



# THE McCLATCHY COMPANY

Contact: Elaine Lintecum  
Treasurer  
916-321-1846  
elintecum@mcclatchy.com

## **McCLATCHY REPORTS INCREASE IN QUARTERLY DIVIDEND AND APRIL 2005 REVENUES**

**SACRAMENTO, Calif., May 18, 2005 – The McClatchy Company (NYSE-MNI)** today declared a second quarter dividend of 18 cents per share, an increase of 38.5% from the 13 cents per share dividend in the first quarter of 2005. This increase brings the company's annualized dividend rate to 72 cents per share from 52 cents previously. The second quarter dividend is payable July 1, 2005 to stockholders of record at the close of business on June 15, 2005.

Commenting on the dividend, Gary Pruitt, McClatchy's chairman and CEO said, "We are proud of the accomplishments of the recent past over a broad range of metrics: record revenues and earnings in 2004 and the first quarter of 2005, industry leading circulation performance, high quality journalism, and leading internet and direct marketing products. We have also made good progress on paying down debt over the last several years and now see an opportunity to bring the dividend yield and earnings payout ratio more in line with our historical levels and closer to industry norms. So it's a good time to increase the dividend rate to return more cash to our shareholders."

Separately the company reported that consolidated advertising revenues in April 2005 increased 2.6% over April 2004 revenues, while total revenues grew 1.8%. Year-to-date consolidated advertising revenues increased 3.7% and total revenues were up 2.8%.

Advertising performance at the company's newspapers is summarized by region in McClatchy's statistical report that follows. The company has also included supplemental advertising revenue data by category in a schedule that follows.

The McClatchy Company, headquartered in Sacramento, California, is a leading newspaper and internet publisher. It publishes 12 daily and 17 non-daily newspapers located in western coastal states, North and South Carolina, and the Twin Cities of Minneapolis/St. Paul. McClatchy has daily circulation of 1.4 million and Sunday circulation of 1.8 million. McClatchy's newspapers include, among others, the *Star Tribune* in Minneapolis, *The Sacramento Bee*, *The Fresno Bee* and *The Modesto Bee* in California, *The News&Observer* (Raleigh, NC), *The News Tribune* (Tacoma, WA) and the *Anchorage Daily News*.

McClatchy also operates leading local websites in each of its daily newspaper markets, offering readers information, comprehensive news, advertising, e-commerce and other services, and owns and operates McClatchy Interactive, an interactive operation that provides websites with content, publishing tools and software development. McClatchy is listed on the New York Stock Exchange under the symbol MNI.

#### Additional Information

This release contains forward-looking statements that are subject to risks and uncertainties that could cause actual results to differ. Those risks and uncertainties are outlined in the company's December 26, 2004 annual report on Form 10-K and March 27, 2005 quarterly report on Form 10-Q filed with the U.S. Securities and Exchange Commission. The company assumes no obligation to update the information in this release.

**The McClatchy Company**  
**Consolidated Statistical Report**  
(In thousands, except for preprints)

	<u>April</u>			<u>April Year-to-Date</u>		
	<u>2005</u>	<u>2004</u>	<u>% Change</u>	<u>2005</u>	<u>2004</u>	<u>% Change</u>
<b>Revenues - Net:</b>						
Advertising						
California	\$37,404	\$36,300	3.0%	\$128,235	\$122,158	5.0%
Minneapolis	30,575	31,145	-1.8%	102,963	103,741	-0.7%
Carolinas	16,215	15,175	6.9%	54,347	50,921	6.7%
Northwest	14,342	13,433	6.8%	46,889	43,891	6.8%
Total Advertising	<u>\$98,536</u>	<u>\$96,053</u>	2.6%	<u>\$332,434</u>	<u>\$320,711</u>	3.7%
Circulation	15,948	16,069	-0.8%	57,345	57,615	-0.5%
Other	2,166	2,485	-12.8%	7,798	8,564	-8.9%
Total Revenue	<u>\$116,650</u>	<u>\$114,607</u>	1.8%	<u>\$397,577</u>	<u>\$386,890</u>	2.8%
<b>Average Paid Circulation:*</b>						
Daily	1,415.7	1,421.2	-0.4%	1,414.2	1,417.1	-0.2%
Sunday	1,814.6	1,858.8	-2.4%	1,815.9	1,848.7	-1.8%
Community Newspapers	68.8	68.0	1.2%	68.6	68.9	-0.4%
* Reflects average paid circulation based upon number of days in period. Does not reflect ABC reported figures.						
<b>Advertising Linage for Dailies:</b>						
Full Run ROP						
Retail	534.8	546.1	-2.1%	1,810.1	1,825.1	-0.8%
National	107.4	127.0	-15.4%	392.1	418.6	-6.3%
Classified	776.0	756.0	2.6%	2,635.9	2,631.9	0.2%
Total	<u>1,418.2</u>	<u>1,429.1</u>	-0.8%	<u>4,838.1</u>	<u>4,875.6</u>	-0.8%
Millions of Preprints Distributed	346.2	318.8	8.6%	1,153.9	1,079.1	6.9%
<b>Full Run ROP Linage by Market for Dailies:</b>						
<b>California:</b>						
<i>The Sacramento Bee</i>	249.1	250.9	-0.7%	864.3	873.0	-1.0%
<i>The Fresno Bee</i>	124.3	125.9	-1.3%	428.5	443.9	-3.5%
<i>The Modesto Bee</i>	115.0	127.1	-9.5%	404.9	433.1	-6.5%
<i>Merced Sun-Star</i>	61.3	59.4	3.2%	206.7	190.4	8.6%
<i>Star Tribune, Minneapolis</i>	177.5	187.8	-5.5%	592.2	624.6	-5.2%
<b>Northwest:</b>						
<i>The News Tribune, Tacoma</i>	119.2	120.8	-1.3%	417.3	421.8	-1.1%
<i>Anchorage Daily News</i>	104.8	95.4	9.9%	320.1	298.6	7.2%
<i>Tri-City Herald</i>	87.7	77.4	13.3%	304.4	266.9	14.1%
<b>Carolinas:</b>						
<i>The News &amp; Observer, Raleigh</i>	178.8	171.3	4.4%	627.8	625.4	0.4%
South Carolina Dailies	200.5	213.1	-5.9%	671.9	697.9	-3.7%
Total	<u>1,418.2</u>	<u>1,429.1</u>	-0.8%	<u>4,838.1</u>	<u>4,875.6</u>	-0.8%

THE McCLATCHY COMPANY  
 SUPPLEMENTAL ADVERTISING DATA  
 BY CATEGORY FOR THE PERIODS ENDED  
 MAY 1, 2005

	April		Year to Date	
	% Change	% Change Print Only	% Change	% Change Print Only
<b>Advertising categories:</b>				
Retail	0.2	0.6	1.7	1.8
National	(10.7)	(10.9)	(1.6)	(1.9)
Classified Total	8.6	5.4	6.6	3.2
Auto	(4.5)	(6.4)	(5.6)	(7.5)
Real Estate	21.1	17.9	14.5	11.5
Employment	12.8	8.9	13.9	8.9
Direct Marketing	1.9	1.9	6.4	6.4
<b>Total advertising growth</b>	2.6	1.3	3.7	2.2