

The Washington Post Company Reports Third Quarter Earnings

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WASHINGTON, Oct 18, 2002 -- The Washington Post Company (NYSE: WPO) today reported net income of \$47.8 million (\$4.99 per share) for its third quarter ended September 29, 2002, up from net income of \$1.6 million (\$0.14 per share) for the third quarter of last year.

Results for the third quarter of 2002 include early retirement program charges (\$3.6 million, or \$0.38 per share) and losses on the write-down of certain investments (\$0.8 million, or \$0.09 per share). Results for the third quarter of 2001 include losses on the write-down of certain investments (\$13.4 million, or \$1.41 per share) and a charge of \$13.9 million, or \$1.47 per share, for amortization of goodwill and certain other intangible assets that are no longer amortized under Statement of Financial Accounting Standards No. 142 (SFAS 142), "Goodwill and Other Intangible Assets." The company adopted SFAS 142 effective on the first day of its 2002 fiscal year. Excluding these items, net income for the third quarter of 2002 totaled \$52.2 million, or \$5.46 per share, compared to net income of \$28.9 million, or \$3.02 per share, for the third quarter of 2001.

Revenue for the third quarter of 2002 was \$640.3 million, up 8 percent from \$592.3 million in 2001. The increase in revenue is due mostly to significant revenue growth at the education, broadcast and cable divisions. Revenues at the company's newspaper publishing division were up slightly for the third quarter of 2002, while revenues were down at the magazine publishing division compared to the prior year; the advertising climate at both divisions continues to be soft. In addition, Newsweek newsstand sales were significantly higher in the third quarter of 2001, following the events of September 11.

Operating income for the quarter increased 33 percent to \$89.3 million, from \$66.9 million in 2001, adjusted as if SFAS 142 had been adopted at the beginning of 2001. Excluding the \$6.0 million in pre-tax charges from early retirement programs, operating income for the third quarter of 2002 was \$95.3 million, an increase of 42 percent. Third quarter 2002 operating results benefited from significant increases at the company's broadcast, education and newspaper publishing divisions. These factors were offset in part by increased depreciation expense, a reduced net pension credit, early retirement program charges and higher stock-based compensation expense accruals at the education division.

For the first nine months of 2002, net income totaled \$110.5 million (\$11.50 per share), compared with net income of \$215.1 million (\$22.53 per share) for the same period of 2001. Results for the first nine months of 2002 include a transitional goodwill impairment loss (\$12.1 million, or \$1.27 per share), charges from early retirement programs (\$11.3 million, or \$1.18 per share), and a net non-operating loss from the write-down of certain of the company's investments (\$0.3 million, or \$0.04 per share). Results for the first nine months of 2001 include net non-operating gains, principally from the sale and exchange of certain cable systems (\$171.3 million, or \$18.03 per share), and a charge of \$40.0 million, or \$4.21 per share, for amortization of goodwill and other intangible assets that are no longer amortized under SFAS 142. Excluding these items, net income for the first nine months of 2002 totaled \$134.2 million, or \$13.99 per share, compared to net income of \$83.8 million, or \$8.71 per share, for the first nine months of 2001.

Revenue for the first nine months of 2002 was \$1,888.3 million, up 6 percent over revenue of \$1,782.6 million for the first nine months of 2001. Operating income increased 22 percent to \$248.6 million, from \$203.5 million in 2001, adjusted as if SFAS 142 had been adopted at the beginning of 2001. Excluding the \$19.0 million in pre-tax charges from early retirement programs, operating income for the first nine months of 2002 was \$267.6 million, an increase of 31 percent. The company's year-to-date results benefited from improved operating results at the education and broadcast divisions, along with improved earnings at The Washington Post newspaper and the cable division. These factors were offset in part by increased depreciation expense, a reduced net pension credit, early retirement program charges and higher stock-based compensation expense accruals at the education division.

