ACQUISITIONS AND DIVESTITURES

Acquisitions

1994 - Scripps acquired the remaining 13.9% minority interest in Scripps Howard Broadcasting Company in exchange for 4,952,659 shares of Class A Common stock. Scripps acquired Cinetel Productions (an independent producer of programs for cable television).

1993 - Scripps acquired the remaining 2.7% minority interest in the Knoxville News-Sentinel for $2,800,000. Scripps purchased 5.7% of the outstanding shares of Scripps Howard Broadcasting Company for $28,900,000.

1992 - Scripps purchased three daily newspapers in California (including The Herald in connection with the sale of The Pittsburgh Press - see Note 2B).

The following table presents additional information about the acquisitions:

(in thousands)

	For the nine months ended September 30,	For the years ended December 31,		
	1994	1994	1993	1992
Goodwill and other intangible assets acquired	$ 105,545	$ 108,690	$ 19,486	$ 7,401
Other assets acquired	14,596	14,596		7,177
Reduction in minority interests	45,468	45,958	12,287	
Previous interest in acquired newspaper				(3,936)
Class A Common stock issued	(146,724)	(146,724)		
Liabilities assumed and notes issued	(899)	(899)		(603)
Cash paid	17,986	21,621	31,773	10,039
Net assets of The Herald:				
Tangible assets				21,602
Liabilities assumed				(1,227)
Total acquisitions	$ 17,986	$ 21,621	$ 31,773	$ 30,414

The acquisitions have been accounted for as purchases. The acquired operations have been included in the Consolidated Statements of Income from the dates of acquisition. Pro forma results are not presented because the combined results of operations would not be significantly different from the reported amounts.

Divestitures

Scripps divested the following operating units:

1995 - Newspaper in Watsonville, California.

1993 - Book publishing; newspapers in Tulare, California, and San Juan; Memphis television station; radio stations.

1992 - The Pittsburgh Press; TV Data; certain other investments.

The following table presents additional information about the divestitures:

(in thousands, except per share data)

	For the nine months ended September 30, 1995	For the years ended December 31, 1993	1992
Cash received	$ 2,711	$ 140,509	$ 36,919
Notes and preferred stock			14,150
Net assets of The Herald:			
Tangible assets			21,602
Liabilities assumed			(1,227)
Total proceeds	2,711	140,509	71,444
Net assets (liabilities) disposed	2,711	48,635	(6,539)
Net gains recognized (before minority interests and income taxes)	$ 0	$ 91,874	$ 77,983
Net gains recognized (after minority interests and income taxes)		$ 46,800	$ 45,600
Net gains recognized per share (after minority interests and income taxes)		$ .63	$ .61

Included in net assets (liabilities) disposed in 1992 are pension and other postretirement benefit obligations totaling $36,500,000.

Included in the consolidated financial statements are the following results of divested operating units (excluding gains on sales):

(in thousands)

	For the nine months ended September 30, 1995	1994	For the years ended December 31, 1994	1993	1992
Operating revenues	$ 300	$ 2,700	$ 3,700	$ 57,400	$ 178,100
Operating income (loss)	(100)	(100)	(200)	7,500	(14,600)

3. UNUSUAL CREDITS AND CHARGES

1994 - Scripps sold its worldwide Garfield and U.S. Acres copyrights. The sale resulted in a pre-tax gain of $31,600,000, $17,400,000 after tax, $.23 per share.

Scripps' three television stations that had been Fox affiliates changed their network affiliation. In connection with the change certain program rights were expected to be sold at an estimated loss of $7,900,000. Two of the stations are constructing new buildings to accommodate expanded local news staffs, and currently owned real estate will be sold at an estimated loss of $2,800,000. These estimated losses were recorded in 1994, reducing net income $6,600,000, $.09 per share.

Scripps made a special contribution of 589,165 shares of Turner Broadcasting Class B common stock to a charitable foundation. The contribution reduced pre-tax income by $8,000,000 and net income by $4,500,000, $.06 per share.

Management changed its estimate of the tax liability for prior years as a result of an audit by the Internal Revenue Service ("IRS"). The adjustment decreased net income by $5,300,000, $.07 per share (see Note 4).

Scripps accrued an estimate of the ultimate costs of certain lawsuits associated with divested operating units. The accrual reduced net income by $3,600,000, $.05 per share.

1993 - Operating results include net pre-tax gains of $91,900,000, $46,800,000 after-tax, $.63 per share (see Note 2).

Management changed the estimate of the additional amount of music license fees Scripps would owe when a dispute between the television industry and the American Society of Composers, Authors and Publishers ("ASCAP") was resolved. The adjustment increased operating income $4,300,000 and net income $2,300,000, $.03 per share.

Scripps realized a $1,100,000 gain on sale of certain publishing equipment and received a $2,500,000 fee in connection with the sale of the Ogden, Utah, Standard Examiner, increasing net income $2,300,000, $.03 per share.

Scripps recorded a $6,300,000 restructuring charge. The charge reduced net income $3,600,000, $.05 per share.

Management changed its estimate of the tax liability for prior years (see Note 4). The adjustment increased net income $5,400,000, $.07 per share. The federal income tax rate was increased to 35% from 34%. The effect on Scripps' deferred tax liabilities reduced net income $2,300,000, $.03 per share.

1992 - Operating results include pre-tax gains of $78,000,000, $45,600,000 after-tax, $.61 per share (see Note 2).

The Pittsburgh Press was not published after May 17 due to a strike. Reported 1992 results include operating losses of $32,700,000 and net losses of $20,200,000, $.27 per share, during the strike period.

Management changed its estimate of the tax liability for prior years (see Note 4). The adjustment increased net income $8,400,000, $.11 per share.

Scripps reduced the carrying value of certain property and investments to estimated realizable value. The resultant $3,500,000 charge reduced net income $2,300,000, $.03 per share.

4.INCOME TAXES

In 1995 Scripps reached agreement with the IRS to settle the audits of its 1985 through 1988 tax returns. There was no effect on net income as a result of the settlement. The IRS is currently examining Scripps' consolidated income tax returns for the years 1988 through 1991. Pursuant to the terms of the Merger New Scripps will indemnify Comcast, on an after-tax basis, against all tax liabilities of Scripps attributable to periods prior to completion of the Merger.

In 1992 management changed its estimate of the tax liability for prior years, increasing net income $8,400,000, $.11 per share. In 1993 management changed its estimate of the tax basis and lives of certain intangible assets. The resulting change in the estimated tax liability for prior years increased net income $5,400,000, $.07 per share. In 1994 the IRS proposed adjustments related to those intangible assets. Based upon the proposed adjustments management again changed its estimate of the tax liabilities for prior years, decreasing net income in 1994 $5,300,000, $.07 per share.

Management believes that adequate provision for income taxes has been made for all open years.

The approximate effects of the temporary differences giving rise to Scripps' deferred income tax liabilities (assets) are as follows:

(in thousands)	(Unaudited) September 30, 1995	As of December 31, 1994	1993
Accelerated depreciation and amortization	$ 71,393	$ 60,087	$ 90,314
Deferred gain on sale of Memphis television and radio stations	23,599	23,599	23,126
Investments	10,031	4,927	12,900
Accrued expenses not deductible until paid	(24,785)	(27,745)	(20,625)
Deferred compensation and retiree benefits	(11,830)	(12,470)	(10,380)
Other temporary differences, net	(4,671)	6,008	1,167
Total	63,737	54,406	96,502
State net operating loss carryforwards	(8,773)	(7,922)	(7,258)
Foreign tax credits and other carryforwards			(1,371)
Valuation allowance for state deferred tax assets and foreign tax credits	5,492	4,786	5,033
Net deferred tax liability	$ 60,456	$ 51,270	$ 92,906

Scripps' state net operating loss carryforwards expire from 2000 through 2019.

The provision for income taxes consists of the following:

(in thousands)	(Unaudited) For the nine months ended September 30, 1995	1994	For the years ended December 31, 1994	1993	1992
Current:					
Federal	$ 37,093	$ 45,283	$ 61,026	$ 33,114	$ 33,287
State and local	6,343	12,008	12,351	7,829	6,455
Foreign	3,780	3,389	4,412	3,745	4,017
Total current	47,216	60,680	77,789	44,688	43,759
Deferred:					
Federal	8,555	(27)	(6,787)	51,813	14,128
Other	1,011	1,805	1,195	4,105	7,258
Total deferred	9,566	1,778	(5,592)	55,918	21,386
Total income taxes	56,782	62,458	72,197	100,606	65,145
Income taxes allocated to stockholders' equity	(4,497)	5,139	8,244	(14,219)	
Provision for income taxes	$ 52,285	$ 67,597	$ 80,441	$ 86,387	$ 65,145

The difference between the statutory rate for federal income tax and the effective income tax rate is summarized as follows:

	(Unaudited) For the nine months ended September 30, 1995	1994	For the years ended December 31, 1994	1993	1992
Statutory rate	35.0 %	35.0 %	35.0 %	35.0 %	34.0 %
Effect of:					
State and local income taxes	5.1	5.4	4.7	3.7	5.5
Amortization of goodwill	2.6	1.5	2.2	2.4	2.9
Increase in tax rate to 35% on deferred tax liabilities				1.1	
Change in estimated tax basis and lives of certain assets			2.1	(2.5)	(5.5)
Difference between foreign and U.S. tax rates, including foreign tax credits	0.1	0.3	0.3	0.4	0.9
Miscellaneous	1.1	0.2	0.1	1.5	1.5
Effective income tax rate	43.9 %	42.4 %	44.4 %	41.6 %	39.3 %

5.LONG-TERM DEBT

Long-term debt consisted of the following:

(in thousands)	(Unaudited) September 30, 1995	As of December 31, 1994	1993
Variable Rate Credit Facilities			$ 88,000
7.375% notes, due in 1998	$ 61,272	$ 61,161	99,264
9.0% notes, due in 1996	47,000	47,000	50,000
8.5% notes, payable through 1994			8,334
Other notes	2,232	2,270	2,320
Total long-term debt	110,504	110,431	247,918
Current portion of long-term debt	47,043		96,383
Long-term debt (less current portion)	$ 63,461	$ 110,431	$ 151,535
Fair value of long-term debt *	$ 113,400	$ 109,600	$ 260,900
Weighted average interest rate on Variable Rate Credit Facilities at December 31			3.4%

* Fair value is estimated based on current rates available to New Scripps for debt of the same remaining maturity.

Scripps has a Competitive Advance/Revolving Credit Agreement ("Variable Rate Credit Facility") which expires in September 1996 and permits maximum borrowings up to $50,000,000. Maximum borrowings under the Variable Rate Credit Facility are changed as Scripps' anticipated needs change and are not indicative of Scripps' short-term borrowing capacity. The Variable Rate Credit Facility may be extended upon mutual agreement.

Certain long-term debt agreements contain maintenance requirements on net worth and coverage of interest expense and restrictions on dividends and incurrence of additional indebtedness.

Pursuant to the terms of the Merger, Scripps will retire or defease its 7.375% notes due in 1998.

Interest costs capitalized were as follows:

(in thousands)	(Unaudited) For the nine months ended September 30, 1995	1994	For the years ended December 31, 1994	1993	1992
Capitalized interest costs	$ 300	$ 0	$ 0	$ 100	$ 4,500

6.INVESTMENTS

Investments consisted of the following:

(in thousands, except share data)	(Unaudited) September 30, 1995	As of December 31, 1994	1993
Securities available for sale:			
Short-term investments, primarily preferred stocks	$ 38,000		
Turner Broadcasting Class C preferred stock (convertible into 1,309,092 shares of Class B common stock)	36,000	$ 21,436	$ 35,345
Pittsburgh Post-Gazette preferred stock, $25 million face value, 8% cumulative dividend			14,000
Turner Broadcasting Class B common stock (589,165 shares)			15,907
Other	5,766	2,351	3,938
Total securities available for sale	79,766	23,787	69,190
Investments accounted for under the equity method	10,342	11,092	10,575
Total investments	$ 90,108	$ 34,879	$ 79,765
Unrealized gains on securities available for sale	$ 33,586	$ 19,270	$ 42,125

7.PROPERTY, PLANT, AND EQUIPMENT AND INTANGIBLE ASSETS

Property, plant, and equipment consisted of the following:

(in thousands)	(Unaudited) September 30, 1995	As of December 31, 1994	1993
Land and improvements	$ 39,760	$ 40,668	$ 43,112
Buildings and improvements	181,153	176,769	175,836
Equipment	510,281	484,495	452,320
Total	731,194	701,932	671,268
Accumulated depreciation	306,701	282,398	259,048
Net property, plant, and equipment	$ 424,493	$ 419,534	$ 412,220

Goodwill and other intangible assets consisted of the following:

(in thousands)	(Unaudited) September 30, 1995	As of December 31, 1994	1993
Goodwill	$ 440,920	$ 439,462	$ 382,946
Customer lists	133,329	133,334	131,708
Licenses and copyrights	28,221	28,221	28,221
Non-competition agreements	18,289	18,689	18,689
Other	32,247	32,247	24,817
Total	653,006	651,953	586,381
Accumulated amortization	152,302	137,557	118,687
Net goodwill and other intangible assets	$ 500,704	$ 514,396	$ 467,694

8.EMPLOYEE BENEFIT PLANS

Scripps sponsors defined benefit plans covering substantially all non-union employees. Benefits are generally based on the employees' compensation and years of service. Funding is based on the requirements of the plans and applicable federal laws.

