

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
FORM 10-Q

(X) QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES AND EXCHANGE ACT OF 1934
For the quarterly period ended March 31, 1994

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES AND EXCHANGE ACT OF 1934
For the transition period from _____ to _____

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 (I.R.S. Employer
incorporation or organization) Identification Number)

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

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.)

Indicate by check mark whether the Registrant (1) has filed all
reports required to be filed by Section 13 or 15(d) of the Securities
and Exchange Act of 1934 during the preceding 12 months (or for such
shorter period that the Registrant was required to file such reports),
and (2) has been subject to such filing requirements for the past 90
days.

Yes X No

Indicate the number of shares outstanding of each of the issuer's
classes of common stock, as of the latest practicable date. As of
April 15, 1994 the registrant had outstanding 54,596,643 shares of
Class A Common stock and 20,174,833 shares of Common Voting stock.

INDEX TO THE E. W. SCRIPPS COMPANY

REPORT ON FORM 10-Q FOR THE QUARTER ENDED MARCH 31, 1994

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PART I

ITEM 1. FINANCIAL STATEMENTS

The information required by this item is filed as part of this Form 10-Q. See Index to Financial Information at page F-1 of this Form 10-Q.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The information required by this item is filed as part of this Form 10-Q. See Index to Financial Information at page F-1 of this Form 10-Q.

PART II

ITEM 1. LEGAL PROCEEDINGS

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

ITEM 2. CHANGES IN SECURITIES

There were no changes in the rights of security holders during the quarter for which this report is filed.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

There were no defaults upon senior securities during the quarter for which this report is filed.

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

There were no matters submitted to a vote of security holders during the quarter for which this report is filed.

ITEM 5. OTHER INFORMATION

None.

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K

Exhibits

The information required by this item is filed as part of this Form 10-Q. See Index to Exhibits at page E-1 of this Form 10-Q.

Reports on Form 8-K

No reports on Form 8-K were filed during the quarter for which this report is filed.

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: May 11, 1994 BY: /s/ D. J. Castellini
Senior Vice President, Finance
& Administration

THE E. W. SCRIPPS COMPANY

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CONSOLIDATED BALANCE SHEETS

(in thousands)

	March 31, 1994	As of December 31, 1993	March 31, 1993
ASSETS			
Current Assets:			
Cash and cash equivalents	\$ 14,165	\$ 18,606	\$ 11,392
Accounts and notes receivable (less allowances - \$5,543, \$6,995, \$6,133)	127,313	150,671	128,433
Program rights and production costs	42,586	42,823	45,555
Inventories	24,868	23,748	34,108
Deferred income taxes	18,424	18,097	10,290
Miscellaneous	21,367	19,050	22,230
Total current assets	248,723	272,995	252,008
Investments	58,995	73,287	28,861
Property, Plant, and Equipment	719,216	712,726	721,442
Goodwill and Other Intangible Assets	548,625	552,989	610,814
Other Assets:			
Program rights and production costs (less current portion)	45,886	43,257	40,364
Miscellaneous	17,795	21,228	17,403
Total other assets	63,681	64,485	57,767
TOTAL ASSETS	\$ 1,639,240	\$ 1,676,482	\$ 1,670,892

See notes to consolidated financial statements.

CONSOLIDATED BALANCE SHEETS

(in thousands, except share data)

	March 31, 1994	As of December 31, 1993	March 31, 1993
LIABILITIES AND STOCKHOLDERS' EQUITY			

Current Liabilities:			
Current portion of long-term debt	\$ 62,582	\$ 96,383	\$ 70,346
Accounts payable	71,959	79,334	86,241
Customer deposits and unearned revenue	20,180	17,480	15,204
Accrued liabilities:			
Employee compensation and benefits	31,058	31,599	30,184
Artist and author royalties	11,141	10,985	11,190
Copyright and programming costs	6,718	6,986	6,849
Interest	3,186	2,834	6,883
Income taxes	13,515	7,763	12,892
Miscellaneous	30,178	35,276	23,564
Total current liabilities	250,517	288,640	263,353
Deferred Income Taxes	172,716	175,308	113,765
Long-Term Debt (less current portion)	151,560	151,535	344,531
Other Long-Term Obligations and Minority Interests	195,570	201,364	191,508
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: 54,596,643, 54,586,495, and 54,443,401 shares	546	546	544
Voting - authorized: 30,000,000 shares; issued and outstanding: 20,174,833 shares	202	202	202
Total	748	748	746
Additional paid-in capital	98,272	97,945	94,324
Retained earnings	750,852	733,978	662,531
Unrealized gains on securities available for sale	19,110	27,381	33,190
Unvested restricted stock awards	(899)	(1,009)	(386)
Foreign currency translation adjustment	794	592	520
Total stockholders' equity	868,877	859,635	757,735
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$ 1,639,240	\$ 1,676,482	\$ 1,670,892