Excluding charges related to early retirement programs, the company's operating income for the third quarter and first nine months of 2002 includes \$16.1 million and \$48.3 million of net pension credits, respectively, compared to \$19.3 million and \$59.1 million for the same periods of 2001. At December 30, 2001, the company modified certain assumptions surrounding the company's pension plans. Specifically, the company reduced its assumptions on discount rate from 7.5 percent to 7.0 percent and expected return on plan assets from 9.0 percent to 7.5 percent. These assumption changes result in a reduction of approximately \$5.5 million in the company's net pension credit each quarter. Management expects the 2002 annual net pension credit to approximate \$64 million, compared to \$76.9 million in 2001, excluding charges related to early retirement programs.

Divisional Results

As discussed above, the company adopted SFAS 142 effective on the first day of its 2002 fiscal year. All operating income comparisons presented below are on a pro forma basis as if SFAS 142 had been adopted at the beginning of 2001. Therefore, 2001 pro forma operating results exclude amortization charges of goodwill and certain other intangible assets that are no longer amortized under SFAS 142.

Newspaper Publishing

Newspaper publishing division revenue totaled \$202.4 million for the third quarter of 2002, a 1 percent increase from revenue of \$199.9 million in the third quarter of 2001; division revenue decreased 2 percent to \$618.3 million for the first nine months of 2002, from \$631.0 million for the first nine months of 2001. Division operating income for the third quarter increased 48 percent to \$18.2 million, from pro forma operating income of \$12.3 million in the third quarter of 2001; operating income increased 17 percent to \$73.6 million for the first nine months of 2002, compared to pro forma operating income of \$62.9 million for the first nine months of 2001. Improved operating results for the third quarter of 2002 reflect the benefits of cost control

initiatives employed throughout the division and a 26 percent decrease in newsprint expense; these savings were partially offset by a pre-tax early retirement program charge of \$2.9 million and a reduced pension credit. Operating results for the first nine months of 2002 also benefited from cost control initiatives employed throughout the division, and a 25 percent decrease in newsprint expense; these savings were partially offset by a decrease in print advertising revenues, the early retirement charge discussed above and a reduced pension credit.

Print advertising revenue at The Washington Post newspaper in the third quarter decreased 2 percent to \$130.4 million, from \$132.9 million in 2001, and decreased 5 percent to \$405.7 million for the first nine months of 2002, from \$427.6 million for the first nine months of 2001. The decrease in print advertising revenues for the third quarter of 2002 is due to a continued decline in recruitment advertising revenue, with volume decreases of 22 percent in the third quarter, offset by higher revenue from several advertising categories, including preprints and other classified advertising. The decrease in print advertising revenues for the first nine months of 2002 is primarily due to a \$26.1 million decline in recruitment advertising revenue, resulting from a 35 percent volume decline, and a decline in retail advertising sales and volume. These declines are partially offset by higher revenues from several advertising categories, including preprints and other classified advertising.

For the first nine months of 2002, Post daily and Sunday circulation each declined about 1 percent compared to the same period of the prior year. For the nine months ended September 29, 2002, average daily circulation at The Post totaled 749,000 and average Sunday circulation totaled 1,054,000.

Revenue generated by the company's online publishing activities, primarily washingtonpost.com, totaled \$9.1 million for the third quarter of 2002, versus \$7.7 million for 2001; online revenue totaled \$25.3 million for the first nine months of 2002, versus \$23.1 million for 2001. Local and national online advertising revenues grew 51 percent and 50 percent for the third quarter and first nine months of 2002, respectively. Revenue at the Jobs section of washingtonpost.com increased 11 percent in the third quarter of 2002 but was down 6 percent for the first nine months of 2002.