Scripps also sponsors defined contribution plans covering substantially all non-union employees. Scripps matches a portion of employees' voluntary contributions to these plans.

Union-represented employees are covered by retirement plans jointly administered by subsidiaries of Scripps and the unions or by union-administered, multi-employer plans. Funding is based upon negotiated agreements.

Retirement plans expense consisted of the following:

(in thousands)

	For the years ended December 31, 1994	1993	1992
Service cost	$ 8,729	$ 7,819	$ 7,832
Interest cost	11,509	13,111	14,026
Actual return on plan assets	1,637	(13,487)	(13,404)
Net amortization and deferral	(14,990)	(2,619)	(4,860)
Defined benefit plans	6,885	4,824	3,594
Multi-employer plans	1,028	1,044	1,664
Defined contribution plans	3,573	3,570	3,754
Total	11,486	9,438	9,012
Curtailment losses (gains) included in gain on the sales of subsidiary companies		253	(3,632)
Total retirement plans expense	$ 11,486	$ 9,691	$ 5,380

Assumptions used in the accounting for the defined benefit plans were as follows:

	1994	1993	1992
Discount rate as of December 31	8.5%	7.0%	8.0%
Expected long-term rate of return on plan assets	9.5%	8.0%	9.0%
Rate of increase in compensation levels	5.0%	3.5%	4.5%

The funded status of the defined benefit plans at December 31 was as follows:

(in thousands)

	1994	1993	1992
Actuarial present value of vested benefits	$ (121,602)	$ (133,754)	$ (130,236)
Actuarial present value of accumulated benefits	$ (130,126)	$ (142,751)	$ (138,029)
Actuarial present value of projected benefits	$ (159,871)	$ (176,212)	$ (166,960)
Plan assets at fair value	155,283	171,837	176,895
Projected benefits in excess of plan assets	(4,588)	(4,375)	9,935
Unrecognized net loss	3,404	10,725	1,594
Unrecognized prior service cost	9,432	9,766	9,142
Unrecognized net asset at the date FAS No. 87 was adopted, net of amortization	(10,429)	(11,846)	(13,203)
Net pension asset (liability) recognized in the balance sheet	$ (2,181)	$ 4,270	$ 7,468

Plan assets consist of marketable equity and fixed-income securities.

Scripps has unfunded health and life insurance benefit plans that are provided to certain retired employees. The combined number of 1) active employees eligible for such benefits and 2) retired employees receiving such benefits is approximately 5% of Scripps' current workforce. The actuarial present value of the projected benefit obligation at December 31 was $6,900,000 in 1994 and $6,300,000 in 1993. The cost of the plan was: 1994, $500,000; 1993, $600,000; and 1992, $600,000 (excluding $3,200,000 related to divested operating units).

9.SEGMENT INFORMATION

The Other segment includes book publishing operations which were sold in 1993 and TV Data which was sold in 1992.

Broadcasting operating income in 1994 was reduced by $7,900,000 as a result of the program rights write-down and was increased in 1993 by $4,300,000 as a result of the change in estimate of the additional amount of copyright fees owed ASCAP (see Note 3).

Financial information relating to Scripps' business segments is as follows:

(in thousands)	(Unaudited) For the nine months ended September 30, 1995	1994	For the years ended December 31, 1994	1993	1992
OPERATING REVENUES					
Newspapers	$ 468,632	$ 440,947	$ 602,938	$ 568,054	$ 608,687
Broadcasting	211,711	202,445	288,184	284,294	277,287
Entertainment	68,964	56,343	73,473	84,741	87,209
Other				8,126	44,172
Total continuing operations	$ 749,307	$ 699,735	$ 964,595	$ 945,215	$ 1,017,355
OPERATING INCOME					
Newspapers	$ 88,361	$ 90,712	$ 119,539	$ 75,389	$ 60,234
Broadcasting	57,455	62,455	86,625	81,958	69,955
Entertainment	(7,905)	(752)	(7,083)	(1,561)	8,151
Other				(199)	5,100
Corporate	(12,782)	(11,154)	(15,471)	(13,625)	(14,956)
Total continuing operations	$ 125,129	$ 141,261	$ 183,610	$ 141,962	$ 128,484
DEPRECIATION					
Newspapers	$ 22,758	$ 21,383	$ 28,399	$ 30,070	$ 31,879
Broadcasting	9,164	6,749	9,323	9,470	9,174
Entertainment	1,924	1,247	1,667	899	826
Other				25	733
Corporate	631	444	651	625	1,560
Total continuing operations	$ 34,477	$ 29,823	$ 40,040	$ 41,089	$ 44,172
AMORTIZATION OF INTANGIBLE ASSETS					
Newspapers	$ 4,763	$ 5,273	$ 6,858	$ 6,902	$ 6,636
Broadcasting	10,091	8,590	11,966	12,212	12,119
Entertainment	301	48	72	18	10
Other				628	1,412
Total continuing operations	$ 15,155	$ 13,911	$ 18,896	$ 19,760	$ 20,177
ASSETS					
Newspapers	$ 605,496	$ 633,612	$ 621,008	$ 667,167	$ 705,112
Broadcasting	533,169	524,228	515,617	465,622	491,653
Entertainment	116,798	85,094	84,816	82,538	39,037
Other					25,393
Corporate	107,180	72,825	65,246	39,770	25,391
Total continuing operations	$ 1,362,643	$ 1,315,759	$ 1,286,687	$ 1,255,097	$ 1,286,586
CAPITAL EXPENDITURES					
Newspapers	$ 14,696	$ 13,215	$ 21,226	$ 24,523	$ 75,648
Broadcasting	15,042	12,940	23,532	9,733	8,129
Entertainment	9,549	2,581	7,989	981	297
Other					150
Corporate	1,505	415	1,205	1,608	2,695
Total continuing operations	$ 40,792	$ 29,151	$ 53,952	$ 36,845	$ 86,919

Corporate assets are primarily cash, investments, and refundable and deferred income taxes.

10. COMMITMENTS AND CONTINGENCIES

Scripps accrued an estimate of the ultimate costs of certain lawsuits associated with divested operating units (see Note 3). Scripps is also involved in other litigation arising in the ordinary course of business, none of which is expected to result in material loss.

At December 31, 1994 Scripps was committed to purchase approximately $118,000,000 of program rights that are not currently available for broadcast, including programs not yet produced. If such programs are not produced Scripps' commitment would expire without obligation.

Minimum payments on non-cancelable leases at December 31, 1994 were as follows:

(in thousands)		
1995	$	10,400
1996		8,800
1997		7,800
1998		7,700
1999		7,900
Later years		42,200
Total	$	84,800

Rental expense for cancelable and non-cancelable leases was as follows:

(in thousands)	(Unaudited) For the nine months ended September 30, 1995	1994	For the years ended December 31, 1994	1993	1992
Rental expense, net of sublease income	$ 8,000	$ 7,300	$ 11,700	$ 9,700	$ 11,800

11. CAPITAL STOCK AND INCENTIVE PLANS

The capital structure of Scripps includes Common Voting Stock and Class A Common Stock. The articles of Scripps provide that the holders of Class A Common Stock, who are not entitled to vote on any other matters except as required by Delaware law, are entitled to elect the greater of three or one-third of the directors.

In connection with the Transactions, New Scripps will be recapitalized to include Common Voting Shares and Class A Common Shares and the Articles of Incorporation of New Scripps will be further amended to provide for substantially the same shareholder voting rights and other terms as the Scripps certificate of incorporation currently provides for. New Scripps will issue to Scripps: (i) a number of New Scripps Common Voting Shares equal to the number of shares of Scripps Common Voting Stock then outstanding and (ii) a number of New Scripps Class A Common Shares equal to the number of shares of Scripps Class A Common Stock then outstanding. These shares will then be distributed to Scripps' shareholders in the Spin-Off.

Pursuant to the Transactions, New Scripps will assume Scripps' incentive plans. The 1987 Long-Term Incentive Plan ("1987 Plan") provides for the awarding of stock options, stock appreciation rights, performance units, and Class A Common stock to key employees. The number of shares authorized for issuance under the 1987 Plan is 3,250,000.

Stock options may be awarded to purchase Class A Common stock at not less than 100% of the fair market value on the date the option is granted. Stock options will vest over an incentive period, conditioned upon the individual's employment through that period. The plan expires on December 9, 1997, except for options then outstanding. In connection with the Transactions, the number of options and the option price will be adjusted based on the average market price of Scripps Class A Common Stock for a specified time before the Transactions are completed, and of New Scripps Class A Common Shares after the Transactions are completed. The number of options outstanding is expected to increase and the option exercise price is expected to decrease in order to preserve the economic value of the outstanding options.

Information related to stock options is as follows:

	Number of Shares	Price per Share
Outstanding at December 31, 1991	1,027,300	$16 - 24
Granted in 1992	282,300	24 - 37
Exercised in 1992	(4,050)	18
Forfeited in 1992	(59,000)	20 - 27
Outstanding at December 31, 1992	1,246,550	16 - 27
Granted in 1993	667,500	24 - 34
Exercised in 1993	(133,775)	16 - 24
Forfeited in 1993	(40,775)	18 - 27
Outstanding at December 31, 1993	1,739,500	16 - 34
Granted in 1994	493,500	27 - 30
Exercised in 1994	(87,025)	18 - 26
Forfeited in 1994	(20,000)	18 - 26
Outstanding at December 31, 1994	2,125,975	16 - 34
Granted in 1995	25,000	28 - 34
Exercised in 1995	(174,250)	18 - 27
Forfeited in 1995	(9,000)	18 - 30
Outstanding at September 30, 1995	1,967,725	$16 - 34
Exercisable at September 30, 1995	1,313,725	$16 - 34

Options issued to employees of Scripps Cable totaled 221,750 at September 30, 1995, of which 140,750 were exercisable. Options issued to employees of Scripps Cable will vest and become exercisable upon completion of the Transactions.

Awards of Class A Common Stock will vest over an incentive period, conditioned upon the individual's employment throughout that period. During the vesting period shares issued are non-transferable, but the shares are entitled to all the rights of an outstanding share. Upon vesting, when the stock awards become taxable to the employees, additional awards of cash may also be made.

Information related to awards of Class A Common Stock is as follows:

(in thousands, except share data)	(Unaudited) For the nine months ended September 30, 1995	1994	For the years ended December 31, 1994	1993	1992
Shares of Class A Common stock:					
Awarded	17,500	53,000	53,000	32,000	16,750
Forfeited	1,250	2,810	2,810	4,270	3,500
Compensation expense recognized:					
Continuing operations	$ 735	$ 250	$ 435	$ 270	$ 600
Scripps Cable	65	50	65	30	100

Restricted shares issued to employees of Scripps Cable will vest upon completion of the Transactions. There were 13,500 unvested shares issued to employees of Scripps Cable at September 30, 1995.

12. DISCONTINUED OPERATIONS

Summarized operating results for the discontinued cable television operations are as follows:

(in thousands)	(Unaudited) For the nine months ended September 30, 1995	1994	For the years ended December 31, 1994	1993	1992
Operating revenues	$ 207,855	$ 189,595	$ 255,356	$ 251,792	$ 238,116
Income before income taxes and minority interests	46,188	27,572	33,526	44,811	43,488
Income taxes	(17,538)	(13,287)	(3,484)	(20,363)	(27,440)
Minority interests		(155)	(155)	(673)	(1,089)
Net income	$ 28,650	$ 14,130	$ 29,887	$ 23,775	$ 14,959

In 1994 customers of the Sacramento system were awarded special rebates totaling $3,000,000 in connection with litigation concerning the system's pricing in the late 1980s. The rebates reduced net income $1,600,000. Also in 1994 Scripps Cable accrued $6,500,000 as an estimate of the ultimate costs of certain lawsuits. The accrual reduced net income $4,200,000.