See notes to consolidated financial statements.

CONSOLIDATED STATEMENTS OF INCOME

(in thousands, except share data)

	Three months ending March 31,	
	1994	1993
Operating Revenues:		
Advertising	\$ 100,744	\$ 93,574
Circulation	29,556	29,777
Other newspaper revenue	11,737	11,112
Total newspapers	142,037	134,463
Broadcasting	60,353	61,845
Cable television	62,385	63,190
Entertainment	20,978	19,625
Other		4,529
Total operating revenues	285,753	283,652
Operating Expenses:		
Employee compensation and benefits	88,123	92,337
Program rights and production costs	27,224	26,674
Newsprint and ink	20,657	21,218
Other operating expenses	68,622	68,560
Depreciation	21,412	21,263
Amortization of intangible assets	7,613	8,363
Total operating expenses	233,651	238,415
Operating Income	52,102	45,237
Other Credits (Charges):		
Interest expense	(4,659)	(7,911)
Gain on sale of subsidiary companies		20,662
Miscellaneous, net	122	3,372
Net other credits (charges)	(4,537)	16,123
Income Before Income Taxes and Minority Interests	47,565	61,360
Provision for Income Taxes	20,352	26,682
Income Before Minority Interests	27,213	34,678
Minority Interests	2,116	2,080
Net Income	\$ 25,097	\$ 32,598
Per Share of Common Stock:		
Net income	\$0.34	\$0.44
Dividends declared	\$0.11	\$0.11

See notes to consolidated financial statements.

CONSOLIDATED STATEMENTS OF CASH FLOWS

(in thousands)

	Three months ending March 31,	
	1994	1993
Cash Flows from Operating Activities:		
Net income	\$ 25,097	\$ 32,598
Adjustments to reconcile net income to net cash flows from operating activities:		
Depreciation	21,412	21,263
Amortization of intangible assets	7,613	8,363
Deferred income taxes	1,535	3,912

Minority interests in income of subsidiary companies	2,116	2,080
Gain on sale of subsidiary companies		(20,662)
Changes in certain working capital accounts, net of effects from subsidiary companies purchased and sold	13,772	10,901
Miscellaneous, net	3,037	(5,875)
Net operating activities	74,582	52,580
Cash Flows from Investing Activities:		
Additions to property, plant, and equipment	(20,433)	(25,354)
Purchase of subsidiary companies, net of cash acquired	(17,970)	(28,945)
Investments in securities and unconsolidated affiliates	(161)	(963)
Sale of subsidiary companies		30,360
Miscellaneous, net	2,762	1,112
Net investing activities	(35,802)	(23,790)
Cash Flows from Financing Activities:		
Increases in long-term debt		35,500
Payments on long-term debt	(33,814)	(62,516)
Dividends paid	(8,223)	(8,206)
Dividends paid to minority interests	(885)	(989)
Miscellaneous, net	(299)	(163)
Net financing activities	(43,221)	(36,374)
Increase (Decrease) in Cash and Cash Equivalents	(4,441)	(7,584)
Cash and Cash Equivalents:		
Beginning of year	18,606	18,976
End of period	\$ 14,165	\$ 11,392
Supplemental Cash Flow Disclosures:		
Interest paid, excluding amounts capitalized	\$ 4,307	\$ 9,474
Income taxes paid	12,208	16,324
Increase in program rights and related liabilities	6,713	3,575

See notes to consolidated financial statements.