Television Broadcasting

Revenue for the television broadcasting division increased 20 percent in the third quarter of 2002 to \$82.1 million, from \$68.2 million in 2001, primarily due to approximately \$9.0 million of political advertising. Additionally, third quarter revenues in 2001 were lower due to several days of commercial free coverage following the events of September 11. Revenues for the third quarter were higher at all of the company's stations, including WJXT in Jacksonville, Florida, which began operations as an independent station in July 2002 when its network affiliation with CBS ended. For the first nine months of 2002, revenue increased 8 percent to \$243.6 million, from \$226.0 million in 2001, due to an increase in national advertising, including political, and Olympics-related advertising at the company's NBC affiliates in the first quarter of 2002. These increases were partially offset by reduced network compensation revenues in both the third quarter and first nine months of 2002.

Operating income for the third quarter and first nine months of 2002 increased 49 percent and 16 percent to \$38.5 million and \$115.5 million, respectively, from pro forma operating income of \$25.9 million and \$99.3 million for the third quarter and first nine months of 2001, respectively. Operating income growth for the third quarter and first nine months of 2002 is due to revenue growth and tight cost controls, partially offset by a reduced pension credit.

Magazine Publishing

Revenue for the magazine publishing division totaled \$87.5 million for the third quarter of 2002, an 11 percent decrease from \$98.3 million for the third quarter of 2001; division revenue totaled \$251.4 million for the first nine months of 2002, an 8 percent decline from \$273.2 million for the first nine months of 2001. The revenue declines for the third quarter and first nine months of 2002 are primarily due to a significant spike in newsstand circulation revenue at Newsweek in the third quarter of 2001 due to regular and special editions related to the events of September 11. Advertising revenues at Newsweek were up slightly in the third quarter of 2002, but were down for the first nine months of 2002, primarily due to declines in the international division. Operating income totaled \$12.5 million for the third quarter of 2002, a 12 percent increase from pro forma operating income of \$11.1 million in the third quarter of 2001. Excluding the \$3.1 million pre-tax charge in connection with an early retirement program at Newsweek, operating income increased 40 percent to \$15.6 million. Third quarter 2001 operating results included approximately \$5.0 million in nonrecurring costs associated with regular and special editions related to September 11; 2002 costs have also declined due to payroll and other related cost savings from employees accepting early retirement programs offered by Newsweek, and from significant cost savings programs put into place at Newsweek's international operations.

Operating income totaled \$14.1 million for the first nine months of 2002, down from pro forma operating income of \$20.5 million for the first nine months of 2001. Excluding the \$16.1 million in pre-tax charges in connection with early retirement programs at Newsweek, operating income increased 48 percent to \$30.2 million, primarily as a result of the decline in operating expenses noted above.

Cable Television

Cable division revenue of \$107.6 million for the third quarter of 2002 represents a 9 percent increase over 2001 third quarter revenue of \$98.7 million; for the first nine months of 2002, revenue increased 12 percent to \$317.6 million, from \$284.3 million in 2001. The 2002 revenue increase is principally due to rapid growth in the division's cable modem and digital service revenues.

Cable division cash flow (operating income excluding depreciation and amortization expense) totaled \$41.5 million for the third quarter of 2002, an increase of 18 percent from \$35.2 million for the third quarter of 2001; for the first nine months of 2002, cash flow increased 21 percent to \$120.6 million, from \$99.3 million in 2001. Cable division operating income for the third quarter of 2002 decreased 9 percent to \$16.6 million, from pro forma operating income of \$18.2 million in 2001. Although revenues increased for the quarter, depreciation expense was up 47 percent, including a \$3.5 million charge for obsolete assets. Operating income increased 11 percent for the first nine months of 2002 to \$54.4 million from pro forma operating income of \$49.2 million for the first nine months of 2001. The increase in operating income is due mostly to the division's revenue growth, offset by higher depreciation expense and increased programming expense.

