



THE McCLATCHY COMPANY

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

McCLATCHY REPORTS MAY 2007 REVENUES AND REVIEWS BUSINESS AT ANALYST FORUM

SACRAMENTO, Calif., June 20, 2007 - The McClatchy Company (NYSE: MNI) today reported that consolidated advertising revenues in May 2007 decreased 11.5% and total revenues were down 10.4% compared to pro forma revenues for May 2006 (including the addition of newspapers purchased in the Knight Ridder acquisition and excluding the Minneapolis *Star Tribune* newspaper). Year-to-date advertising revenues declined 7.1% and total revenues were down 6.2% on a pro forma basis.

Commenting on the company's results, Gary Pruitt, chairman and chief executive officer, said, "We knew that with 4.7% growth in pro forma advertising revenues in May 2006 we would find the month challenging, and we did. Classified advertising, and particularly the real estate category, has been a drag on revenues. While real estate was a significant source of revenue growth last year, the real estate boom has since turned sour and as a result our real estate advertising revenues have declined, most notably in our California and Florida newspapers.

"But we are not resigned to accepting business on these terms. We are working hard to preserve our operating cash flow and cash flow margin by exerting strong cost controls to mitigate the revenue shortfalls. Our cash expenses through May were down 7.7% on a pro forma basis. Through the first five months our operating cash flow is down only 1.1% on a proforma basis, and our EBITDA margin has grown to 24.3% from 23.1% in 2006. We believe we are one of the few newspaper companies that has been able to improve its cash flow margin in this environment.

"As we look to June we see a continued decline in advertising revenues although not to the same degree as we saw in May. In the second half, revenue comparisons to 2006 will ease but business trends remain unclear. We expect advertising trends to show improvement by the fourth quarter, though revenues will likely still be down. Meanwhile we will remain focused on reducing operating expenses and mitigating the impact of the advertising trends on our cash flow."

Pat Talamantes, McClatchy's chief financial officer, said, "In addition to free cash flow, we have reduced debt dramatically through asset sales while achieving an equally important improvement in the quality of our portfolio. As a result our debt balance at the end of May was \$2.7 billion, down \$2 billion since the Knight Ridder acquisition closed despite substantial tax payments in the fourth quarter of last year. Currently, we are in the midst of several other de-leveraging transactions, related to the sale of fixed assets and real property. With these transactions and free cash generated by operations we expect to reduce debt by approximately \$600 million to \$700 million over the next 18 months."

McClatchy will provide a more in-depth review of its business performance and outlook today at the Mid-Year Media Review, an analyst forum sponsored by the Newspaper Association of America at the McGraw-Hill Building in New York City.

The company's presentation will begin at 10:00 A.M. Eastern time and is accessible via internet webcast through www.mcclatchy.com and www.midyearmediareview.com. The webcast will be archived on McClatchy's website following the presentation.

The company has attached a summary of selected financial information for five month periods ending in 2007 and proforma 2006, as well as its pro forma statistical report, which summarizes its revenue performance for May and the first five months of 2007, to this release. These reports include advertising revenues and selected financial data which includes the 20 Knight Ridder newspapers the company acquired, but did not own in the first half of its fiscal 2006, and excludes the revenues and data of the *Star Tribune* newspaper which was sold on March 5, 2007. The pro forma information is meant to provide investors a sense of what the advertising and certain operating information of the continuing operations would have been in each interim period. A reconciliation of non-GAAP measurements referred to in this release to GAAP measurements is included in an attached schedule and on the company's website at the investor relations page.

About McClatchy

The McClatchy Company is the third largest newspaper company in the United States, with 31 daily newspapers and approximately 50 non-dailies. McClatchy-owned newspapers include *The Miami Herald*, *The Sacramento Bee*, the (Fort Worth) *Star-Telegram*, *The Kansas City Star*, *The Charlotte Observer*, and *The (Raleigh) News & Observer*. In addition, McClatchy has a robust network of internet assets, including leading local websites in each of its daily newspaper markets, offering users information, comprehensive news, advertising, e-commerce and other services. The company also owns and operates McClatchy Interactive, an interactive operation that provides websites with content, publishing tools and software development; Real Cities (www.RealCities.com), the largest national advertising network of local news websites and 14.4% of CareerBuilder, the nation's largest online job site. McClatchy also owns 25.6% of Classified Ventures, a newspaper industry partnership that offers classified websites such as cars.com and apartments.com. McClatchy is listed on the New York Stock Exchange under the symbol MNI.