In 1992 management changed its estimate of a tax deduction received in the redemption of a partnership interest in certain of its cable television systems. The resulting change in the liability for prior year income taxes decreased net income $8,400,000. In 1994 the IRS proposed adjustments related to certain intangible assets and the redemption of the partnership interest. Based upon the proposed adjustments management again changed its estimate of the tax liabilities for prior years. The resulting change in the liability for prior year income taxes increased 1994 net income $11,800,000.

Summarized balance sheet data for the discontinued cable television operations are as follows:

(in thousands)	(Unaudited) September 30, 1995	As of December 31, 1994	1993
Property, plant, and equipment	$ 288,411	$ 294,229	$ 300,506
Goodwill and other intangible assets	95,275	101,717	85,295
Other assets	29,324	34,926	37,271
Deferred income tax liabilities	(77,166)	(77,691)	(64,305)
Other liabilities	(30,084)	(30,444)	(28,868)
Net assets of discontinued cable television operations	305,760	322,737	329,899

The major components of cash flow for discontinued operations are as follows:

(in thousands)	(Unaudited) For the nine months ended September 30, 1995	1994	For the years ended December 31, 1994	1993	1992
Income from discontinued operations	$ 28,650	$ 14,130	$ 29,887	$ 23,775	$ 14,959
Depreciation and amortization	41,105	44,264	57,331	60,029	57,580
Other, net	12,823	3,453	(8,594)	(275)	3,576
Net cash provided by discontinued operating activities	$ 82,578	$ 61,847	$ 78,624	$ 83,529	$ 76,115
Capital expenditures	$ (30,119)	$ (28,753)	$ (41,616)	$ (67,019)	$ (58,299)
Other, net	1,091	(322)	1,120	3,012	(2,818)
Net cash provided by (used in) investing activities of discontinued cable operations	$ (29,028)	$ (29,075)	$ (40,496)	$ (64,007)	$ (61,117)

13. SUMMARIZED QUARTERLY FINANCIAL INFORMATION (Unaudited)

Summarized financial information is as follows:

(in thousands, except per share data)

1995	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Total
Operating revenues:					
Newspapers	$ 151,607	$ 161,112	$ 155,913		$ 468,632
Television	66,968	77,080	67,663		211,711
Entertainment	26,694	21,115	21,155		68,964
Total operating revenues	245,269	259,307	244,731		749,307
Operating expenses:					
Employee compensation and benefits	83,820	84,233	84,861		252,914
Newsprint and ink	26,871	29,381	32,008		88,260
Program rights and production costs	15,546	12,523	14,081		42,150
Other operating expenses	62,732	65,191	63,299		191,222
Depreciation and amortization	16,063	16,429	17,140		49,632
Total operating expenses	205,032	207,757	211,389		624,178
Operating income	40,237	51,550	33,342		125,129
Interest expense	(3,353)	(2,829)	(2,441)		(8,623)
Net gains and unusual items					
Miscellaneous, net	782	394	1,427		2,603
Income taxes	(16,971)	(21,127)	(14,187)		(52,285)
Minority interests	(935)	(868)	(784)		(2,587)
Income from continuing operations	19,760	27,120	17,357		64,237
Income from discontinued operations (net of income taxes)	9,354	9,019	10,277		28,650
Net income	$ 29,114	$ 36,139	$ 27,634		$ 92,887
Per share of common stock:					
Income from continuing operations	$ .25	$ .34	$ .22		$ .80
Income from discontinued operations	.12	.11	.13		.36
Net income	$ .36	$ .45	$ .35		$ 1.16
Weighted average shares outstanding	79,854	79,927	80,010		79,930
Cash dividends per share of common stock	$ .11	$ .13	$ .13		$ .37

(in thousands, except per share data)

1994	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Total
Operating revenues:					
Newspapers	$ 142,037	$ 151,765	$ 147,145	$ 161,991	$ 602,938
Broadcasting	60,353	73,892	68,200	85,739	288,184
Entertainment	20,978	18,676	16,689	17,130	73,473
Total operating revenues	223,368	244,333	232,034	264,860	964,595
Operating expenses:					
Employee compensation and benefits	77,574	79,577	77,337	84,141	318,629
Newsprint and ink	20,657	22,131	23,586	27,786	94,160
Program rights and production costs	12,285	14,473	13,557	19,767	60,082
Other operating expenses	56,150	57,543	59,870	75,615	249,178
Depreciation and amortization	14,283	14,903	14,548	15,202	58,936
Total operating expenses	180,949	188,627	188,898	222,511	780,985
Operating income	42,419	55,706	43,136	42,349	183,610
Interest expense	(4,576)	(4,529)	(3,829)	(3,340)	(16,274)
Net gains and unusual items		31,621		(16,970)	14,651
Miscellaneous, net	172	(371)	(188)	(530)	(917)
Income taxes	(16,681)	(35,685)	(15,231)	(12,844)	(80,441)
Minority interests	(1,917)	(2,886)	(2,265)	(765)	(7,833)
Income from continuing operations	19,417	43,856	21,623	7,900	92,796
Income from discontinued operations (net of income taxes)	5,680	3,968	4,482	15,757	29,887
Net income	$ 25,097	$ 47,824	$ 26,105	$ 23,657	$ 122,683
Per share of common stock:					
Income from continuing operations	$ .26	$ .59	$ .29	$ .10	$ 1.22
Income from discontinued operations	.08	.05	.06	.20	.39
Net income	$ .34	$ .64	$ .35	$ .30	$ 1.61
Weighted average shares outstanding	74,762	74,776	75,638	79,808	76,246
Cash dividends per share of common stock	$ .11	$ .11	$ .11	$ .11	$ .44

(in thousands, except per share data)

1993	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Total
Operating revenues:					
Newspapers	$ 134,463	$ 143,632	$ 137,414	$ 152,545	$ 568,054
Broadcasting	61,845	77,401	67,178	77,870	284,294
Entertainment	19,625	18,644	24,964	21,508	84,741
Other	4,529	3,597			8,126
Total operating revenues	220,462	243,274	229,556	251,923	945,215
Operating expenses:					
Employee compensation and benefits	82,760	84,637	83,288	85,924	336,609
Newsprint and ink	21,218	23,386	22,176	22,282	89,062
Program rights and production costs	13,110	15,553	21,195	13,873	63,731
Other operating expenses	56,689	64,542	60,067	71,704	253,002
Depreciation and amortization	15,483	14,571	15,332	15,463	60,849
Total operating expenses	189,260	202,689	202,058	209,246	803,253
Operating income	31,202	40,585	27,498	42,677	141,962
Interest expense	(7,791)	(6,642)	(5,974)	(5,990)	(26,397)
Net gains and unusual items	23,162	1,774	(2,922)	72,360	94,374
Miscellaneous, net	869	(1,254)	(852)	(1,176)	(2,413)
Income taxes	(19,133)	(15,216)	(8,802)	(43,236)	(86,387)
Minority interests	(1,881)	(2,555)	(1,856)	(9,936)	(16,228)
Income from continuing operations	26,428	16,692	7,092	54,699	104,911
Income from discontinued operations (net of income taxes)	6,170	5,395	6,975	5,235	23,775
Net income	$ 32,598	$ 22,087	$ 14,067	$ 59,934	$ 128,686
Per share of common stock:					
Income from continuing operations	$ .35	$ .22	$ .10	$ .73	$ 1.41
Income from discontinued operations	.08	.07	.09	.07	.32
Net income	$ .44	$ .30	$ .19	$ .80	$ 1.72
Weighted average shares outstanding	74,613	74,627	74,639	74,722	74,650
Cash dividends per share of common stock	$ .11	$ .11	$ .11	$ .11	$ .44

The sum of the quarterly net income per share amounts may not equal the reported annual amount and the sum of the income from continuing operations per share and the income from discontinued operations per share may not equal the net income per share amount because each is computed independently based upon the weighted average number of shares outstanding for that period.

THE E.W. SCRIPPS COMPANY
VALUATION AND QUALIFYING ACCOUNTS SCHEDULE VIII

(in thousands)

COLUMN A		COLUMN B	COLUMN C	COLUMN D	COLUMN E		COLUMN F
CLASSIFICATION		BALANCE BEGINNING OF PERIOD	ADDITIONS CHARGED TO COSTS AND EXPENSES	DEDUCTIONS AMOUNTS CHARGED OFF-NET	INCREASE (DECREASE) RECORDED ACQUISITIONS (DIVESTITURES)		BALANCE END OF PERIOD
YEAR ENDED DECEMBER 31, 1994:							
Allowance for doubtful accounts receivable	$	5,049 $	3,317 $	4,429		$	3,937
Allowance for sales returns		679		78			601
Total receivable allowances	$	5,728 $	3,317 $	4,507		$	4,538
YEAR ENDED DECEMBER 31, 1993:							
Allowance for doubtful accounts receivable	$	4,709 $	5,116 $	4,249 $	(527)	$	5,049
Allowance for sales returns		6,148	1,262	876	(5,855)		679
Total receivable allowances	$	10,857 $	6,378 $	5,125 $	(6,382)	$	5,728
YEAR ENDED DECEMBER 31, 1992:							
Allowance for doubtful accounts receivable	$	4,575 $	6,160 $	6,307 $	281	$	4,709
Allowance for sales returns		4,631	5,833	4,316			6,148
Total receivable allowances	$	9,206 $	11,993 $	10,623 $	281	$	10,857

DESCRIPTION OF SCRIPPS CABLE

BUSINESS

General - Scripps Cable operates cable television systems in Florida, California, Colorado, Georgia, Indiana, Kentucky, South Carolina, Tennessee, Virginia, and West Virginia. In the periods between January 1, 1990 and September 30, 1995, Scripps Cable purchased several cable television systems adjacent to existing service areas.

Cable television delivers a variety of channels and television programming, primarily video entertainment and informational programming, to subscribers who pay a monthly fee for the services they receive. Television and radio signals are received off-air or via satellite delivery by antennas, microwave relay stations and satellite earth stations and are modulated, amplified and distributed over a network of coaxial and fiber optic cable to the subscribers' television sets. Cable television systems generally operate pursuant to non-exclusive franchises awarded by local governmental authorities for specified periods of time.

Subscriber information as of the end of the past five years and at September 30, 1995 for Scripps Cable systems is as follows:

(in thousands)

Cable Television System Cluster	Homes Passed	Basic Subs	Penetration Rate	Premium Subs (1)	Premium Subs. as a % of Basic
September 30, 1995					
Sacramento, CA cluster	446.9	231.3	52%	328.3	142%
Chattanooga, TN cluster	179.1	111.9	62%	67.9	61%
Knoxville, TN cluster	149.6	106.4	71%	54.4	51%
Atlanta, GA cluster	97.9	74.1	76%	45.5	61%
Bluefield, WV cluster	74.8	54.9	73%	30.4	55%
Lake County, FL cluster	70.5	49.3	70%	18.8	38%
Rome, GA cluster	63.9	49.5	77%	36.7	74%
Elizabethtown, KY cluster	48.9	43.1	88%	24.5	57%
Longmont, CO cluster	52.8	38.0	72%	29.2	77%
Total	1,184.4	758.5	64%	635.7	84%
December 31, 1994					
Sacramento, CA cluster	442.0	222.8	50%	361.4	162%
Chattanooga, TN cluster	176.4	110.1	62%	74.9	68%
Knoxville, TN cluster	149.7	105.2	70%	53.3	51%
Atlanta, GA cluster	97.9	71.2	73%	48.4	68%
Bluefield, WV cluster	74.4	54.2	73%	30.9	57%
Lake County, FL cluster	69.0	50.8	74%	20.2	40%
Rome, GA cluster	60.6	47.0	78%	37.3	79%
Elizabethtown, KY cluster	48.8	42.2	86%	24.2	57%
Longmont, CO cluster	51.2	35.7	70%	29.7	83%

Total	1,170.0	739.2	63%	680.3	92%

(in thousands)