The increase in depreciation expense is due to the charge discussed above, as well as significant capital spending, primarily in 2001 and 2000, which has enabled the cable division to offer digital and broadband cable services to its subscribers. The cable division began its rollout plan for these services in the third quarter of 2000. At September 29, 2002, the cable division had approximately 218,600 digital cable subscribers, representing a 31 percent penetration of the subscriber base in the markets where digital services are offered. Digital services are currently offered in markets serving 97 percent of the cable division's subscriber base. The initial rollout plan for the new digital cable services included an offer for the cable division's customers to obtain these services free for one year. At September 29, 2002, the cable division had 142,900 paying digital subscribers. The benefits from these services began to show in the first quarter of 2002 and are expected to continue throughout the year, with the remaining portion of free

one-year periods generally ending later in 2002.

At September 29, 2002, the cable division had 721,000 basic subscribers, compared to 753,000 at the end of September 2001, with the decrease due primarily to the difficult economic environment over the past year; basic customer disconnects for non-payment of bills have increased significantly. At September 29, 2002, the cable division had 69,300 CableONE.net service subscribers, compared to 35,800 at the end of September 2001, due to a large increase in the company's cable modem deployment (offered to 95 percent of homes passed at the end of September 2002) and subscriber penetration rates. Of these subscribers, 65,900 and 22,600 were cable modem subscribers at the end of the third quarter of 2002 and 2001, respectively, with the remainder being dial-up subscribers.

Education

Education division revenue totaled \$160.6 million for the third quarter of 2002, a 26 percent increase over revenue of \$127.2 million for the same period of 2001. Kaplan reported operating income for the third quarter of \$11.5 million, compared to a pro forma operating income of \$4.6 million for the third quarter of 2001. Excluding charges for stock options held by Kaplan management, Kaplan operating earnings were \$18.2 million for the third quarter of 2002, compared to \$8.1 million for the third quarter of 2001. For the first nine months of 2002, education division revenue totaled \$457.4 million, a 24 percent increase over revenue of \$368.1 million for the same period of 2001. Kaplan reported operating income of \$11.6 million for the first nine months of 2002, compared to a pro forma operating loss of \$9.8 million for the first nine months of 2001. Excluding charges for stock options held by Kaplan management, Kaplan operating earnings were \$44.9 million for the first nine months of 2002, compared to operating earnings of \$9.0 million for the first nine months of 2001. Excluding goodwill amortization in 2001, a summary of operating results for the third quarter and first nine months of 2002 compared to 2001 is as follows:

(In thousands)	Third Quarter			YTD		
	2002	2001	% Change	2002	2001	% Change
Revenue						
Supplemental education	\$ 97,414	\$ 86,533	+13	\$280,787	\$249,232	+13
Higher education	63,226	40,626	+56	176,629	118,871	+49
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	\$160,640	\$127,159	+26	\$457,416	\$368,103	+24
	=====	=====	=====	=====	=====	===
Operating income (loss)						
Supplemental education	\$ 19,505	\$ 11,755	+66	\$ 43,696	\$ 23,708	+84
Higher education	4,150	1,695	+145	18,101	3,114	+481
Kaplan corporate overhead	(5,356)	(5,214)	(3)	(16,574)	(17,494)	+5
Other*	(6,799)	(3,638)	(87)	(33,649)	(19,119)	(76)
	-----	-----	-----	-----	-----	---
	\$ 11,500	\$ 4,598	150	\$ 11,574	\$ (9,791)	---
	=====	=====	=====	=====	=====	===

* Other includes charges accrued for stock-based incentive compensation and amortization of certain intangibles.

Supplemental education includes Kaplan's test preparation, professional training, and Score! businesses. The improvement in supplemental education results for the third quarter and first nine months of 2002 is due mostly to higher enrollments and to a lesser extent higher prices at Kaplan's traditional test preparation business (particularly the LSAT, MCAT and GRE prep courses), as well as higher revenues and profits from Kaplan's CFA and real estate exam preparation services. Score! also contributed to the improved results, with increased enrollment, higher prices and strong cost controls.