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
Balances at December 31, 1992	\$ 746	\$ 94,366	\$ 638,139		\$ (516)	\$ 369
Net income			32,598			
Dividends: declared and paid - \$.11 per share			(8,206)			
Class A shares issued pursuant to compensation plans, net: 16,525 shares issued, 15,185 shares repurchased		(42)				
Amortization of restricted stock awards					130	
Foreign currency translation adjustment						151
Balances at March 31, 1993	\$ 746	\$ 94,324	\$ 662,531		\$ (386)	\$ 520
Balances at December 31, 1993	\$ 748	\$ 97,945	\$ 733,978	\$ 27,381	\$ (1,009)	\$ 592
Net income			25,097			
Dividends: declared and paid - \$.11 per share			(8,223)			
Class A shares issued pursuant to compensation plans, net: 12,550 shares issued, 2,402 shares repurchased		270				
Tax benefits on compensation plans		57				
Amortization of restricted stock awards					110	
Foreign currency translation adjustment						202
Increase (decrease) in unrealized gains on securities available for sale, net of deferred income taxes of \$4,454				(8,271)		
Balances at March 31, 1994	\$ 748	\$ 98,272	\$ 750,852	\$ 19,110	\$ (899)	\$ 794

See notes to consolidated financial statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation - The financial statements have been prepared in accordance with generally accepted accounting principles for interim financial information and with the instructions to Form 10-Q and Rule 10-01 of Regulation S-X. Except as disclosed herein, there has been no material change in the information disclosed in the notes to consolidated financial statements included in the Company's Annual Report on Form 10-K for the year ended December 31, 1993. In management's opinion all adjustments (consisting of normal

recurring accruals) necessary for a fair presentation of the interim periods have been made.

Results of operations for the three-month period ending March 31, 1994 are not necessarily indicative of the results that may be expected for future interim periods or for the year ending December 31, 1994.

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.

Net Income Per Share - Net income per share computations are based upon the weighted average common shares outstanding. The weighted average common shares outstanding were as follows:

(in thousands)	Three months ending	
	1994	1993
Weighted average shares outstanding	74,762	74,613

Reclassification - For comparison purposes certain 1993 items have been reclassified to conform with 1994 classifications.

2. ACQUISITIONS AND DIVESTITURES

A. Acquisitions

1994 - The Company acquired Cinetel Productions (an independent producer of programs for cable television).

1993 - The Company purchased 589,000 shares of Scripps Howard Broadcasting Company common stock for \$28,900,000. The Company also purchased a cable television system.

The following table presents additional information about the acquisitions:

(in thousands)	Three months ending	
	1994	1993
Goodwill and other intangible assets acquired	\$ 3,245	\$ 16,669
Other assets acquired	14,725	15
Reduction in minority interests		12,261
Cash paid	\$ 17,970	\$ 28,945

The acquisitions have been accounted for as purchases, and accordingly purchase prices were allocated to assets and liabilities based on the estimated fair value as of the dates of acquisition. 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.

B. Divestitures

The Company sold Pharos Books and World Almanac Education in the first quarter of 1993. In subsequent quarters two newspapers, a television station, radio stations in three markets, and the remaining book publishing operations were sold.

The following table presents additional information about the divestitures which occurred in the first quarter:

(in thousands)		Three months ending March 31, 1993
Cash received	\$	30,360
Net assets disposed		9,698
Gain recognized, before income taxes	\$	20,662

Included in the consolidated financial statements are the following results of divested operations (excluding gain on sale):

(in thousands)		Three months ending March 31, 1993
Operating revenues	\$	15,500
Operating income		900

3. UNUSUAL ITEMS

1993 - The Company's operating results include an after-tax gain of \$12,100,000, \$.16 per share (see Note 2B).

In the first quarter of 1993 management changed the estimate of the additional amount of copyright fees the Company 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.

The Company's agreement to guarantee up to \$53,000,000 of the Ogden, Utah, Standard Examiner's debt expired with a change in ownership of the Standard Examiner. The Company received a \$2,500,000 fee in connection with the transaction. The fee increased net income \$1,600,000, \$.02 per share.

4. INCOME TAXES

The Internal Revenue Service is currently examining the consolidated income tax returns of EWS for the years 1985 through 1990. Management believes that adequate provision for income taxes has been made for all open years.