Cable Television System Cluster	Homes Passed	Basic Subs	Penetration Rate	Premium Subs (1)	Premium Subs. as a % of Basic
December 31, 1993					
Sacramento, CA cluster	436.4	210.8	48%	307.8	146%
Chattanooga, TN cluster	172.9	105.8	61%	71.4	67%
Knoxville, TN cluster	146.0	101.5	70%	50.3	50%
Atlanta, GA cluster	97.6	66.9	69%	38.1	57%
Bluefield, WV cluster	73.3	51.2	70%	30.6	60%
Lake County, FL cluster	67.2	47.4	71%	18.8	40%
Rome, GA cluster	56.3	44.6	79%	33.9	76%
Elizabethtown, KY cluster	48.3	40.3	83%	20.7	51%
Longmont, CO cluster	48.8	32.5	67%	28.0	86%
Total	1,146.8	701.0	61%	599.6	86%
December 31, 1992					
Sacramento, CA cluster	427.9	204.7	48%	270.5	132%
Chattanooga, TN cluster	173.0	99.8	58%	76.8	77%
Knoxville, TN cluster	143.1	97.0	68%	50.7	52%
Atlanta, GA cluster	97.4	64.6	66%	40.2	62%
Bluefield, WV cluster	72.6	49.5	68%	34.1	69%
Lake County, FL cluster	65.8	45.4	69%	17.9	39%
Rome, GA cluster	53.8	42.4	79%	41.7	98%
Elizabethtown, KY cluster	48.0	39.8	83%	17.7	44%
Longmont, CO cluster	47.2	29.9	63%	27.1	91%
Total	1,128.8	673.1	60%	576.7	86%
December 31, 1991					
Sacramento, CA cluster	418.0	203.8	49%	245.1	120%
Chattanooga, TN cluster	164.1	96.0	59%	68.4	71%
Knoxville, TN cluster	140.6	90.9	65%	46.2	51%
Atlanta, GA cluster	95.2	58.8	62%	36.1	61%
Bluefield, WV cluster	66.3	47.6	72%	29.8	63%
Lake County, FL cluster	63.4	42.7	67%	14.7	34%
Rome, GA cluster	52.2	40.2	77%	36.1	90%
Elizabethtown, KY cluster	47.5	38.2	80%	14.2	37%
Longmont, CO cluster	45.8	27.3	60%	23.2	85%
Total	1,093.1	645.5	59%	513.8	80%

(in thousands)

Cable Television System Cluster	Homes Passed	Basic Subs	Penetration Rate	Premium Subs (1)	Premium Subs. as a % of Basic
December 31, 1990					
Sacramento, CA cluster	401.3	196.0	49%	224.4	114%
Chattanooga, TN cluster	157.3	88.3	56%	61.2	69%
Knoxville, TN cluster	138.0	83.9	61%	42.6	51%
Atlanta, GA cluster	93.7	57.5	61%	39.0	68%
Bluefield, WV cluster	65.8	46.3	70%	24.3	52%
Rome, GA cluster	54.4	42.2	78%	22.5	53%
Lake County, FL cluster	59.5	39.3	66%	14.9	38%
Elizabethtown, KY cluster	46.9	36.2	77%	13.8	38%
Longmont, CO cluster	44.6	25.0	56%	20.4	82%
Total	1,061.5	614.7	58%	463.1	75%

(1) Each subscription to a premium programming service is counted as one subscriber.

Revenues and Pricing - The composition of Scripps Cable operating revenues for the most recent five years and for the nine months ended September 30, 1995 is as follows:

(in thousands)

	For the nine months ended September 30, 1995	1994	For the years ended December 31, 1994	1993	1992	1991	1990
Basic and cable programming services	$ 137,092	$ 123,730	$ 165,682	$ 171,703	$ 163,069	$ 145,258	$ 125,256
Premium programming services	38,945	36,447	49,242	46,401	44,559	45,280	42,050
Other monthly services	13,055	12,720	17,422	14,611	13,002	13,807	13,634
Advertising	9,428	7,925	11,367	8,870	8,394	7,071	5,663
Installation and other	9,335	8,773	11,643	10,207	9,094	6,775	6,212
Total operating revenues	$ 207,855	$ 189,595	$ 255,356	$ 251,792	$ 238,118	$ 218,191	$ 192,815

Scripps Cable systems carry a wide variety of entertainment and information services. Basic cable generally consists of video programming broadcast by local television stations, locally produced programming, public, educational and government access channels, and distant broadcast television signals. Federal law requires customers to purchase the basic cable package in order to receive additional services. Advertiser-supported video programming such as ESPN and CNN and other entertainment and information services are included in various cable programming service packages. Premium programming consists of non-advertiser-supported entertainment services such as Home Box Office and Showtime. A customer generally pays an initial installation charge and fixed monthly fees for basic, cable programming, premium programming and other services, such as the rental of converters and remote control devices. These monthly fees constitute the primary source of revenues for Scripps Cable's systems.

Certain of Scripps Cable systems are equipped with addressable decoding converters which enable the systems to offer interactive services, such as pay-per-view programming, for which the systems charge additional fees. Addressable decoding converters also enable the systems to change customer services without visiting the customer's home. Most of Scripps Cable's systems also offer customers home shopping services, which pay the systems a share of revenues from sales of products in the systems' service areas. The systems also receive revenue from the sale of available advertising spots on advertiser-supported programming.

Rates for cable television services are established by each system. Pursuant to the Cable Television Consumer Protection Act of 1992 (the "1992 Cable Act") the Federal Communications Commission ("FCC") adopted regulations that permit franchising authorities to set rates for basic service and the provision of cable related equipment. To the extent that existing rates are found to exceed those permitted by the FCC, franchising authorities are able to require cable television systems to reduce the rates and provide refunds for up to a one-year period initially calculated from the effective date of the FCC's regulations. The FCC will also, upon a complaint by a customer or franchising authority, determine whether rates for regulated non-basic service tiers (except for service offered on a per-channel or per-program basis) are unreasonable and, if so found, reduce such rates and provide refunds from the date of such complaint. In addition, the FCC's regulations, as they now stand, limit the ability to increase revenues by increasing rates for regulated services. It is possible that, pursuant to further review by the franchising authorities and the FCC, certain additional rate reductions may be required.

Basic and cable service tier complaints have been filed against Scripps Cable systems with local franchise authorities and with the FCC's Cable Services Bureau, several of which have been resolved. Basic and cable service tier refunds ordered to date total less than $300,000. A number of basic and cable service tier complaints remain undecided. Management does not expect the refunds to be awarded, if any, to have a material impact on Scripps Cable's results of operations or financial position.

Various cable operators have initiated litigation challenging certain aspects of the 1992 Cable Act. The constitutionality of the basic scheme of rate regulation under the 1992 Cable Act has been upheld by a federal district court, and the FCC's rate regulation rules were upheld by a federal appeals court in June 1995. An appeal of that decision has been filed with the United States Supreme Court. The outcome of the remainder of this litigation can not be predicted. Management of Scripps Cable believes that the regulation of the cable television industry, including the rates charged for regulated services under present FCC rules and the cable industry's restructuring of rates and services in response to the 1992 Cable Act, remain a matter of interest to Congress, the FCC and other regulatory authorities. There can be no assurances as to what, if any, future actions such legislative and regulatory authorities may take or the effect thereof on Scripps Cable.

Competition - Cable television systems are operated under franchises granted by local authorities which are subject to renewal and re-negotiation from time to time. The 1992 Cable Act prohibits franchising authorities from granting exclusive cable television franchises and from unreasonably refusing to award additional competitive franchises; it also permits municipal authorities to operate cable television systems in their communities without a franchise. Therefore, there is a potential for direct competition in Scripps Cable's franchise areas.

All of Scripps Cable's systems compete for subscribers with other methods of delivering entertainment and information programming to the subscriber's home, such as broadcast television, multi-channel, multi-point distribution systems, master and satellite antenna systems, direct broadcast satellite services, and home systems such as video cassette and laser disc players. Management of Scripps Cable believes competition will increase as new technologies such as more advanced "wireless cable systems" and broadcast satellite delivery services improve and gain consumer acceptance. The attractiveness of cable television compared to satellite delivery systems may be enhanced now that most satellite-distributed program signals are being electronically scrambled to permit reception only with authorized decoding equipment, generally at a cost to the viewer, making unauthorized reception of such scrambled signals by earth station viewers more difficult.

In the past federal cross-ownership restrictions have limited entry into the cable television business by potentially formidable competitors, such as the telephone companies. Recent court and administrative decisions have removed certain of the restrictions, and proposals recently under consideration by Congress and cases currently pending in the courts could result in the elimination of other such restrictions. While the regulatory scheme for telephone company offerings of video services remains uncertain, telephone companies are beginning to offer FCC-approved trials of such services. One such trial is being pursued by Bell South in a segment of Scripps Cable's Atlanta, Georgia cluster. Most observers believe that the telephone companies will be formidable competitors in offering video services and that their entry into the video market will hasten consumer demand for interactive telecommunications capabilities through any system providing video services. State regulations, however, in many cases restrict a cable operator's ability to offer competing interactive telecommunications services. (See "Regulation and Legislation.") Relatedly, many observers believe that competition from the telephone companies in the video marketplace will impose on cable operators the need to serve a sufficiently large number of subscribers in contiguous regions so as to permit the cable operator to compete in the offering of interactive telecommunications services.

Management of Scripps Cable cannot predict the extent to which competition will materialize from other cable television operators, other distribution systems for delivering video programming to the home, or other potential competitors, or to the extent of its effect on Scripps Cable's systems.

Programming - Scripps Cable purchases programming from a variety of suppliers, the charge for which is generally based upon the number of subscribers receiving the service. Program costs have risen in recent years and are expected to continue to increase due to additional programming offered subscribers, increased costs to produce or purchase programming, regulation and other factors. Program costs as a percentage of basic and premium programming service revenues have also risen in recent years due to reductions in basic revenue per subscriber as a result of re-regulation (see "Revenues and Pricing") and to discounts offered to subscribers receiving multiple premium channels.

Under the Copyright Act of 1976 cable television system operators are granted compulsory licenses permitting the carriage of the copyrighted works of local and distant broadcast signals for a statutory fee. The Copyright Royalty Tribunal is empowered to review and adjust such fees. FCC rules on syndicated exclusivity provide that if a local broadcast licensee has purchased the exclusive local distribution rights for a particular syndicated program, such licensee is generally entitled to insist that a local cable television system operator delete that program from any distant television signal carried by the cable television system.

Under the 1992 Cable Act local broadcast stations may require cable television operators to pay a fee for the right to continue to carry their local television signals. Alternatively, a local broadcaster may demand carriage under the 1992 Cable Act's "must-carry" provisions.

Regulation and Legislation - The cable television industry is subject to extensive regulation on the federal, state, and local levels. Many aspects of such regulations are currently the subject of judicial proceedings and administrative or legislative proposals. The 1992 Cable Act has significantly expanded the scope of cable television regulation. The FCC was required to complete a number of rule-making proceedings under the 1992 Cable Act, the majority of which, including certain of those related to rate regulation (see "Revenues and Pricing"), have been completed.

The 1992 Act, among other things: (i) reimposed rate regulations on most cable television systems (see "Revenues and Pricing"); (ii) reimposed "must carry" rules with respect to local broadcast television signals; (iii) granted all broadcasters the option to refuse carriage of their signals; (iv) required that vertically integrated cable television companies not unreasonably refuse to deal with any multichannel programming distributor or discriminate in the price, terms, and conditions of carriage of programming between cable television operators and other multichannel programming distributors if the effect would be to impede retail competition; and (v) established cross-ownership rules with respect to cable television systems and direct broadcast satellite systems, multi-channel multipoint distribution systems, and satellite master antenna systems.

The provisions of local cable television franchises are subject to federal regulation under the Cable Communications Policy Act of 1984 (the "1984 Act"). Pursuant to the 1984 Act, local franchising authorities are given the right to award and renew one or more franchises for the community over which they have jurisdiction, the fees for which are prohibited from exceeding 5% of a cable television system's gross annual revenues.

It is generally agreed that there is a need for a substantial revision of the statutes governing telecommunications, and the relationship between cable television and telephone services is a substantial part of the on-going legislative effort to accomplish that goal. While legislation is by no means assured, changes could bring some relief to cable operators from the 1992 rate regulation requirements as well as provide a frame work for telephone company competition in the delivery of video services.

Management believes Scripps Cable is in substantial compliance with all applicable regulatory requirements.

SELECTED FINANCIAL DATA

The following selected combined financial data are derived from the combined financial statements of Scripps Cable. The data should be read in conjunction with "Management's Discussion and Analysis of Financial Condition and Results of Operations of Scripps Cable" and the combined financial statements and notes thereto included elsewhere herein. The income statement data for the years ended December 31, 1994, 1993, and 1992 and the balance sheet data as of December 31, 1994 and 1993 have been derived from the audited combined financial statements of Scripps Cable. The income statement data for the years ended December 31, 1991 and 1990 and the nine months ended September 30, 1995 and 1994, and the balance sheet data as of September 30, 1995 and 1994 and as of December 31, 1992, 1991, and 1990 are derived from the unaudited combined financial statements of Scripps Cable, which, in the opinion of management, include all adjustments (consisting of normal recurring adjustments) necessary for a fair presentation of financial position and results of operations for such periods. Operating results for the nine month periods ended September 30 are not necessarily indicative of results that may be expected for the full year or for future interim periods.