Higher education includes all of Kaplan's post-secondary education businesses, including the fixed-facility colleges that were formerly part of Quest Education, as well as online post-secondary and career programs (various distance learning businesses). Higher education results are showing significant growth due to student enrollment increases, high student retention rates, and as a result of several acquisitions.

Corporate overhead represents unallocated expenses of Kaplan, Inc.'s corporate office, including expenses associated with the design and development of educational software that, if successfully completed, will benefit all of Kaplan's business units. The decrease in this expense category in 2002 is due to decreased spending for these development initiatives.

Other expense is comprised primarily of accrued charges for stock-based incentive compensation arising from a stock option plan established for certain members of Kaplan's management and amortization of certain intangibles. Under the stock-based incentive plan, the amount of compensation expense varies directly with the estimated fair value of Kaplan's common stock and the number of options outstanding. The increase in other expense for 2002 is attributable to an increase in stock-based incentive compensation, which is due to an increase in Kaplan's estimated value.

Equity in Losses of Affiliates

The company's equity in losses of affiliates for the third quarter of 2002 was \$1.3 million, compared to losses of \$26.5 million for the third quarter of 2001. For the first nine months of 2002, the company's equity in losses of affiliates totaled \$16.9 million, compared to losses of \$45.6 million for the same period of 2001. The improvements were primarily due to better operating results at BrassRing LLC, which accounted for approximately \$2.0 million and \$12.7 million of the 2002 third quarter and first nine month equity in losses of affiliates, respectively, compared to \$29.1 million and \$51.6 million in equity losses for the same periods of 2001. In addition to its 49 percent interest in BrassRing LLC, the company's affiliate investments include a 50 percent interest in the International Herald Tribune, and a 49 percent interest in Bowater Mersey Paper Company Limited.

Other Non-Operating Income (Expense)

The company recorded other non-operating income, net, of \$1.1 million for the third quarter of 2002, compared to \$4.4 million of non-operating expense, net, in the third quarter of 2001. The 2002 and 2001 non-operating income (expense) includes non-operating gains and charges for the write-down of certain investments to their estimated fair value.

The company recorded non-operating income, net, of \$1.6 million for the first nine months of 2002, compared to non-operating income, net, of \$293.7 million for the same period of the prior year. The 2002 non-operating income, net, includes a gain on the sale of marketable securities, offset by write-downs recorded on certain investments. The 2001 non-operating income is comprised mostly of gains arising from the sale and exchange of certain cable systems completed in the first quarter of 2001, offset by write-downs recorded on certain investments and a parcel of non-operating land to their estimated fair value.

Net Interest Expense

The company incurred net interest expense of \$8.6 million for the third quarter of 2002, compared to \$11.6 million for the same period of 2001; net interest expense totaled \$26.1 million for the first nine months of 2002, versus \$38.1 million in 2001. At September 29, 2002, the company had \$768.0 million in borrowings outstanding at an average interest rate of 3.8 percent.

Provision for Income Taxes

The effective tax rate for the third quarter of 2002 was 40.6 percent, compared to 64.5 percent for the same period of 2001, and 40.8 percent versus 39.7 percent for the 2002 and 2001 nine month periods, respectively. Excluding the effect of the cable gain transactions, the company's effective tax rate approximated 47.8 percent for the first nine months of 2001. The effective tax rate for 2002 has declined because the company no longer has any permanent difference from goodwill amortization not deductible for tax purposes as a result of the adoption of SFAS 142.

Cumulative Effect of Change in Accounting Principle

Earlier this year, the company completed its SFAS 142 transitional goodwill impairment test, resulting in an impairment loss related to its magazine division of \$12.1 million, or \$1.27 per share. This loss is included in the company's year-to-date results for the nine months ended September 29, 2002 as a cumulative effect of change in accounting principle.

Earnings Per Share

The calculation of diluted earnings per share for the third quarter and first nine months of 2002 was based on 9,523,000 and 9,518,000 weighted average shares outstanding, respectively, compared to 9,502,000 and 9,500,000, respectively, for the third quarter and first nine months of 2001. The company made no significant repurchases of its stock during the first nine months of 2002.