The provision for income taxes consists of the following:

(in thousands)		1994	Three months ending March 31,	1993
Current:				
Federal	\$	13,951		\$ 19,125
State and local		3,477		2,800
Foreign		1,332		845
Total current		18,760		22,770
Deferred:				
Federal		(2,484)		2,513
Other		(435)		1,399
Total deferred		(2,919)		3,912

Total income taxes		15,841	26,682
Income taxes allocated to stockholders' equity		4,511	
Provision for income taxes	\$	20,352	\$ 26,682

5. LONG-TERM DEBT

Long-term debt consisted of the following:

(in thousands)		March 31, 1994	As of December 31, 1993	March 31, 1993
Variable Rate Credit Facilities	\$	54,200	\$ 88,000	\$ 226,000
7.375% notes, due in 1998		99,301	99,264	99,154
9.0% notes, due in 1996		50,000	50,000	50,000
8.5% notes, payable through 1994		8,334	8,334	36,667
Other notes		2,307	2,320	3,056
Total long-term debt		214,142	247,918	414,877
Current portion of long-term debt		62,582	96,383	70,346
Long-term debt (less current portion)	\$	151,560	\$ 151,535	\$ 344,531
Weighted average interest rate on Variable Rate Credit Facilities at balance sheet date		3.5%	3.4%	3.3%

The Company has a Competitive Advance/Revolving Credit Agreement which permits maximum borrowings up to \$100,000,000 and additional lines of credit totaling \$30,000,000 (collectively "Variable Rate Credit Facilities"). Maximum borrowings under the Variable Rate Credit Facilities are changed as the Company's anticipated needs change and are not indicative of the Company's short-term borrowing capacity. The Variable Rate Credit Facilities expire at various dates through September 1994 and 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.

6. INVESTMENTS

Investments consisted of the following:

(in thousands, except share data)		March 31, 1994	As of December 31, 1993	March 31, 1993
Securities available for sale: *				
Pittsburgh Post-Gazette preferred stock, \$25 million face value, 8% cumulative dividend	\$	14,000	\$ 14,000	\$ 14,000
Turner Broadcasting:				
Class B common stock (589,165 shares)		12,078	15,907	7,985
Class C preferred stock (convertible into 1,309,092 shares of Class B common stock)		26,836	35,345	3,285
Other		3,627	4,043	578
Total securities available for sale		56,541	69,295	25,848
Investments accounted for under the equity method		2,454	3,992	3,013
Total investments	\$	58,995	\$ 73,287	\$ 28,861
Unrealized gains on securities available for sale	\$	29,400	\$ 42,125	\$ 30,421

* Effective December 31, 1993 the Company adopted FAS No. 115. Investments classified as available for sale are carried at market value at March 31, 1994 and December 31, 1993. At March 31, 1993 such securities were carried at the lower of cost or market. There were no unrealized losses in either year.

7. PROPERTY, PLANT, AND EQUIPMENT AND INTANGIBLE ASSETS

Property, plant, and equipment consisted of the following:

(in thousands)		March 31, 1994	As of December 31, 1993	March 31, 1993
Land and improvements	\$	47,334	\$ 45,199	\$ 48,552

Buildings and improvements	187,587	184,708	188,397
Equipment	986,693	972,674	989,548
Total	1,221,614	1,202,581	1,226,497
Accumulated depreciation	502,398	489,855	505,055
Net property, plant, and equipment	\$ 719,216	\$ 712,726	\$ 721,442

Goodwill and other intangible assets consisted of the following:

(in thousands)	March 31, 1994	As of December 31, 1993	March 31, 1993
Goodwill	\$ 387,905	\$ 387,868	\$ 421,419
Cable television franchise costs	167,383	167,378	167,389
Customer lists	134,927	133,427	133,397
Licenses and copyrights	28,221	28,221	28,263
Non-competition agreements	24,489	32,089	34,249
Other	33,570	31,870	38,787
Total	776,495	780,853	823,504
Accumulated amortization	227,870	227,864	212,690
Net goodwill and other intangible assets	\$ 548,625	\$ 552,989	\$ 610,814

8. SEGMENT INFORMATION

Previously reported 1993 segment information has been restated to conform with 1994 segment classifications. The Entertainment segment includes United Media licensing and syndication (previously included in the Publishing segment), Scripps Howard Productions (a producer of television programming), The Home & Garden Television Network (a 24-hour cable television channel scheduled for launch in late 1994), and the Company's equity interest in The Food Network and SportSouth cable television networks (previously reported in Miscellaneous, net). On March 31, 1994 the Company completed the acquisition of Cinetel Productions (an independent producer of programs for cable television). Cinetel operating results from the date of acquisition will be included in the Entertainment segment.