SCRIPPS CABLE
SELECTED FINANCIAL DATA

(in millions)

	For the nine months ended September 30,		For the years ended December 31,				
	1995	1994	1994	1993	1992	1991	1990
Summary of Operations							
Operating revenues	$ 207.9	$ 189.6	$ 255.4	$ 251.8	$ 238.1	$ 218.2	$ 192.8
Operating income							
Operating income excluding unusual items	$ 43.6	$ 30.4	$ 42.8	$ 45.2	$ 43.7	$ 35.7	$ 26.8
Unusual items		(3.0)	(9.5)			(12.0)	
Total operating income	43.6	27.4	33.3	45.2	43.7	23.7	26.8
Interest expense	(25.8)	(25.3)	(33.8)	(29.8)	(30.9)	(34.0)	(34.5)
Net gains and unusual items	1.5						
Miscellaneous, net	(1.9)	(2.3)	(3.0)	(2.4)	(2.4)	(1.8)	(1.1)
Income taxes	(6.6)	(2.7)	10.6	(8.3)	(14.9)	(0.6)	1.2
Net income (loss)	$ 10.8	$ (2.9)	$ 7.1	$ 4.7	$ (4.5)	$ (12.7)	$ (7.6)
Other Financial Data							
EBITDA (see page 70) - excluding unusual items	$ 84.7	$ 74.7	$ 100.1	$ 105.3	$ 101.3	$ 91.6	$ 84.4
EBITDA as a percentage of operating revenues	40.7%	39.4%	39.2%	41.8%	42.5%	42.0%	43.8%
Depreciation and amortization	41.1	44.3	57.3	60.0	57.6	55.9	57.6
Net cash flow from operating activities	62.0	43.7	56.7	65.4	51.4	50.1	43.6
Investing activity:							
Capital expenditures	(30.1)	(28.8)	(41.6)	(67.0)	(58.3)	(36.8)	(35.9)
Other (investing)/divesting activity, net	2.5	(26.4)	(24.6)	(3.8)	(3.0)	(4.6)	(2.8)
Total assets	419.4	443.8	438.4	430.1	419.9	420.7	429.7
Long-term debt and advances from parent company	303.4	338.9	336.3	325.0	318.3	310.7	336.3
Stockholders' equity (deficiency)	(21.8)	(42.6)	(32.6)	(39.7)	(44.4)	(40.0)	(32.4)

Scripps Cable acquired several cable television systems adjacent to existing service areas in the periods presented. In 1995 Scripps Cable sold its Barbourville, Ky. system.

In 1994 customers of the Sacramento cable television system were awarded special rebates in connection with litigation concerning the system's pricing in the late 1980s. The rebates and related legal fees totaled $3.0 million and reduced net income $1.7 million. In the fourth quarter of 1994 Scripps Cable accrued $6.5 million as an estimate of the ultimate costs of certain lawsuits. The accrual reduced 1994 net income $4.0 million.

In 1992 management changed its estimate of a tax deduction related to the redemption of a partnership interest in certain of Scripps Cable's cable television systems. The resulting change in the liability for prior year income taxes decreased 1992 net income $8.4 million. In the fourth quarter of 1994 the Internal Revenue Service proposed adjustments related to certain intangible assets and the redemption of the partnership interest. Based upon the proposed adjustments management again changed its estimate of the tax liabilities for prior years. The resulting change in the liability for prior year income taxes and the deferred income tax liability increased 1994 net income $11.8 million.

In 1991 Scripps Cable settled a lawsuit alleging violations of antitrust and unfair trade practice laws. The settlement and related legal fees totaled $12.0 million and reduced net income $7.9 million.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS OF SCRIPPS CABLE

Scripps Cable's revenues are primarily earned from subscriber fees for basic, cable programming and premium television services (including pay-per-view programming), and the rental of converters and remote control devices. Historically Scripps Cable's revenue growth has been primarily achieved through internal subscriber growth, acquisitions, and increases in rates for services provided to cable television subscribers. Regulations adopted by the Federal Communications Commission ("FCC") pursuant to the 1992 Cable Act have affected Scripps Cable's ability to increase rates for certain subscriber services or to restructure its rates for certain services. The rate regulation, which is described more fully under "Revenues and Pricing" in this Form 8-K, is generally intended to reduce subscriber rates and to limit future rate increases for basic and certain other cable programming services.

RESULTS OF OPERATIONS

Earnings before interest, income taxes, corporate management fees, depreciation, and amortization ("EBITDA") is included in the discussion of results of operations because:

Changes in depreciation and amortization are often unrelated to current performance. Management believes the year-over-year change in EBITDA is a more useful measure of year-over-year performance than the change in operating income because, combined with information on capital spending plans, it is a more reliable indicator of results that may be expected in future periods.

Financial analysts use EBITDA to value cable television businesses.

Acquisitions of cable television businesses are based on multiples of EBITDA.

EBITDA should not, however, be construed as an alternative measure of the amount of Scripps Cable's income or cash flow from operating activities.

Combined results of operations are as follows:

(in thousands, except per subscriber information)	(Unaudited) For the nine months ended September 30, 1995	Change	1994	For the years ended December 31, 1994	Change	1993	Change	1992
Operating revenues:								
Basic and cable programming services	$ 137,092	10.8 %	$ 123,730	$ 165,682	(3.5)%	$ 171,703	5.3 %	$ 163,069
Premium programming services	38,945	6.9 %	36,447	49,242	6.1 %	46,401	4.1 %	44,559
Other monthly service	13,055	2.6 %	12,720	17,422	19.2 %	14,611	12.4 %	13,002
Advertising	9,428	19.0 %	7,925	11,367	28.2 %	8,870	5.7 %	8,394
Installation and miscellaneous	9,335	6.4 %	8,773	11,643	14.1 %	10,207	12.2 %	9,094
Total operating revenues	207,855	9.6 %	189,595	255,356	1.4 %	251,792	5.7 %	238,118
Operating expenses:								
Employee compensation and benefits	32,359	5.5 %	30,673	41,343	5.4 %	39,237	2.4 %	38,332
Program costs	52,286	14.8 %	45,529	61,614	10.9 %	55,548	8.4 %	51,225
Other	38,526	(0.5)%	38,722	52,271	1.0 %	51,747	9.5 %	47,267
Depreciation and amortization	41,105	(7.1)%	44,264	57,331	(4.5)%	60,029	4.3 %	57,580
Total operating expenses	164,276	3.2 %	159,188	212,559	2.9 %	206,561	6.3 %	194,404
Operating income excluding unusual items	43,579	43.3 %	30,407	42,797	(5.4)%	45,231	3.5 %	43,714
Unusual items			(2,993)	(9,493)				
Operating income	43,579		27,414	33,304		45,231		43,714
Interest expense	(25,823)		(25,295)	(33,789)		(29,805)		(30,934)
Corporate management fee	(2,657)		(2,218)	(2,957)		(2,293)		(2,252)
Other credits (charges)	812		(60)	(69)		(139)		(113)
Net gains	1,502							
Income taxes	(6,603)		(2,749)	10,590		(8,273)		(14,872)
Net income (loss)	$ 10,810		$ (2,908)	$ 7,079		$ 4,721		$ (4,457)
Other Financial and Statistical Data:								
EBITDA excluding unusual items	$ 84,684	13.4 %	$ 74,671	$ 100,128	(4.9)%	$ 105,260	3.9 %	$ 101,294
Percent of operating revenues:								
Operating income	21.0 %		16.0 %	16.8 %		18.0 %		18.4 %
EBITDA	40.7 %		39.4 %	39.2 %		41.8 %		42.5 %
Capital expenditures	$ 30,119	4.8 %	$ 28,753	$ 41,616	(37.9)%	$ 67,019	15.0 %	$ 58,299
Average number of basic subscribers	750.0	5.3 %	712.5	717.7	4.9 %	684.3	4.2 %	656.7
Average monthly revenue per basic subscriber	$ 30.79	4.1 %	$ 29.57	$ 29.65	(3.3)%	$ 30.66	1.5 %	$ 30.22
Program costs as a percent of basic and premium revenue	29.7 %		28.4 %	28.7 %		25.5 %		24.7 %
Homes passed at end of period	1,184.4	1.8 %	1,163.0	1,170.0	2.0 %	1,146.8	1.6 %	1,128.8
Basic subscribers at end of period	758.5	4.8 %	724.1	739.2	5.4 %	701.0	4.1 %	673.1
Penetration at end of period	64.0 %		62.3 %	63.2 %		61.1 %		59.6 %

The following items affected the comparability of the Scripps Cable reported results of operations:

In 1995 Scripps Cable sold its cable television system in Barbourville, Kentucky. The sale resulted in a pre-tax gain of $1.5 million, $0.9 million after-tax.

In 1994 customers of the Sacramento cable television system were awarded special rebates in connection with litigation concerning the system's pricing in the late 1980s. The rebates and related legal fees totaled $3.0 million and reduced 1994 nine month and full year net income $1.7 million.

In the fourth quarter of 1994 Scripps Cable accrued $6.5 million as an estimate of the ultimate costs of certain lawsuits. The accrual reduced 1994 net income $4.0 million.

In 1992 management changed its estimate of a tax deduction related to the redemption of a partnership interest in certain of Scripps Cable's cable television systems. The resulting change in the liability for prior year income taxes decreased 1992 net income $8.4 million. In the fourth quarter of 1994 the Internal Revenue Service proposed adjustments related to certain intangible assets and the redemption of the partnership interest. Based upon the proposed adjustments management again changed its estimate of the tax liabilities for prior years. The resulting change in the liability for prior year income taxes and the deferred income tax liability increased 1994 net income $11.8 million.

Rate regulations adopted by the FCC significantly affected Scripps Cable's operating results in 1994 and in 1993. The effects of price decreases resulting from the regulations were partially offset by subscriber growth in 1994. After declining year-over-year for five straight quarters, EBITDA increased in the fourth quarter of 1994 and in each quarter of 1995.

Program costs have increased due to the growth in the number of subscribers, additional programming offered subscribers, and increased costs to produce or purchase programming. Program costs as a percentage of basic and premium programming service revenues increased sharply in 1994 due to the full-year impact of rate regulation on revenues.

LIQUIDITY AND CAPITAL RESOURCES

Cash flow from operating activities was $56.7 million in 1994, $65.4 million in 1993, and $51.4 million in 1992. The decrease in 1994 was primarily due to the effects of rate regulation. Cash flow from operating activities was $62.0 million for the nine months ended September 30, 1995 compared to $43.7 million in the 1994 nine month period. The increase was primarily due to improved operating performance.

In the third quarter of 1995 Scripps Cable reached an agreement to acquire cable television systems adjacent to its Knoxville and Chattanooga systems for $62.5 million. The acquisition is expected to be completed by the first quarter of 1996. Scripps Cable invests heavily in its cable plant, continually replacing and modernizing its technology by rebuilding and upgrading its systems with fiber optic cable. Capital expenditures decreased in 1994 as the rebuilds of the Knoxville and Chattanooga systems were substantially completed. Acquisitions of cable television systems and capital expenditures are financed through cash flow from operating activities and, if necessary, additional advances.

INDEPENDENT AUDITORS' REPORT

To the Board of Directors and Stockholders,
The E.W. Scripps Company:

We have audited the accompanying combined balance sheets of The E.W. Scripps Company ("EWS") Cable Television Operations ("Scripps Cable") (see Note 1) as of December 31, 1994 and 1993, and the related combined statements of income and retained earnings and of cash flows for each of the three years in the period ended December 31, 1994. These financial statements are the responsibility of EWS's management. Our responsibility is to express an opinion on the 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 combined financial statements present fairly, in all material respects, the financial position of Scripps Cable at December 31, 1994 and 1993, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 1994 in conformity with generally accepted accounting principles.

DELOITTE & TOUCHE LLP
Cincinnati, Ohio
November 9, 1995

SCRIPPS CABLE
COMBINED BALANCE SHEETS

(in thousands)	(Unaudited) September 30, 1995	December 31, 1994	December 31, 1993
ASSETS			
CURRENT ASSETS :			
Cash and cash equivalents	$ 970	$ 2,103	$ 2,096
Accounts receivable (less allowances - $1,355, $1,115, and $1,267)	11,532	9,914	7,850
Inventories	15,314	10,433	14,379
Refundable property taxes		10,400	7,580
Deferred income taxes	5,421	5,401	4,896
Miscellaneous	1,855	3,186	3,365
Total current assets	35,092	41,437	40,166
PROPERTY, PLANT, AND EQUIPMENT :			
Land and improvements	3,700	3,704	2,087
Buildings and improvements	9,577	9,230	8,872
Equipment	570,544	548,275	520,354
Total property, plant, and equipment	583,821	561,209	531,313
Less accumulated depreciation	295,410	266,980	230,807
Net property, plant, and equipment	288,411	294,229	300,506
GOODWILL AND OTHER INTANGIBLE ASSETS :			
Goodwill	40,885	40,671	12,848
Non-competition agreements	5,800	5,800	13,400
Franchise costs	159,273	159,541	159,452
Customer lists	1,719	1,719	1,719
Other intangible assets	7,100	7,053	7,053
Total goodwill and other intangible assets	214,777	214,784	194,472
Less accumulated amortization	119,502	113,067	109,177
Net goodwill and other intangible assets	95,275	101,717	85,295
OTHER ASSETS	623	993	4,097
TOTAL ASSETS	$ 419,401	$ 438,376	$ 430,064

See notes to combined financial statements.