Stock Options -- Change in Accounting Method

Effective the first day of the company's 2002 fiscal year, the company has adopted the fair-value-based method of accounting for company stock options as outlined in Statement of Financial Accounting Standards No. 123, "Accounting for Stock-Based Compensation" (SFAS 123). This change in accounting method will be applied prospectively to all awards granted from the beginning of the company's fiscal year 2002 and thereafter. Stock options awarded prior to fiscal 2002 will continue to be accounted for under the intrinsic value method under Accounting Principles Board Opinion No. 25, "Accounting for Stock Issued to Employees."

No stock options have been awarded in fiscal year 2002 through the end of the third quarter; therefore, this change in accounting method has had no impact on the company's reported results of operations in 2002. The impact on the company's overall 2002 operating results is not expected to be material.

Forward-Looking Statements

This report contains certain forward-looking statements that are based largely on the company's current expectations. Forward-looking statements are subject to certain risks and uncertainties that could cause actual results and achievements to differ materially from those expressed in the forward-looking statements. For more information about these forward-looking statements and related risks, please refer to the section titled "Forward-looking Statements" in Part I of the company's Annual Report on Form 10-K.

THE WASHINGTON POST COMPANY
 CONSOLIDATED STATEMENTS OF INCOME
 (Unaudited)

(In thousands, except share and per share amounts)

Third Quarter		%
2002	2001	
		Change

Operating revenues	\$640,293	\$592,307	8
Operating expenses	(505,053)	(490,521)	3
	-----	-----	
Operating income before depreciation and amortization	135,240	101,786	33
Depreciation	(45,808)	(34,765)	32
Amortization	(172)	(20,068)	(99)
	-----	-----	
Operating income	89,260	46,953	90
Equity in losses of affiliates, net	(1,254)	(26,535)	(95)
Interest income	69	226	(69)
Interest expense	(8,717)	(11,861)	(27)
Other income, net	1,115	(4,365)	--
	-----	-----	
Income before income taxes	80,473	4,418	--
Provision for income taxes	(32,700)	(2,850)	--
	-----	-----	
Net income	47,773	1,568	--
Redeemable preferred stock dividends	(249)	(263)	(5)
	-----	-----	
Net income available for common stock	\$47,524	\$1,305	--
	=====	=====	
Basic earnings per share	\$5.00	\$0.14	--
	=====	=====	
Diluted earnings per share	\$4.99	\$0.14	--
	=====	=====	
Basic average shares outstanding	9,506,000	9,489,000	
Diluted average shares outstanding	9,523,000	9,502,000	

Pro forma results (1):

Net income available for common stock as reported	\$47,524	\$1,305	--
Amortization of goodwill and other intangibles, net of tax	-	13,948	--
	-----	-----	
Pro forma net income available for common stock	\$47,524	\$15,253	212
	=====	=====	
Basic earnings per share	\$5.00	\$1.61	211
	=====	=====	
Diluted earnings per share	\$4.99	\$1.61	210
	=====	=====	

(1) Third quarter 2001 results are adjusted as if SFAS 142 had been adopted at the beginning of 2001.

THE WASHINGTON POST COMPANY
CONSOLIDATED STATEMENTS OF INCOME
(Unaudited)

(In thousands, except share and per share amounts)