The Other segment includes book publishing operations which were sold in 1993 (see Note 2B).

Broadcasting operating income was increased in the first quarter of 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 the Company's business segments is as follows:

(in thousands)	1994	Three months ending March 31, 1993
OPERATING REVENUES		
Newspapers	\$ 142,037	\$ 134,463
Broadcasting	60,353	61,845
Cable television	62,385	63,190
Entertainment	20,978	19,625
Other		4,529
Total operating revenues	\$ 285,753	\$ 283,652
OPERATING INCOME		
Newspapers	\$ 28,019	\$ 16,019
Broadcasting	15,790	17,008
Cable television	9,525	14,002
Entertainment	2,045	1,841
Other		(283)
Corporate	(3,277)	(3,350)
Total operating income	\$ 52,102	\$ 45,237
DEPRECIATION		
Newspapers	\$ 7,126	\$ 7,740
Broadcasting	2,167	2,439
Cable television	11,774	10,696
Entertainment	197	217
Other		17
Corporate	148	154
Total depreciation	\$ 21,412	\$ 21,263
AMORTIZATION OF INTANGIBLE ASSETS		
Newspapers	\$ 1,782	\$ 1,747
Broadcasting	2,863	2,971
Cable television	2,968	3,328

Entertainment			2
Other			315
Total amortization of intangible assets	\$	7,613	\$ 8,363
CAPITAL EXPENDITURES			
Newspapers	\$	6,073	\$ 6,432
Broadcasting		2,692	3,362
Cable television		11,521	14,020
Entertainment		31	328
Corporate		116	1,212
Total capital expenditures	\$	20,433	\$ 25,354

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

Consolidated results of operations were as follows:

(in thousands, except per share data)

	1994	Year-to-Date Change	1993
Operating revenues:			
Newspapers	\$ 142,037	5.6 %	\$ 134,463
Broadcasting	60,353	(2.4) %	61,845
Cable television	62,385	(1.3) %	63,190
Entertainment	20,978	6.9 %	19,625
Other			4,529
Total operating revenues	\$ 285,753	0.7 %	\$ 283,652
Operating income:			
Newspapers	\$ 28,019	74.9 %	\$ 16,019
Broadcasting	15,790	(7.2) %	17,008
Cable television	9,525	(32.0) %	14,002
Entertainment	2,045	11.1 %	1,841
Other			(283)
Corporate	(3,277)	2.2 %	(3,350)
Total operating income	52,102	15.2 %	45,237
Interest expense	(4,659)		(7,911)
Gain on sale of subsidiary companies			20,662
Miscellaneous, net	122		3,372
Income taxes	(20,352)		(26,682)
Minority interest	(2,116)		(2,080)
Net income	\$ 25,097	(23.0) %	\$ 32,598
Net income per share of common stock	\$.34	(22.7) %	\$.44
Weighted average shares outstanding	74,762	0.2 %	74,613
Effective income tax rate	42.8 %		43.5 %

For comparison purposes certain 1993 operating revenues, operating expenses, and equity in income of certain joint ventures (see below) have been reclassified to conform with 1994 classifications.

Previously reported 1993 segment information has been restated to conform with 1994 segment classifications. The Entertainment segment includes United Media licensing and syndication (previously included in the Publishing segment), Scripps Howard Productions (a producer of television programming), The Home & Garden Television Network (a 24-hour cable television channel scheduled for launch in late 1994), and the Company's equity interest in The Food Network and SportSouth cable television networks (previously reported in Miscellaneous, net). On March 31, 1994 the Company completed the acquisition of Cinetel Productions (an independent producer of programs for cable television). Cinetel operating results from the date of acquisition will be included in the Entertainment segment.

The Other segment includes book publishing operations which were sold in 1993 (see (i) below).