SCRIPPS CABLE
COMBINED BALANCE SHEETS

(in thousands)	(Unaudited) September 30, 1995	December 31, 1994	1993
LIABILITIES AND STOCKHOLDER'S DEFICIENCY			
CURRENT LIABILITIES :			
Accounts payable	$ 13,607	$ 14,915	$ 12,773
Customer deposits and unearned revenue	2,401	3,089	1,005
Accrued liabilities :			
Employee compensation and benefits	1,398	1,276	237
Copyright and programming costs	7,302	7,312	6,507
Commitments and contingencies	6,500	6,500	
Property taxes	3,159	1,674	1,591
Interest on advances from parent company	1,618	1,618	1,635
Income taxes	6,966	(437)	1,843
Miscellaneous	5,688	5,632	7,287
Total current liabilities	48,639	41,579	32,878
DEFERRED INCOME TAXES	79,737	80,622	66,701
ADVANCES FROM PARENT COMPANY	303,371	336,332	324,979
OTHER LONG-TERM OBLIGATIONS	9,490	12,489	45,231
STOCKHOLDER'S DEFICIENCY :			
Capital stock	1,801	1,801	1,801
Additional paid-in capital	35,144	35,144	35,144
Retained earnings (deficit)	(58,781)	(69,591)	(76,670)
Total stockholder's deficiency	(21,836)	(32,646)	(39,725)
TOTAL LIABILITIES AND STOCKHOLDER'S DEFICIENCY	$ 419,401	$ 438,376	$ 430,064

See notes to combined financial statements.

SCRIPPS CABLE
COMBINED STATEMENTS OF INCOME AND RETAINED EARNINGS

(in thousands)	(Unaudited) For the nine months ended September 30, 1995	1994	For the years ended December 31, 1994	1993	1992
OPERATING REVENUES :					
Basic services	$ 137,092	$ 123,730	$ 165,682	$ 171,703	$ 163,069
Premium programming services	38,945	36,447	49,242	46,401	44,559
Other monthly services	13,055	12,720	17,422	14,611	13,002
Advertising	9,428	7,925	11,367	8,870	8,394
Installation and miscellaneous	9,335	8,773	11,643	10,207	9,094
Total operating revenues	207,855	189,595	255,356	251,792	238,118
OPERATING EXPENSES :					
Employee compensation and benefits	32,359	30,673	41,343	39,237	38,332
Cable television programming costs	52,286	45,529	61,614	55,548	51,225
Other operating expenses	38,526	41,715	61,764	51,747	47,267
Depreciation and amortization	41,105	44,264	57,331	60,029	57,580
Total operating expenses	164,276	162,181	222,052	206,561	194,404
OPERATING INCOME	43,579	27,414	33,304	45,231	43,714
OTHER CREDITS (CHARGES) :					
Interest on advances from parent company	(25,571)	(25,038)	(33,447)	(28,916)	(30,479)
Other interest expense	(252)	(257)	(342)	(889)	(455)
Corporate management fee	(2,657)	(2,218)	(2,957)	(2,293)	(2,252)
Gain on sale of cable television system	1,502				
Miscellaneous, net	812	(60)	(69)	(139)	(113)
Net other credits (charges)	(26,166)	(27,573)	(36,815)	(32,237)	(33,299)
INCOME (LOSS) BEFORE INCOME TAXES	17,413	(159)	(3,511)	12,994	10,415
PROVISION (CREDIT) FOR INCOME TAXES	6,603	2,749	(10,590)	8,273	14,872
NET INCOME (LOSS)	10,810	(2,908)	7,079	4,721	(4,457)
RETAINED EARNINGS (DEFICIT) :					
Beginning of year	(69,591)	(76,670)	(76,670)	(81,391)	(76,934)
End of period	$ (58,781)	$ (79,578)	$ (69,591)	$ (76,670)	$ (81,391)

See notes to combined financial statements.

SCRIPPS CABLE
COMBINED STATEMENTS OF CASH FLOWS

(in thousands)	(Unaudited) For the nine months ended September 30, 1995	1994	For the years ended December 31, 1994	1993	1992
Cash Flows From Operating Activities:					
Net income (loss)	$ 10,810	$ (2,908)	$ 7,079	$ 4,721	$ (4,457)
Adjustments to reconcile net income (loss) to net cash flows from operating activities:					
Depreciation and amortization	41,105	44,264	57,331	60,029	57,580
Gain on sale of cable television system	(1,502)				
Deferred income taxes	(905)	69	(657)	(3,866)	(4,513)
Adjustment of liability for prior year income taxes			(11,800)		8,400
Payment of prior year income taxes to Scripps			(7,400)		
Prepaid franchise fees	1,932	1,932	2,574	2,574	2,574
Refundable property taxes	10,400	(2,820)	(2,820)	(3,788)	(3,792)
Commitments and contingencies			6,500		
Changes in certain working capital accounts	1,892	1,498	4,262	6,504	(9,811)
Miscellaneous, net	(1,778)	1,657	1,629	(809)	5,383
Net operating activities	61,954	43,692	56,698	65,365	51,364
Cash Flows From Investing Activities:					
Additions to property, plant, and equipment	(30,119)	(28,753)	(41,616)	(67,019)	(58,299)
Additions to intangible assets	(78)	(15)	(89)	(62)	(759)
Purchase of subsidiary companies and minority interests	(259)	(26,361)	(26,501)	(7,121)	(2,471)
Miscellaneous, net	2,830	(62)	2,037	3,377	244
Net investing activities	(27,626)	(55,191)	(66,169)	(70,825)	(61,285)
Cash Flows From Financing Activities:					
Increases in advances from parent company		15,525	13,455	8,613	9,264
Payments on long-term debt				(71)	(119)
Payments on advances from parent company	(32,961)	(1,557)	(2,102)	(1,906)	(1,728)
Miscellaneous, net	(2,500)	(1,250)	(1,875)	(593)	(9)
Net financing activities	(35,461)	12,718	9,478	6,043	7,408
Increase (Decrease) in Cash and Cash Equivalents	(1,133)	1,219	7	583	(2,513)
Cash and Cash Equivalents:					
Beginning of year	2,103	2,096	2,096	1,513	4,026
End of period	$ 970	$ 3,315	$ 2,103	$ 2,096	$ 1,513
Supplemental Cash Flow Disclosures:					
Interest paid	$ 25,722	$ 25,044	$ 33,472	$ 29,821	$ 30,514
Income taxes paid	705	4,064	10,947	8,582	11,772

See notes to combined financial statements.

SCRIPPS CABLE
NOTES TO COMBINED FINANCIAL STATEMENTS

1.SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation - The combined financial statements of The E.W. Scripps Company ("Scripps") Cable Television Operations ("Scripps Cable") include EWS Cable Company ("EWSCC") - 100 shares of no-par capital stock authorized, 50 shares issued and outstanding; L-R Cable Company ("LRCC") - 100 shares of no-par capital stock authorized, 50 shares issued and outstanding; Scripps Howard Cable Company ("SHCC") - 100 shares of no-par capital stock authorized, 80 shares issued and outstanding; and Scripps Howard Cable Company of Sacramento ("SHCCS") - 2,000 shares of no-par capital stock authorized, 100 shares issued and outstanding.

EWSCC and LRCC are wholly-owned subsidiaries of Scripps Howard, Inc. ("SHI"). SHCC and SHCCS are wholly-owned subsidiary companies of Scripps Howard Broadcasting Company ("SHB"). Prior to 1993 SHB was 86%-owned by SHI. SHI acquired 5.7% of the outstanding shares of SHB in 1993 and Scripps acquired the remaining minority interest in SHB in 1994 (see Note 2).

The historical basis in assets and liabilities of the cable television systems has been carried over. The historical combined financial statements do not necessarily reflect the results of operations or financial position that would have existed if Scripps Cable were an independent company. SHI provides certain legal, treasury, accounting, tax, risk management and other corporate services to Scripps Cable (see Note 7).

Nature of Business - Scripps Cable operates cable television systems in several states in the southeastern United States, Colorado, and Sacramento, California.

Unaudited Interim Financial Statements - The combined financial statements as of September 30, 1995 and for the nine months ended September 30, 1995 and 1994 are unaudited. In management's opinion the interim financial statements include all adjustments (consisting of normal recurring adjustments) necessary for a fair presentation of the financial position and results of operations and cash flows for these periods.

The results for the interim periods are not necessarily indicative of the results that may be expected for the full year.

Cash and Cash Equivalents - Cash and cash equivalents represent cash on hand, bank deposits, and highly liquid debt instruments with an original maturity of up to three months. Cash equivalents are stated at cost plus accrued interest, which approximates fair value (see Note 7).

Inventories - Inventories include converters, remote controls, and supplies used to install and maintain cable television services. Inventories are stated at the lower of cost or market. Cost is computed using the first in, first out ("FIFO") method.

Property, Plant, and Equipment - Property, plant, and equipment is recorded at cost. Costs of constructing transmission and distribution systems are capitalized. Maintenance and repairs are expensed as incurred.

Depreciation is computed using the straight-line method over estimated useful lives as follows:

Buildings and improvements	35 years
Cable television transmission and distribution systems	10 to 15 years
Other cable television equipment	5 to 10 years
Office and other equipment	3 to 10 years

Goodwill and Other Intangible Assets - Goodwill and other intangible assets are stated at the lower of unamortized cost or fair value. At each balance sheet date management reviews the realizability of goodwill and other intangible assets based upon undiscounted estimated future net cash flows of regional groupings of cable television systems. An impairment loss is recognized when the unamortized cost of the assets of a grouping of cable television systems exceeds the undiscounted estimated future net cash flows.

Goodwill represents the cost of acquisitions in excess of tangible assets and identifiable intangible assets received and also includes the excess of cost over book value of shares purchased from minority SHB shareholders allocated to Scripps Cable. Goodwill is amortized on the straight-line basis over periods of up to forty years.

Cable television franchises are amortized on the straight-line basis generally over the remaining terms of acquired cable systems' franchise agreements. Non-competition agreements are amortized on the straight-line basis over the terms of the agreements. Other intangible assets are amortized on the straight-line basis over estimated useful lives not exceeding forty years.

Income Taxes - Scripps Cable is included in the consolidated federal tax return of Scripps.

The provision (credit) for income taxes is generally prepared as if Scripps Cable filed a separate return, however tax benefits for taxable losses and other deductions that would be limited if Scripps Cable were an independent company are recognized currently if such losses and benefits are utilized in the consolidated Scripps provision.

Deferred income taxes are provided for temporary differences between the tax basis and reported amounts of assets and liabilities that will result in taxable or deductible amounts in future years. Scripps Cable's temporary differences primarily result from accelerated depreciation and amortization for tax purposes and accrued expenses not deductible for tax purposes until paid.

Postemployment Benefits - Scripps adopted FAS No. 106 - Employers' Accounting for Postretirement Benefits Other Than Pensions in 1992. Postretirement benefits are recognized during the years that employees render service. Scripps Cable has no significant postretirement benefit obligations. Other postemployment benefits, such as disability-related benefits and severance, are recognized when the benefits become payable.

Self-Insurance - Scripps is primarily self-insured for employee health, workers' compensation, and general liability insurance. Self-insurance liabilities are estimated based upon claims filed and estimated claims incurred but not reported. The cost of such insurance is allocated to Scripps Cable based upon estimated claims. The self-insurance liabilities are not discounted and are classified as Advances From Parent Company in the accompanying Combined Balance Sheets.

Revenue Recognition - Scripps Cable bills its customers in advance and recognizes revenue as cable television services are provided. Credit risk is managed by disconnecting services to delinquent customers. Installation revenues are generally less than direct selling and installation costs and are recognized on the date of installation.

2. ACQUISITIONS AND DIVESTITURES

Acquisitions
In the third quarter of 1995 SHB reached an agreement to acquire cable television systems adjacent to the Knoxville and Chattanooga systems for $62,500,000.