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ADDITIONAL INFORMATION

Statements in this press release regarding future financial and operating results, including revenues, operating expenses, cash flows and debt levels, as well as future opportunities for the company and any other statements about management's future expectations, beliefs, goals, plans or prospects constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Any statements that are not statements of historical fact (including statements containing the words "believes," "plans," "anticipates," "expects," estimates and similar expressions) should also be considered to be forward-looking statements. There are a number of important risks and uncertainties that could cause actual results or events to differ materially from those indicated by such forward-looking statements, including: McClatchy may not consummate contemplated transactions which may enable debt reduction on anticipated terms or at all; McClatchy may not achieve its expense reduction targets or may do harm to its operations in attempting to achieve such targets; McClatchy's operations have been, and will likely continue to be, adversely affected by competition, including competition from internet publishing and advertising platforms; McClatchy's expense and income levels could be adversely affected by changes in the cost of newsprint and McClatchy's operations could be negatively affected by any deterioration in its labor relations. McClatchy disclaims any intention or obligation to update any forward-looking statements as a result of developments occurring after the date of this document.

The McClatchy Company
Consolidated Statistical Report

(In thousands, except for preprints)

May

	Combined			Print Only			
	2007	*Pro Forma 2006	% Change	As Reported 2006	2007	*Pro Forma 2006	% Change
Revenues - Net:							
Advertising							
Retail	\$67,007	\$73,871	-9.3%	\$24,394	\$64,760	\$72,670	-10.9%
National	14,286	15,592	-8.4%	4,905	13,651	14,908	-8.4%
Classified Total	57,598	68,540	-16.0%	24,943	46,798	56,372	-17.0%
Automotive	14,010	16,496	-15.1%	5,979	12,019	14,740	-18.5%
Real Estate	16,385	20,308	-19.3%	8,737	15,152	19,023	-20.3%
Employment	20,189	24,752	-18.4%	8,121	13,150	16,130	-18.5%
Other Class	7,014	6,984	0.4%	2,106	6,477	6,479	0.0%
Direct Marketing	13,933	14,689	-5.1%	4,478	13,933	14,689	-5.1%
Other Adv Rev	170	158	7.6%	156	171	159	7.5%
Total Advertising	\$152,994	\$172,850	-11.5%	\$58,876	\$139,313	\$158,798	-12.3%
Circulation	21,460	22,620	-5.1%	7,261			
Other	5,840	5,812	0.5%	1,484			
Total Revenues	\$180,294	\$201,282	-10.4%	\$67,621			
Memo: Online Only Advertising Revenue	\$13,681	\$14,052	-2.6%	\$3,711			

Advertising Revenues by Market:

California	\$29,146	\$36,220	-19.5%	\$33,833	\$27,054	\$34,132	-20.7%
Southeast	39,235	41,546	-5.6%	13,392	34,955	37,688	-7.3%
Florida	23,680	29,299	-19.2%	0	22,095	27,244	-18.9%
Midwest	20,699	22,442	-7.8%	0	18,660	20,283	-8.0%
Northwest	18,311	18,776	-2.5%	11,651	16,386	17,273	-5.1%
Texas	15,922	17,706	-10.1%	0	14,631	16,523	-11.5%
Other	6,001	6,861	-12.5%	0	5,532	5,655	-2.2%
Total Advertising	\$152,994	\$172,850	-11.5%	\$58,876	\$139,313	\$158,798	-12.3%

Advertising Statistics for Dailies:

Full Run ROP Linage	1,046.0	2,834.9	2,853.8	-0.7%
Millions of Preprints Distributed	185.9	522.0	576.2	-9.4%

Average Paid Circulation:**

Daily	2,752.5	2,849.2	-3.4%
Sunday	3,341.8	3,491.6	-4.3%

* Pro Forma includes Knight Ridder acquisitions and excludes (Minneapolis) Star Tribune newspaper.