The following items affected the comparability of the Company's reported results of operations:

- (i) The Company sold Pharos Books and World Almanac Education in the first quarter of 1993. In subsequent quarters two newspapers, a television station, radio stations in three markets, and the remaining book publishing operations were sold. The aforementioned businesses, and any related gains on the sales of the businesses, are hereinafter referred to as the "Divested Operations." See Note 2B to the Consolidated Financial Statements.

The following items related to Divested Operations affected the

comparability of the Company's reported results of operations:

(in thousands, except per share data)

	1993
Operating revenues	\$ 15,500
Operating income	900
Gain recognized (before income taxes and minority interests)	20,662
Gain recognized (after income taxes and minority interests)	12,100
Gain recognized per share (after income taxes and minority interests)	.16

- (ii) In the first quarter of 1993 management changed the estimate of the additional amount of copyright fees the Company would owe when a dispute between the television industry and the American Society of Composers, Authors and Publishers was resolved ("ASCAP Adjustment"). The adjustment increased broadcasting operating income \$4,300,000 and net income \$2,300,000, \$.03 per share. See Note 3 to the Consolidated Financial Statements.
- (iii) In the first quarter of 1993 the Company's agreement to guarantee up to \$53,000,000 of the Ogden, Utah, Standard Examiner's debt expired with a change in ownership of the Standard Examiner. The Company received a \$2,500,000 fee in connection with the transaction ("Ogden Fee"). The fee increased net income \$1,600,000, \$.02 per share. See Note 3 to the Consolidated Financial Statements.

The items above are excluded from the consolidated and segment operating results presented in the following pages of this Management's Discussion and Analysis. Management believes they are not relevant to understanding the Company's ongoing operations.

Net income per share was as follows:

	1994	Year-to-Date Change	1993
Reported net income per share	\$.34	(22.7) %	\$.44
Note Ref.			
(1) Gain on sale of Divested Operations			(.16)
(ii) - (iii) 1993 unusual items			(.05)
Rounding			(.01)
Adjusted net income per share	\$.34	54.5 %	\$.22

Interest expense decreased \$3,300,000 as average long-term debt in 1994 was \$197,000,000 less than in 1993.

Miscellaneous includes the Ogden Fee described in (iii) above.

RESULTS OF OPERATIONS

CONSOLIDATED - Operating results, excluding the Divested Operations and ASCAP Adjustment, were as follows:

(in thousands)

	1994	Year-to-Date Change	1993
Operating revenues:			
Newspapers	\$ 142,037	8.9 %	\$ 130,393
Broadcast television	60,353	9.9 %	54,926
Cable television	62,385	(1.3) %	63,190
Entertainment	20,978	6.9 %	19,625
Total operating revenues	\$ 285,753	6.6 %	\$ 268,134
Operating income:			
Newspapers	\$ 28,019	71.4 %	\$ 16,348
Broadcast television	15,790	41.1 %	11,194
Cable television	9,525	(32.0) %	14,002
Entertainment	2,045	11.1 %	1,841
Corporate	(3,277)	2.2 %	(3,350)
Total operating income	\$ 52,102	30.1 %	\$ 40,035

Other Financial and Statistical Data:

Total advertising revenues	\$ 163,257	10.4 %	\$ 147,923
Advertising revenues as a percentage of total revenues	57.1 %		55.2 %
Total capital expenditures	\$ 20,433	(19.0) %	\$ 25,234

SEGMENTS - Operating results, excluding the Divested Operations and the ASCAP Adjustment, for each of the Company's business segments are presented on the following pages.

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

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

Financial analysts use EBITDA to value communications media companies.

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 the Company's borrowing capacity.

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

NEWSPAPERS - Operating results for the newspaper segment, excluding the Divested Operations, were as follows:

(in thousands, except newsprint information)