Scripps Cable acquired several cable television systems adjacent to existing service areas in the three years ended December 31, 1994.

In 1993 SHI acquired 5.7% of the outstanding shares of SHB and in 1994 Scripps acquired the remaining minority interest in SHB. The excess of the cost over the book value of the shares related to SHB's cable television operations has been recorded as goodwill by Scripps Cable.

The following table presents additional information about the acquisitions:

(in thousands)	(Unaudited) For the nine months ended September 30, 1995	1994	For the years ended December 31, 1994	1993	1992
Goodwill and other intangible assets acquired	$ 167	$ 158	$ 233	$ 161	$ 600
Other assets acquired	92	87	152	90	1,990
Liabilities assumed					(119)
Total cable television system acquisitions	259	245	385	251	2,471
Excess of cost over book value of SHB stock allocated to Scripps Cable and paid to SHI		26,116	26,116	6,870	
Total	$ 259	$ 26,361	$ 26,501	$ 7,121	$ 2,471

The acquisitions have been accounted for as purchases. The acquired operations have been included in the Combined Statements of Income from the dates of acquisition. Pro forma results are not presented because the combined results of operations would not be significantly different from the reported amounts.

Divestitures
In 1995 Scripps Cable sold its cable television system in Barbourville, Kentucky. The sale resulted in a pre-tax gain of $1,502,000.

3.INCOME TAXES

The IRS is currently examining Scripps' consolidated income tax returns for the years 1988 through 1991. In 1995 Scripps reached agreement with the IRS to settle the audits of its 1985 through 1987 tax returns. There was no charge to income as a result of the settlement.

In 1992 management changed its estimate of a tax deduction received in the redemption of a partnership interest in certain of its cable television systems. The resulting change in the liability for prior year income taxes decreased net income $8,400,000. In 1994 the IRS proposed adjustments related to certain intangible assets and the redemption of the partnership interest. Based upon the proposed adjustments management again changed its estimate of the tax liabilities for prior years. The resulting change in the liability for prior year income taxes and the deferred income tax liability increased 1994 net income $11,800,000.

Management believes that adequate provision for income taxes has been made for all open years.

The approximate effects of the temporary differences giving rise to Scripps Cable's deferred income tax liabilities (assets) are as follows:

(in thousands)

	December 31, 1994	December 31, 1993
Accelerated depreciation and amortization	$ 85,870	$ 71,516
Commitments and contingencies	(2,470)	
Refundable property taxes		(2,900)
Other temporary differences, net	(1,892)	(1,027)
Total	81,508	67,589
State net operating loss carryforwards	(8,949)	(7,516)
Valuation allowance for state deferred tax assets	2,662	1,732
Net deferred tax liability	$ 75,221	$ 61,805

Scripps Cable's state net operating loss carryforwards expire from 2000 through 2019. In 1992 the state of Tennessee extended the loss carryforward period to 15 years and management reduced its estimate of the valuation allowance increasing net income $3,600,000.

The provision (credit) for income taxes is as follows:

(in thousands)

	For the years ended December 31, 1994	1993	1992
Current:			
Federal	$ (10,290)	$ 11,905	$ 18,431
State and local	357	234	954
Total current	(9,933)	12,139	19,385
Deferred:			
Federal	(2,482)	(4,141)	(744)
State and local	1,825	275	(3,769)
Total deferred	(657)	(3,866)	(4,513)
Total income tax provision (credit)	$ (10,590)	$ 8,273	$ 14,872

The difference between the statutory rate for federal income tax and the effective income tax rate is as follows:

	For the years ended December 31, 1994	1993	1992
Statutory rate	(35.0)%	35.0 %	34.0 %
Effect of:			
State and local income taxes	41.0	2.6	(17.9)
Amortization not deductible for tax purposes	30.3	17.8	44.5
Increase in tax rate to 35% on deferred tax liabilities		10.5	
Change in estimated tax basis and lives of certain assets	(336.3)		80.7
Miscellaneous	(1.6)	(2.2)	1.5
Effective income tax rate	(301.6)%	63.7 %	142.8 %

4.ADVANCES FROM PARENT COMPANY

Advances from parent company consisted of the following at December 31:

(in thousands)

	December 31, 1994	December 31, 1993
9.5% note, due to Scripps through 2017	$ 127,019	$ 128,504
11% note, due to Scripps through 2017	66,806	67,423
Variable rate borrowings from SHI	142,507	129,052
Total advances	$ 336,332	$ 324,979

Scripps Cable has a variable rate borrowing agreement with SHI. Interest on the borrowings is charged at 1% over the prime interest rate. SHI also manages Scripps Cable's daily flow of cash (see Note 7). Net cash deficiencies are included in variable rate borrowings. Interest on cash deficiencies is charged at SHI's short-term borrowing rate.

Scheduled maturities of the 9.5% and 11% notes are as follows: 1995, $2,319,000; 1996, $2,558,000; 1997, $2,822,000; 1998, $3,114,000; 1999, $3,436,000; and later years, $179,576,000. All advances are classified as non-current as such amounts can be refinanced on a long-term basis.

5.EMPLOYEE BENEFIT PLANS

SHI sponsors a defined benefit plan covering substantially all employees of Scripps Cable. Benefits are generally based on the employees' compensation and years of service. Funding is based on the requirements of the plan and applicable federal laws.

SHI also sponsors a defined contribution plan covering substantially all employees of Scripps Cable. Scripps Cable matches a portion of employees' voluntary contributions to the plan.

Retirement plans expense allocated to Scripps Cable consisted of the following:

(in thousands)

	For the years ended December 31, 1994	1993	1992
Service cost	$ 684	$ 615	$ 450
Interest cost	321	284	240
Actual return on plan assets	(20)	67	30
Net amortization and deferral	58	(43)	80
Defined benefit plan	1,043	923	800
Defined contribution plan	429	373	346
Total retirement plans expense	$ 1,472	$ 1,296	$ 1,146

Assumptions used in the accounting for the defined benefit plan were as follows:

	For the years ended December 31, 1994	1993	1992
Discount rate as of December 31	8.5%	7.0%	8.0%
Expected long-term rate of return on plan assets	9.5%	8.0%	9.0%
Rate of increase in compensation levels	5.0%	3.5%	4.5%

Scripps Cable's allocation of the funded status of the defined benefit plan at December 31 was as follows:

(in thousands)

	For the years ended December 31, 1994	1993	1992
Actuarial present value of projected benefits	$ 4,462	$ 4,631	$ 3,579
Plan assets at fair value	2,411	851	891
Projected benefits in excess of plan assets	$ 2,051	$ 3,780	$ 2,688

Plan assets primarily consist of marketable equity and fixed-income securities.

6. COMMITMENTS AND CONTINGENCIES

In 1994 Scripps Cable accrued $6,500,000 as an estimate of the ultimate costs of certain lawsuits. Scripps Cable is also involved in other litigation arising in the ordinary course of business, none of which is expected to result in material loss.

In 1994 customers of the Sacramento cable television system were awarded special rebates in connection with litigation concerning the system's pricing in the late 1980s. The rebates and related legal fees totaled $2,993,000.

Minimum payments on non-cancelable leases at December 31, 1994 were as follows: 1995, $415,000; 1996, $214,000; 1997, $195,000; 1998, $170,000; 1999, $134,000; and later years, $710,000.

Rental expense for cancelable and non-cancelable leases was as follows: 1994, $3,790,000; 1993, $4,270,000; and 1992, $4,000,000.

7. PARENT COMPANY RELATIONSHIP

Scripps Cable participates in SHI's controlled disbursement system, where the bank sends daily notification of checks presented for payment. SHI transfers funds from other sources to cover checks presented for payment. This program generally results in book overdrafts as a result of checks outstanding. These book overdrafts have been classified as Accounts Payable in the Combined Balance Sheets.

SHI also manages Scripps Cable's daily flow of cash. Cash excesses or deficiencies earn or incur interest at appropriate short-term market rates. Cash deficiencies are classified as Advances From Parent Company in the accompanying Combined Balance Sheets (see Note 4).

The balance of advances, including cash deficiencies, at December 31, 1994 and 1993 was $336,332,000 and $324,979,000. Interest charged on advances and cash deficiencies was $33,447,000 in 1994, $28,916,000 in 1993, and $30,479,000 in 1992. Interest accrued on the advances at December 31 was $1,618,000 in 1994 and $1,635,000 in 1993.

The federal tax provision (credit) allocated to Scripps Cable was ($12,772,000) in 1994, $7,764,000 in 1993, and $17,687,000 in 1992. The current federal income tax payable (receivable) at December 31 was ($350,000) in 1994 and $2,510,000 in 1993.

Scripps Cable also purchases certain materials and services from SHI. The prices charged are generally equal to prices that Scripps Cable would have been able to negotiate on its own. SHI also provides management services to all of its subsidiaries. Scripps Cable's share of the cost of such services was $2,957,000 in 1994, $2,293,000 in 1993, and $2,252,000 in 1992.

8. PROPOSED TRANSACTION

In October 1995 Scripps reached a definitive agreement that will result in Scripps Cable being owned by Comcast Corporation ("Comcast") through a tax-free transaction. In the transaction Scripps will transfer to its shareholders ownership of its non-cable operations in a separate entity ("New Scripps"). Following the transaction each Scripps shareholder will receive one share in New Scripps and shares of Comcast in exchange for each share of Scripps owned prior to the transaction. The number of Comcast shares received by Scripps shareholders will depend upon the market price of Comcast shares during a specified period shortly prior to closing.

The transaction is expected to close in 1996 and is conditioned upon, among other things, approval by Scripps and Comcast shareholders. Controlling shareholders in Scripps and Comcast have agreed to vote in favor of the transaction.

Certain liabilities included in these combined financial statements will not be assumed by Comcast. At September 30, 1995 those liabilities totaled approximately $331,400,000.

FINANCIAL STATEMENTS AND FINANCIAL INFORMATION

See index to financial statements at page F-1 of this Form 8-K.

SIGNATURES

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

THE E.W. SCRIPPS COMPANY

Dated : December 28, 1995 By: /s/ D. J. Castellini

D. J. Castellini
Senior Vice President, Finance &
Administration

THE E.W. SCRIPPS COMPANY

Index to Financial Statements and Financial Information

THE E.W. SCRIPPS COMPANY

Index to Pro Forma Financial Information

THE E.W. SCRIPPS COMPANY
PRO FORMA BALANCE SHEET
AS OF SEPTEMBER 30, 1995

(in thousands)

	REPORTED AMOUNTS	SCRIPPS CABLE	PRO FORMA ADJUSTMENTS		PRO FORMA AMOUNTS
ASSETS					
CURRENT ASSETS:					
Cash and cash equivalents	$ 14,579	$ 970	$ 970	(A)	
			(3,823)	(F)	
			(8,000)	(D)	$ 2,756
Short-term investments	38,000		(38,000)	(F)	
Accounts and notes receivable	159,464	12,887			146,577
Less allowances	5,377	1,355			4,022
Net accounts and notes receivable	154,087	11,532			142,555
Program rights and production costs	46,199				46,199
Refundable income taxes	23,255				23,255
Inventories	31,790	15,314			16,476
Deferred income taxes	23,771	5,421			18,350
Miscellaneous	22,651	1,855			20,796
Total current assets	354,332	35,092	(48,853)		270,387
INVESTMENTS	52,375	267			52,108
PROPERTY, PLANT, AND EQUIPMENT					
Land and improvements	43,460	3,700			39,760
Buildings and improvements	190,730	9,577			181,153
Equipment	1,080,825	570,544			510,281
Total property, plant, and equipment	1,315,015	583,821			731,194
Less accumulated depreciation	602,111	295,410			306,701
Net property, plant, and equipment	712,904	288,411			424,493
GOODWILL AND OTHER INTANGIBLE ASSETS					
Goodwill and other intangible assets	867,783	214,777			653,006
Less accumulated amortization	271,804	119,502			152,302
Net goodwill and other intangible assets	595,979	95,275			500,704
OTHER ASSETS:					
Program rights and production costs (less current portion)	55,577				55,577
Miscellaneous	9,907	356			9,551
Total other assets	65,484	356			65,128
TOTAL ASSETS	$ 1,781,074	$ 419,401	$ (48,853)		$ 1,312,820

THE E.W. SCRIPPS COMPANY
PRO FORMA BALANCE SHEET
AS OF SEPTEMBER 30, 1995

(in thousands)