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

The McClatchy Company
Consolidated Statistical Report

(In thousands, except for preprints)

May Year-to-Date

	Combined			Print Only			
	2007	*Pro Forma 2006	% Change	As Reported 2006	2007	*Pro Forma 2006	% Change
Revenues - Net:							
Advertising							
Retail	\$353,844	\$363,298	-2.6%	\$117,250	\$343,619	\$357,539	-3.9%
National	76,579	85,819	-10.8%	24,140	74,055	81,819	-9.5%
Classified Total	319,142	363,151	-12.1%	130,567	261,667	304,107	-14.0%
Automotive	72,168	85,785	-15.9%	30,953	62,465	77,438	-19.3%
Real Estate	93,209	110,252	-15.5%	45,921	86,924	103,705	-16.2%
Employment	116,323	129,571	-10.2%	43,016	77,497	87,991	-11.9%
Other Class	37,442	37,543	-0.3%	10,677	34,781	34,973	-0.5%
Direct Marketing	67,212	66,578	1.0%	20,535	67,212	66,578	1.0%
Other Adv Rev	780	835	-6.6%	826	779	837	-6.9%
Total Advertising	\$817,557	\$879,681	-7.1%	\$293,318	\$747,332	\$810,880	-7.8%
Circulation	120,475	125,538	-4.0%	40,144			
Other	33,962	30,642	10.8%	7,684			
Total Revenues	\$971,994	\$1,035,861	-6.2%	\$341,146			
Memo: Online Only Advertising Revenue	\$70,225	\$68,801	2.1%	\$18,359			

Advertising Revenues by Market:

California	\$157,253	\$179,201	-12.2%	\$167,978	\$146,254	\$168,967	-13.4%
Southeast	206,221	210,699	-2.1%	67,716	184,967	191,252	-3.3%
Florida	134,202	157,856	-15.0%	0	124,877	146,878	-15.0%
Midwest	110,724	118,128	-6.3%	0	100,253	107,007	-6.3%
Northwest	92,993	92,429	0.6%	57,624	83,683	85,041	-1.6%
Texas	83,862	90,202	-7.0%	0	78,133	84,063	-7.1%
Other	32,302	31,166	3.6%	0	29,165	27,672	5.4%
Total Advertising	\$817,557	\$879,681	-7.1%	\$293,318	\$747,332	\$810,880	-7.8%

Advertising Statistics for Dailies:

Full Run ROP Linage	5,265.7	13,755.6	14,630.0	-6.0%
Millions of Preprints Distributed	933.8	2,801.0	2,869.9	-2.4%

Average Paid Circulation:**

Daily	2,806.4	2,910.0	-3.6%
Sunday	3,441.5	3,595.3	-4.3%

* Pro Forma includes Knight Ridder acquisitions and excludes (Minneapolis) Star Tribune newspaper.

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

THE McCLATCHY COMPANY
SELECTED FINANCIAL INFORMATION (UNAUDITED)
(In thousands)

	Five Months Ended	
	June 3, 2007	May 28, 2006 - Pro Forma
REVENUES - NET:		
Advertising	\$ 817,557	\$ 879,681
Circulation	120,475	125,538
Other	33,962	30,642
	971,994	1,035,861
OPERATING EXPENSES:		
Cash expenses	735,680	797,020
Depreciation and amortization	64,168	63,444
	799,848	860,464
OPERATING INCOME	172,146	175,397
Add back depreciation and amortization	64,168	63,444
OPERATING CASH FLOW	\$ 236,314	\$ 238,841
OPERATING CASH FLOW MARGIN	24.3%	23.1%

Operating cash flow margins are derived by dividing operating cash flow by total net revenues for each period. The Company believes operating cash flow is commonly used as a measure of performance for newspaper companies, however, it does not purport to represent cash provided by operating activities as shown in the company's statement of cash flows, nor is it meant as a substitute for measures of performance prepared in accordance with generally accepted accounting principles.

The McClatchy Company
RECONCILIATION OF GAAP AMOUNTS
Pro Forma Operating Income and Cash Flow
Five Months ended May 28, 2006
(in thousands)

	Historical Amounts	Acquisitions/ Divestitures	Pro Forma Amounts
REVENUES -NET			
Advertising revenues	\$ 416,055	\$ 463,626	\$ 879,681
Circulation Revenues	66,910	58,628	125,538
Other Revenues	9,601	21,041	30,642
	492,566	543,295	1,035,861
OPERATING EXPENSES			
Cash expenses	367,018	430,002	797,020
Depreciation and amortization	25,581	37,863	63,444
	392,599	467,865	860,464
OPERATING INCOME	99,967	75,430	175,397
Add back depreciation and amortization	25,581	37,863	63,444
OPERATING CASH FLOW	\$ 125,548	\$ 113,293	\$ 238,841

Note: Not pro forma for synergies that have been or may be realized from the Knight Ridder Acquisition