	1994	Year-to-Date Change	1993
Operating revenues:			
Local	\$ 45,269	8.2 %	\$ 41,844
Classified	37,388	11.5 %	33,518
National	3,996	42.6 %	2,803
Preprint	14,091	8.7 %	12,961
Newspaper advertising	100,744	10.6 %	91,126
Circulation	29,556	2.7 %	28,786
Joint operating agency distributions	9,766	16.8 %	8,361
Other	1,971	(7.0) %	2,120
Total operating revenues	142,037	8.9 %	130,393
Operating expenses:			
Employee compensation and benefits	54,571	0.4 %	54,368
Newsprint and ink	20,657	0.9 %	20,480
Other	29,882	0.1 %	29,855
Depreciation and amortization	8,908	(4.6) %	9,342
Total operating expenses	114,018		114,045
Operating income	\$ 28,019	71.4 %	\$ 16,348
Other Financial and Statistical Data:			
Earnings before interest, income taxes, depreciation, and amortization ("EBITDA")	\$ 36,927	43.7 %	\$ 25,690
Percent of operating revenues:			
Operating income	19.7 %		12.5 %
EBITDA	26.0 %		19.7 %
Capital expenditures	\$ 6,073	(5.1) %	\$ 6,399
Advertising inches:			
Local	1,971	2.9 %	1,915
Classified	2,688	5.8 %	2,540
National	101	23.2 %	82
Total full run ROP	4,760	4.9 %	4,537
Newsprint information:			
Consumption (in tonnes)	47,223	4.6 %	45,158
Weighted average price per tonne	\$ 419	(4.3) %	\$ 438

Demand for local advertising continued to improve in the first quarter. Advertising revenues increased for nearly all of the Company's newspapers.

BROADCAST TELEVISION - Operating results for the broadcast television

segment, excluding the Divested Operations and ASCAP Adjustment, were as follows:

(in thousands)	1994	Year-to-Date Change	1993
Operating revenues:			
Local	\$ 32,487	10.4 %	\$ 29,417
National	25,325	9.2 %	23,182
Political	362		176
Other	2,179	1.3 %	2,151
Total operating revenues	60,353	9.9 %	54,926
Operating expenses:			
Employee compensation and benefits	17,938	4.9 %	17,099
Program costs	12,026	0.1 %	12,016
Other	9,569	0.4 %	9,531
Depreciation and amortization	5,030	(1.1) %	5,086
Total operating expenses	44,563	1.9 %	43,732
Operating income	\$ 15,790	41.1 %	\$ 11,194
Other Financial and Statistical Data:			
Earnings before interest, income taxes, depreciation, and amortization ("EBITDA")	\$ 20,820	27.9 %	\$ 16,280
Percent of operating revenues:			
Operating income	26.2 %		20.4 %
EBITDA	34.5 %		29.6 %
Capital expenditures	\$ 2,692	(17.8) %	\$ 3,275

Revenues increased at all of the Company's television stations.

CABLE TELEVISION - Operating results for the cable television segment were as follows:

(in thousands, except per subscriber information)	1994	Year-to-Date Change	1993
Operating revenues:			
Basic services	\$ 41,037	(6.1) %	\$ 43,697
Premium programming services	11,997	5.9 %	11,332
Other monthly service	4,214	23.4 %	3,416
Advertising	2,160	15.4 %	1,871
Installation and miscellaneous	2,977	3.6 %	2,874
Total operating revenues	62,385	(1.3) %	63,190
Operating expenses:			
Employee compensation and benefits	10,549	10.1 %	9,577
Program costs	14,939	10.1 %	13,564
Other	12,630	5.0 %	12,023
Depreciation and amortization	14,742	5.1 %	14,024
Total operating expenses	52,860	7.5 %	49,188
Operating income	\$ 9,525	(32.0) %	\$ 14,002
Other Financial and Statistical Data:			
Earnings before interest, income taxes, depreciation, and amortization ("EBITDA")	\$ 24,267	(13.4) %	\$ 28,026
Percent of operating revenues:			
Operating income	15.3 %		22.2 %
EBITDA	38.9 %		44.4 %
Capital expenditures	\$ 11,521	(17.8) %	\$ 14,020
Average number of basic subscribers	705.8	4.4 %	676.3
Average monthly revenue per basic subscriber	\$ 29.46	(5.4) %	\$ 31.14
Homes passed at end of period	1,147.8	1.5 %	1,130.4
Basic subscribers at end of period	711.3	4.6 %	680.2
Penetration rate	62.0 %		60.2 %

Re-regulation of the cable television industry significantly affected the Company's cable television operations. New rules which are expected to further reduce regulated rates are scheduled to become effective in July. Based upon the revised rules, year-over-year declines in revenues and EBITDA are expected to increase in magnitude in the third quarter of 1994.