Year-to-Date		% Change
2002	2001	
-----	-----	-----

Operating revenues	\$1,888,318	\$1,782,615	6
Operating expenses	(1,510,988)	(1,473,375)	3
	-----	-----	
Operating income before depreciation and amortization	377,330	309,240	22
Depreciation	(128,267)	(105,264)	22
Amortization	(483)	(57,185)	(99)
	-----	-----	
Operating income	248,580	146,791	69
Equity in losses of affiliates, net	(16,943)	(45,636)	(63)
Interest income	261	1,597	(84)
Interest expense	(26,381)	(39,726)	(34)
Other income, net	1,606	293,688	(99)
	-----	-----	
Income before income taxes and cumulative effect of change in accounting principle	207,123	356,714	(42)
Provision for income taxes	(84,500)	(141,600)	(40)
	-----	-----	
Income before cumulative effect of change in accounting principle	122,623	215,114	(43)
Cumulative effect of change in method of accounting for goodwill and other intangible assets	(12,100)	-	--
	-----	-----	
Net income	110,523	215,114	(49)
Redeemable preferred stock dividends	(1,033)	(1,052)	(2)
	-----	-----	
Net income available for common stock	\$109,490	\$214,062	(49)
	=====	=====	
Basic earnings per share:			
Before cumulative effect of change in accounting principle	\$12.90	\$22.68	(43)
Cumulative effect of change in accounting principle	\$(1.27)	\$ -	--
Redeemable preferred stock dividends	\$(0.11)	\$(0.11)	--
	-----	-----	
Net income available for common stock	\$11.52	\$22.57	(49)
	=====	=====	
Diluted earnings per share:			
Before cumulative effect of change in accounting			

principle	\$12.88	\$22.64	(43)
Cumulative effect of change in accounting principle	\$(1.27)	\$ -	--
Redeemable preferred stock dividends	\$(0.11)	\$(0.11)	--
	-----	-----	
Net income available for common stock	\$11.50	\$22.53	(49)
	=====	=====	
Basic average shares outstanding	9,502,000	9,484,000	
Diluted average shares outstanding	9,518,000	9,500,000	
	Year-to-Date		
	-----	-----	%
	2002	2001	Change
	-----	-----	-----
Pro forma results (1):			
Income before cumulative effect of change in accounting principle, as reported	\$122,623	\$215,114	(43)
Amortization of goodwill and other intangibles, net of tax	-	40,035	--
	-----	-----	
Pro forma income before cumulative effect of change in accounting principle	122,623	255,149	(52)
Cumulative effect of change in method of accounting for goodwill and other intangible assets	(12,100)	-	--
Redeemable preferred stock dividends	(1,033)	(1,052)	(2)
	-----	-----	
Pro forma net income available for common stock	\$109,490	\$254,097	(57)
	=====	=====	
Basic earnings per share:			
Before cumulative effect of change in accounting principle	\$12.90	\$26.90	(52)
Cumulative effect of change in accounting principle	\$(1.27)	\$ -	--
Redeemable preferred stock dividends	\$(0.11)	\$(0.11)	--
	-----	-----	
Net income available for common stock	\$11.52	\$26.79	(57)
	=====	=====	
Diluted earnings per share			
Before cumulative effect of change in accounting principle	\$12.88	\$26.86	(52)
Cumulative effect of change in accounting principle	\$(1.27)	\$ -	--
Redeemable preferred stock dividends	\$(0.11)	\$(0.11)	--

Net income available for common stock	\$11.50	\$26.75	(57)
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(1) 2001 results are adjusted as if SFAS 142 had been adopted at the beginning of 2001.

THE WASHINGTON POST COMPANY
BUSINESS SEGMENT INFORMATION
(Unaudited)
(In thousands)