	REPORTED AMOUNTS	SCRIPPS CABLE	PRO FORMA ADJUSTMENTS		PRO FORMA AMOUNTS
LIABILITIES AND STOCKHOLDERS' EQUITY					
CURRENT LIABILITIES:					
Current portion of long-term debt	$ 47,043		$ 23,460	(F)	$ 70,503
Accounts payable	91,414	$ 13,607	3,061	(A)	80,868
Customer deposits and unearned revenue	23,248	2,401			20,847
Accrued liabilities:					
Employee compensation and benefits	31,322	1,398			29,924
Artist and author royalties	9,277				9,277
Copyright and programming costs	7,523	7,302			221
Interest	2,297	1,618	1,618	(A)	
			(1,323)	(E)	974
Income taxes	2,345	6,966	6,966	(A)	2,345
Miscellaneous	47,243	15,347	7,500	(A)	39,396
Total current liabilities	261,712	48,639	41,282		254,355
DEFERRED INCOME TAXES	161,393	79,737	(2,850)	(A)	78,806
ADVANCES FROM PARENT COMPANY		303,371	303,371	(A)	
LONG-TERM DEBT (LESS CURRENT PORTION)	63,461		(61,272)	(E)	2,189
OTHER LONG-TERM OBLIGATIONS AND MINORITY INTERESTS	133,461	9,490	8,900	(A)	132,871
STOCKHOLDERS' EQUITY	1,161,047	(21,836)	(338,284)	(D)	844,599
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	$ 1,781,074	$ 419,401	$ (48,853)		$ 1,312,820

THE E.W. SCRIPPS COMPANY
PRO FORMA STATEMENT OF INCOME
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 1995

(in thousands, except per share data)

	REPORTED AMOUNTS	SCRIPPS CABLE	PRO FORMA ADJUSTMENTS		PRO FORMA AMOUNTS
OPERATING REVENUES:					
Advertising	$ 337,234				$ 337,234
Circulation	93,242				93,242
Other newspaper revenue	38,156				38,156
Total newspapers	468,632				468,632
Broadcasting	211,711				211,711
Cable television	207,855	$ 207,855			
Entertainment	68,964				68,964
Total operating revenues	957,162	207,855			749,307
OPERATING EXPENSES:					
Employee compensation and benefits	285,273	32,359			252,914
Program rights and production costs	94,436	52,286			42,150
Newsprint and ink	88,260				88,260
Other operating expenses	227,799	38,526	$ 1,402	(G)	
			547	(B)	191,222
Depreciation	69,089	34,712	100	(G)	34,477
Amortization of intangible assets	21,548	6,393			15,155
Total operating expenses	786,405	164,276	2,049		624,178
OPERATING INCOME	170,757	43,579	(2,049)		125,129
OTHER CREDITS (CHARGES):					
Interest on advances from parent		(25,571)	(25,571)	(B)	
Interest expense	(8,875)	(252)	3,402	(E)	
			(1,818)	(F)	(7,039)
Corporate management fees		(2,657)	(2,657)	(B)	
Miscellaneous, net	3,415	2,314	(1,294)	(F)	
			1,502	(G)	1,309
Net other credits (charges)	(5,460)	(26,166)	(26,436)		(5,730)
INCOME BEFORE TAXES AND MINORITY INTERESTS	165,297	17,413	(28,485)		119,399
PROVISION FOR INCOME TAXES	69,823	6,603	(10,824)	(C)	52,396
INCOME BEFORE MINORITY INTERESTS	95,474	10,810	(17,661)		67,003
MINORITY INTERESTS	2,587				2,587
NET INCOME	$ 92,887	$ 10,810	$ (17,661)		$ 64,416
AVERAGE WEIGHTED SHARES	79,930	79,930	79,930		79,930
EARNINGS PER SHARE	$1.16	$.14	($.22)		$.81

THE E.W. SCRIPPS COMPANY
PRO FORMA STATEMENT OF INCOME
FOR THE YEAR ENDED DECEMBER 31, 1994

(in thousands, except per share data)

	REPORTED AMOUNTS	SCRIPPS CABLE	PRO FORMA ADJUSTMENTS		PRO FORMA AMOUNTS
OPERATING REVENUES:					
Advertising	$ 433,551				$ 433,551
Circulation	116,684				116,684
Other newspaper revenue	52,703				52,703
Total newspapers	602,938				602,938
Broadcasting	288,184				288,184
Cable television	255,356	$ 255,356			
Entertainment	73,473				73,473
Total operating revenues	1,219,951	255,356			964,595
OPERATING EXPENSES:					
Employee compensation and benefits	359,972	41,343			318,629
Program rights and production costs	121,696	61,614			60,082
Newsprint and ink	94,160				94,160
Other operating expenses	303,809	61,764	$ 6,500	(G)	
			633	(B)	249,178
Depreciation	85,883	45,843			40,040
Amortization of intangible assets	30,384	11,488			18,896
Total operating expenses	995,904	222,052	7,133		780,985
OPERATING INCOME	224,047	33,304	(7,133)		183,610
OTHER CREDITS (CHARGES):					
Interest on advances from parent company		(33,447)	(33,447)	(B)	
Interest expense	(16,616)	(342)	6,195	(E)	
			(3,804)	(F)	(13,883)
Corporate management fees		(2,957)	(2,957)	(B)	
Net gains and unusual items	11,151		3,500	(G)	14,651
Miscellaneous, net	(986)	(69)	(335)	(F)	(1,252)
Net other credits (charges)	(6,451)	(36,815)	(30,848)		(484)
INCOME BEFORE TAXES AND MINORITY INTERESTS	217,596	(3,511)	(37,981)		183,126
PROVISION FOR INCOME TAXES	86,925	(10,590)	(16,293)	(C)	81,222
INCOME BEFORE MINORITY INTERESTS	130,671	7,079	(21,688)		101,904
MINORITY INTERESTS	7,988		(155)	(H)	7,833
NET INCOME	$ 122,683	$ 7,079	$ (21,533)		$ 94,071
AVERAGE WEIGHTED SHARES	76,246	76,246	76,246		76,246
EARNINGS PER SHARE	$1.61	$.09	($.28)		$1.23

THE E.W. SCRIPPS COMPANY

NOTES TO PRO FORMA FINANCIAL INFORMATION

On October 28, 1995 The E.W. Scripps Company ("Scripps") and Comcast Corporation ("Comcast") reached an agreement pursuant to which Scripps will contribute all of its non-cable television assets to Scripps Howard, Inc. ("SHI" - a wholly-owned subsidiary of Scripps and the direct or indirect parent of all of Scripps' operations) and SHI's cable television system subsidiaries ("Scripps Cable") will be transferred to and held directly by Scripps. Scripps Cable will then be acquired by Comcast through a tax-free merger (the "Merger") with Scripps. The remaining SHI business will continue as "New Scripps", which will be distributed in a tax-free "spin-off" to Scripps shareholders (the "Spin-Off") and thereafter renamed The E.W. Scripps Company. As a condition of the Merger Scripps has agreed to retire or defease its $61 million aggregate principal amount 7.375% notes due in 1998 ("Defeasance"). The Merger, Spin-off and Defeasance are collectively referred to as the "Transactions." Upon completion of the Transactions the separate existence of Scripps will cease. The accompanying unaudited pro forma balance sheet and statements of income of Scripps assume completion of the Transactions.

The pro forma balance sheet as of September 30, 1995 assumes the Transactions occurred as of that date. The pro forma statements of income assume the Transactions were completed at the beginning of those periods. Pro forma adjustments primarily represent liabilities which will not be assumed by Comcast, management fees and other items charged to Scripps Cable that will not be charged to Comcast, and defeasance of Scripps' 7.375% notes due in 1998. Earnings per share is based on the weighted average shares outstanding for each period.

The pro forma financial information is not necessarily indicative of the results which actually would have occurred had the Transactions been completed as of the dates indicated or which may occur in the future.

Explanation of specific pro forma adjustments are as follows:

(A) Assets not purchased by Comcast. Liabilities of Scripps Cable not assumed by Comcast.

(B) Intercompany interest, management fees and other items that will not be charged to Comcast.

(C) Tax effect of pro forma adjustments.

(D) Effect of the Transactions, net of estimated expenses of $8.0 million, on Stockholders' Equity.

(E) Defeasance of 7.375% notes and related reduction in interest expense.

(F) Cash and short-term investments used to defease 7.375% notes and related reduction in investment income. Also incurrence of additional short-term debt to defease the notes and interest on the short-term debt at appropriate short-term rates.

(G) Miscellaneous adjustments and entries to conform classification of Scripps and Scripps Cable reported amounts.

(H) Reduction of minority interest in cable television systems owned by Scripps Howard Broadcasting Company ("SHB"). SHB was 86% owned by Scripps prior to September 1994.

THE E.W. SCRIPPS COMPANY

Index to Exhibits

(1) The Agreement and Plan of Merger will be filed by amendment to this Report on Form 8-K.

THE E.W. SCRIPPS COMPANY EXHIBIT 12

COMPUTATION OF RATIO OF EARNINGS TO FIXED CHARGES

(in thousands)

	September 30, 1995	September 30, 1994	Years ended December 31, 1994	1993	1992
EARNINGS AS DEFINED:					
Earnings from operations before income taxes after eliminating undistributed earnings of 20%- to 50%-owned affiliates	$ 125,502	$ 163,722	$ 185,611	$ 209,278	$ 165,366
Fixed charges excluding capitalized interest and preferred stock dividends of majority-owned subsidiary companies	11,293	16,074	20,966	30,240	38,150
Earnings as defined	$ 136,795	$ 179,796	$ 206,577	$ 239,518	$ 203,516
FIXED CHARGES AS DEFINED:					
Interest expense, including amortization of debt issue costs	$ 8,623	$ 12,934	$ 16,274	$ 26,397	$ 33,792
Interest capitalized	270			66	4,458
Portion of rental expense representative of the interest factor	2,670	2,418	3,696	3,181	3,920
Preferred stock dividends of majority-owned subsidiary companies	60	60	80	82	119
Share of interest expense related to guaranteed debt of a 50%-owned affiliated company		722	996	662	438
Fixed charges as defined	$ 11,623	$ 16,134	$ 21,046	$ 30,388	$ 42,727
RATIO OF EARNINGS TO FIXED CHARGES	11.77	11.14	9.82	7.88	4.76

EXHIBIT 24

INDEPENDENT AUDITORS' CONSENT

We consent to the incorporation by reference in Registration Statements Nos. 33-53953, 33-32740, 33-35525, 33-47828, and 33-63398 and 33-59701 of The E.W. Scripps Company and subsidiary companies on Form S-8 and Registration Statement No. 33-43989 of The E.W. Scripps Company and subsidiary companies on Form S-3 of the following reports appearing in this Report on Form 8-K of The E.W. Scripps Company dated December 28, 1995:

Our report dated November 9, 1995 relating to the financial statements of The E.W. Scripps Company Cable Television Operations

Our report dated January 23, 1995 (December 27, 1995 as to Notes 1 and 12) relating to the financial statements of The E.W. Scripps Company and subsidiary companies.

DELLOITTE & TOUCHE LLP
Cincinnati, Ohio
December 28, 1995

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9-MOS	YEAR	3-MOS	6-MOS	9-MOS
DEC-31-1994	DEC-31-1994	DEC-31-1995	DEC-31-1995	DEC-31-1995
SEP-30-1994	DEC-31-1994	MAR-31-1995	JUN-30-1995	SEP-30-1995
12,705	16,609	28,227	25,073	14,579
0	0	0	0	38,000
131,643	150,541	137,501	152,277	146,577
4,567	4,538	4,215	4,193	4,022
12,834	11,768	13,776	14,210	16,476
242,935	268,094	241,094	265,037	625,970
697,659	701,932	708,640	725,140	731,194
280,631	282,398	288,574	298,225	306,701
1,632,397	1,609,424	1,562,848	1,588,111	1,668,403
185,845	231,369	208,043	196,483	232,218
110,358	110,431	63,409	63,433	63,461
0	0	0	0	0
0	0	0	0	0
798	799	799	800	800
1,072,887	1,082,669	1,104,427	1,136,325	1,160,247
1,632,397	1,609,424	1,562,848	1,588,111	1,668,403
0	0	0	0	0
699,735	964,595	245,269	504,976	749,307
0	0	0	0	0
0	0	0	0	0
555,881	777,115	204,188	410,682	620,307
2,593	3,870	844	2,107	3,871
12,934	16,274	3,353	6,182	8,623
159,561	181,070	37,666	86,781	119,109
67,597	80,441	16,971	38,098	52,285
84,896	92,796	19,760	46,880	64,237
14,130	29,887	9,534	18,373	28,650
0	0	0	0	0
0	0	0	0	0
99,026	122,683	29,114	65,263	92,887
$1.13	$1.22	$0.25	$0.59	$0.80
$1.13	$1.22	$0.25	$0.59	$0.80