



# THE McCLATCHY COMPANY

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## McCLATCHY REPORTS NOVEMBER 2005 REVENUES AND REAFFIRMS EARNINGS OUTLOOK

**Sacramento, CA, December 7, 2005 - The McClatchy Company (NYSE: MNI)** today reported that consolidated advertising revenues in November 2005 increased 1.6% and total revenues increased 0.7%. Year-to-date advertising revenues were up 3.2% and total revenues were up 2.2%.

Pat Talamantes, chief financial officer of McClatchy, said, "Revenue growth in October and November has generally been as expected, so our outlook for the rest of the year is unchanged from our third quarter earnings release. We expect fourth quarter earnings to range between 98 cents and \$1.00 per share, and full year earnings to range from \$3.45 to \$3.47 per share, excluding the third-quarter litigation costs related to the *Star Tribune* circulation matter.

Mr. Talamantes also noted that, "In fiscal 2006 we will report 53 weeks versus 52 weeks in our fiscal 2005. On a comparable 52-week basis, we anticipate advertising revenues to grow in the low-to-mid-single-digit range. And despite facing increases in newsprint, retirement and medical expenses, we plan to tightly manage other cash expenses, thereby holding total cash operating expenses to a projected mid-single-digit growth rate on a comparable basis. Further, we expect to achieve record earnings again in 2006, even with the new requirement to expense stock options next year, which will likely reduce earnings by 10 to 12 cents per share."

McClatchy will review its business in a presentation today at the CSFB Media and Telecom Conference at the Crowne Plaza Times Square Hotel in New York at 1:30 PM. The presentation will be webcast live on its site, <http://www.mcclatchy.com> and on <http://www.csfb.com>. McClatchy will also give an update at the UBS 33<sup>rd</sup> Annual Media Week Conference at the Grand Hyatt New York today at 3:30 p.m., which will be webcast live on its site, and on <http://www.ibb.ubs.com/>. McClatchy's presentations via webcast will continue to be archived at its web site for future reference.

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 users information, comprehensive news, advertising, e-commerce and other services, and owns and operates McClatchy Interactive, an interactive media operation that provides newspapers 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 its September 25, 2005 quarterly report on Form 10-Q, and include, in particular, the risks that newsprint prices, retirement costs, medical costs and interest rates could rise above current expectations or that the company's businesses could be more severely negatively affected by the continuing economic uncertainty in Minnesota, California's Central Valley, the Carolinas, Washington State or Alaska. The company assumes no obligation to update the information in this release.

The attached schedule contains a reconciliation of the non-GAAP items referred to in this press release.

	Reconciliation of Non-GAAP Amounts			
	Three months ended		Nine months ended	
	September 25, 2005	September 26, 2004	September 25, 2005	September 26, 2004
Net Income	\$ 38,639	\$ 39,072	\$ 115,138	\$ 108,096
Certain items net of tax effects:				
Third quarter circulation litigation expense	648	-	648	-
Refinancing related charge	-	-	-	2,253
Non-GAAP net income	<u>\$ 39,287</u>	<u>\$ 39,072</u>	<u>\$ 115,786</u>	<u>\$ 110,349</u>
Diluted per share amounts	\$ 0.84	\$ 0.83	\$ 2.46	\$ 2.36

In management's opinion, the items excluded from non-GAAP net income are not reflective of ongoing operations. As a result they are removed from net income in order to allow the reader to evaluate the company's results on an ongoing basis. Management also considers the 2005 third quarter litigation expenses not reflective of ongoing operations for the Company's full-year earnings per share estimates.

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## Consolidated Statistical Report

(In thousands, except for preprints)

	November			November Year-to-Date		
	2005	2004	% Change	2005	2004	% Change
<b>Revenues - Net:</b>						
Advertising						
California	\$34,323	\$32,514	5.6%	\$361,314	\$341,928	5.7%
Minneapolis	27,079	27,510	-1.6%	284,415	284,360	0.0%
Carolinas	13,521	13,693	-1.3%	148,080	143,454	3.2%
Northwest	11,582	11,441	1.2%	128,757	124,609	3.3%
Total Advertising	\$86,505	\$85,158	1.6%	\$922,566	\$894,351	3.2%
Circulation	12,305	12,830	-4.1%	150,425	154,052	-2.4%
Other	1,809	1,919	-5.7%	21,415	21,989	-2.6%
Total Revenue	\$100,619	\$99,907	0.7%	\$1,094,406	\$1,070,392	2.2%

### Average Paid Circulation:\*

Daily	1,415.1	1,477.1	-4.2%	1,400.1	1,417.9	-1.3%
Sunday	1,772.0	1,840.9	-3.7%	1,789.2	1,848.2	-3.2%
Community Newspapers	50.0	52.8	-5.3%	51.2	52.8	-3.0%

\* Reflects average paid circulation based upon number of days in period. Does not reflect ABC reported figures.

### Advertising Linage for Dailies:

Full Run ROP						
Retail	486.5	505.6	-3.8%	5,010.2	5,156.6	-2.8%
National	100.6	102.7	-2.0%	1,082.4	1,107.4	-2.3%
Classified	593.4	596.9	-0.6%	7,287.6	7,293.9	-0.1%
Total	1,180.5	1,205.2	-2.0%	13,380.2	13,557.9	-1.3%
Millions of Preprints Distributed	358.6	367.6	-2.4%	3,217.3	3,105.6	3.6%

### Full Run ROP Linage by Market for Dailies:

#### California:

<i>The Sacramento Bee</i>	207.1	215.4	-3.9%	2,383.2	2,395.4	-0.5%
<i>The Fresno Bee</i>	107.2	103.2	3.9%	1,195.6	1,194.3	0.1%
<i>The Modesto Bee</i>	112.1	105.2	6.6%	1,197.9	1,201.4	-0.3%
<i>Merced Sun-Star</i>	56.5	43.5	29.9%	597.1	555.7	7.5%

#### Star Tribune, Minneapolis

	146.2	162.7	-10.1%	1,628.0	1,740.1	-6.4%
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#### Northwest:

<i>The News Tribune, Tacoma</i>	100.5	105.7	-4.9%	1,115.9	1,156.6	-3.5%
<i>Anchorage Daily News</i>	69.3	76.3	-9.2%	888.0	878.6	1.1%
<i>Tri-City Herald</i>	69.0	62.9	9.7%	833.6	774.7	7.6%

#### Carolinas:

<i>The News &amp; Observer, Raleigh</i>	148.2	159.4	-7.0%	1,698.5	1,759.6	-3.5%
South Carolina Dailies	164.4	170.9	-3.8%	1,842.4	1,901.5	-3.1%
Total	1,180.5	1,205.2	-2.0%	13,380.2	13,557.9	-1.3%

**The McClatchy Company**  
**Supplemental Advertising Revenue**  
**By Category for the Period Ending November 27, 2005**

	November		November Year-to-Date	
	% Change	% Change Print Only	%	% Change Print Only
<b>Advertising categories:</b>				
Retail	(0.5)	(1.1)	0.5	0.3
National	(1.4)	(1.3)	(1.6)	(1.7)
Classified Total	5.0	2.2	6.2	2.8
Auto	(18.0)	(20.8)	(9.7)	(12.0)
Real Estate	24.8	23.6	18.3	16.0
Employment	11.3	6.8	14.0	8.9
Direct Marketing	6.0	6.0	9.4	9.4
<b>Total advertising growth</b>	1.6	0.3	3.2	1.6