	Third Quarter		%
	2002	2001	
Operating Revenues:			
Newspaper publishing	\$202,445	\$199,946	1
Television broadcasting	82,074	68,191	20
Magazine publishing (2)	87,487	98,337	(11)
Cable television	107,647	98,674	9
Education	160,640	127,159	26
	\$640,293	\$592,307	8
Operating Expenses:			
Newspaper publishing	\$184,248	\$188,372	(2)
Television broadcasting	43,610	45,862	(5)
Magazine publishing (2)	75,037	88,907	(16)
Cable television	91,050	90,637	0
Education	149,140	126,399	18
Corporate office	7,948	5,177	54
	\$551,033	\$545,354	1
Operating Income:			
Newspaper publishing	\$18,197	\$11,574	57
Television broadcasting	38,464	22,329	72
Magazine publishing	12,450	9,430	32
Cable television	16,597	8,037	107
Education	11,500	760	--
Corporate office	(7,948)	(5,177)	(54)
	\$89,260	\$46,953	90
Depreciation:			
Newspaper publishing	\$10,672	\$8,911	20
Television broadcasting	2,873	2,933	(2)
Magazine publishing	1,010	1,160	(13)
Cable television	24,866	16,886	47
Education	6,387	4,875	31
	\$45,808	\$34,765	32
Amortization:			
Newspaper publishing	\$3	\$691	(100)
Television broadcasting	--	3,534	--

Magazine publishing	--	1,667	--
Cable television	39	10,229	(100)
Education	130	3,947	(97)
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	\$172	\$20,068	(99)
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Pro forma results (1):

Operating Income:

Newspaper publishing	\$18,197	\$12,261	48
Television broadcasting	38,464	25,863	49
Magazine publishing	12,450	11,097	12
Cable television	16,597	18,227	(9)
Education	11,500	4,598	150
Corporate office	(7,948)	(5,177)	(54)
	-----	-----	-----
	\$89,260	\$66,869	33
	-----	-----	-----

(1) 2001 results are adjusted as if SFAS 142 had been adopted at the beginning of 2001.

(2) 2001 magazine publishing revenue and expenses were reclassified to conform with the current year presentation.

THE WASHINGTON POST COMPANY
BUSINESS SEGMENT INFORMATION
(Unaudited)
(In thousands)

	Year-to-Date		
	2002	2001	%
			Change
	-----	-----	-----
Operating Revenues:			
Newspaper publishing	\$618,284	\$630,965	(2)
Television broadcasting	243,584	226,046	8
Magazine publishing (2)	251,391	273,198	(8)
Cable television	317,643	284,303	12
Education	457,416	368,103	24
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	\$1,888,318	\$1,782,615	6
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Operating Expenses:			
Newspaper publishing	\$544,733	\$569,984	(4)
Television broadcasting	128,110	137,358	(7)
Magazine publishing (2)	237,247	257,748	(8)
Cable television	263,238	263,185	0
Education	445,842	389,097	15
Corporate office	20,568	18,452	11
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	\$1,639,738	\$1,635,824	0
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Operating Income:			
Newspaper publishing	\$73,551	\$60,981	21
Television broadcasting	115,474	88,688	30
Magazine publishing	14,144	15,450	(8)
Cable television	54,405	21,118	158
Education	11,574	(20,994)	--
Corporate office	(20,568)	(18,452)	(11)
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	\$248,580	\$146,791	69

Depreciation:			
Newspaper publishing	\$32,295	\$28,438	14
Television broadcasting	8,422	8,791	(4)
Magazine publishing	3,082	3,597	(14)
Cable television	66,083	50,031	32
Education	18,385	14,407	28
	\$128,267	\$105,264	22

Amortization:			
Newspaper publishing	\$11	\$1,885	(99)
Television broadcasting	--	10,601	--
Magazine publishing	--	5,002	--
Cable television	117	28,167	(100)
Education	355	11,530	(97)
	\$483	\$57,185	(99)

Pro forma results (1):			
Operating Income:			
Newspaper publishing	\$73,551	\$62,854	17
Television broadcasting	115,474	99,289	16
Magazine publishing	14,144	20,452	(31)
Cable television	54,405	49,168	11
Education	11,574	(9,791)	--
Corporate office	(20,568)	(18,452)	(11)
	\$248,580	\$203,520	22

(1) 2001 results are adjusted as if SFAS 142 had been adopted at the beginning of 2001.

(2) 2001 magazine publishing revenue and expenses were reclassified to conform with the current year presentation.

SOURCE The Washington Post Company

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