ENTERTAINMENT - Operating results for the entertainment segment were

as follows:

(in thousands)	1994	Year-to-Date Change	1993
Operating revenues:			
Licensing	\$ 15,808	12.8 %	\$ 14,019
Syndication	4,714	(1.6) %	4,791
Film and television production	456	(44.0) %	815
Total operating revenues	20,978	6.9 %	19,625
Operating expenses:			
Employee compensation and benefits	3,205	(8.7) %	3,512
Artists' royalties	10,641	13.7 %	9,358
Film and television production costs	259	(51.9) %	538
Other	4,631	11.4 %	4,157
Depreciation and amortization	197	(10.0) %	219
Total operating expenses	18,933	6.5 %	17,784
Operating income	\$ 2,045	11.1 %	\$ 1,841
Other Financial and Statistical Data:			
Earnings before interest, income taxes, depreciation, and amortization ("EBITDA")	\$ 2,242	8.8 %	\$ 2,060
Percent of operating revenues:			
Operating income	9.7 %		9.4 %
EBITDA	10.7 %		10.5 %
Capital expenditures	\$ 31		\$ 328

Increases in domestic and Japanese licensing revenues more than offset a decrease in European revenues. The change in the exchange rate for the Japanese yen increased licensing revenues \$700,000.

On April 6, 1994 the Company announced it had reached agreement to sell the copyright and syndication and licensing rights for the character "Garfield" to Paws, Inc. The sale is expected to be completed in the second quarter of 1994.

Start-up costs for The Home & Garden Television Network ("Home & Garden"), a 24-hour cable channel scheduled for launch in late 1994, totaled \$250,000 in the first quarter of 1994.

The Company 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 will be included in the Entertainment segment from the date of acquisition.

LIQUIDITY AND CAPITAL RESOURCES

Cash flow from operating activities was \$74,600,000 in 1994 compared to \$52,600,000 in 1993.

Cash flow from operating activities in 1994 was used primarily for capital expenditures of \$20,400,000, acquisitions and investments of \$18,100,000, debt reduction of \$33,800,000, and dividend payments of \$9,100,000. The debt to total capitalization ratio at March 31 was .20 in 1994 and .35 in 1993.

Consolidated capital expenditures for the remainder of 1994 are expected to total approximately \$80,000,000, including Home & Garden. Current maturities of long-term debt at March 31, 1994 total \$62,600,000. The Company expects to finance its capital requirements and start-up costs for Home & Garden primarily through cash flow from operations.

PROPOSED MERGER

On April 7, 1994 the board of directors of Scripps Howard Broadcasting Company ("SHB") approved a merger proposal from the Company, under which the Company would exchange 3.45 shares of its Class A Common stock for each SHB share. The Company and SHB executed a definitive agreement on May 4, 1994. The merger is subject to regulatory approvals and a vote of SHB shareholders. If the merger is effected under the terms proposed by the Company, approximately 5,000,000 additional shares of Class A Common stock would be issued. There can

be no assurance that the merger will be entered into or that any transaction will be consummated.

THE E. W. SCRIPPS COMPANY

Index to Exhibits

Exhibit No.	Item	Page
12	Ratio of Earnings to Fixed Charges	E-1

RATIO OF EARNINGS TO FIXED CHARGES

EXHIBIT 12

(in thousands)

	1994	Three months ending March 31,	1993
EARNINGS AS DEFINED:			
Earnings from operations before income taxes after eliminating undistributed earnings of 20%- to 50%-owned affiliates	\$ 48,674		\$ 61,519
Fixed charges excluding capitalized interest and preferred stock dividends of majority-owned subsidiary companies	6,000		9,184
Earnings as defined	\$ 54,674		\$ 70,703
FIXED CHARGES AS DEFINED:			
Interest expense, including amortization of debt issue costs	\$ 4,659		\$ 7,911
Interest capitalized			44
Portion of rental expense representative of the interest factor	1,147		1,136
Preferred stock dividends of majority-owned subsidiary companies	20		22
Share of interest expense related to guaranteed debt 50%-owned affiliated company	194		137
Fixed charges as defined	\$ 6,020		\$ 9,250
RATIO OF EARNINGS TO FIXED CHARGES	9.08		7.64