The Washington Post Company Reports 2002 Fourth Quarter and Year-End Earnings

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WASHINGTON, Jan. 24 -- The Washington Post Company (NYSE: WPO) today reported net income of $93.7 million ($9.83 per share) for the fourth quarter of 2002, up from $14.5 million ($1.53 per share) for the fourth quarter of 2001. Results for the fourth quarter of 2002 include a net non-operating gain from the exchange of certain cable systems (after-tax impact of $16.7 million, or $1.75 per share). The company adopted Statement of Financial Accounting Standards No. 142 (SFAS 142), "Goodwill and Other Intangible Assets," on the first day of its 2002 fiscal year. Fourth quarter 2001 results included an after-tax charge of $15.0 million, or $1.57 per share, for amortization of goodwill and other intangible assets that are no longer amortized under SFAS 142.

The company's results for the fourth quarter of 2002 also include losses on the write-down of certain investments (after-tax impact of $1.9 million, or $0.20 per share). Results for the fourth quarter of 2001 also included losses on the write-down of certain investments (after-tax impact of $4.3 million, or $0.46 per share) and a non-cash goodwill and other intangibles impairment charge recorded by one of the company's affiliates (after-tax impact of $9.0 million, or $0.94 per share).

Revenue for the fourth quarter of 2002 was $695.9 million, up 11 percent from $628.4 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 also were up for the fourth 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. Operating income for the quarter increased 36 percent to $129.0 million, from $94.7 million in 2001, adjusted as if SFAS 142 had been adopted at the beginning of 2001. Fourth quarter operating results benefited from significant increases at the company's broadcast, education, newspaper publishing, and cable divisions. These factors were offset in part by increased depreciation expense and a reduced net pension credit.

Net income for the fiscal year ended December 29, 2002 was $204.3 million ($21.34 per share), compared with net income for the fiscal year ended December 30, 2001 of $229.6 million ($24.06 per share). The company's 2002 results include a net non-operating gain from the exchange of certain cable systems (after-tax impact of $16.7 million, or $1.75 per share), a transitional goodwill impairment loss (after-tax impact of $12.1 million, or $1.27 per share), charges from early retirement programs (after-tax impact of $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 (after-tax impact of $2.3 million, or $0.24 per share). The company's 2001 results included net non- operating gains from the sale and exchange of certain cable systems (after-tax impact of $196.5 million, or $20.69 per share), a non-cash goodwill and other intangibles impairment charge recorded by one of the company's affiliates (after-tax impact of $19.9 million, or $2.10 per share), losses from the write-down of a non-operating parcel of land and certain cost method investments to their estimated fair value (after-tax impact of $18.3 million, or $1.93 per share), and an after-tax charge of $55.0 million, or $5.79 per share, for amortization of goodwill and other intangible assets that are no longer amortized under SFAS 142.

Revenue for 2002 was $2,584.2 million, up 7 percent compared to revenue of $2,411.0 in 2001, with significant revenue growth at the education, cable, and broadcast divisions. Operating income increased 27 percent to $377.6 million, from $298.3 million in 2001, adjusted as if SFAS 142 had been adopted at the beginning of 2001. Operating results for 2002 include $19.0 million in pre- tax charges from early retirement programs. 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, the early retirement program charges noted above and higher stock-based compensation expense accruals at the education division.

Excluding charges related to early retirement programs, the company's 2002 and 2001 operating income includes $64.4 million and $76.9 million of net pension credits, respectively; operating income includes $16.1 million and $17.9 million of net pension credits for the fourth quarter of 2002 and 2001, respectively. 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. At December 29, 2002, the company reduced its discount rate assumption to 6.75 percent.

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 in 2002 decreased slightly to $842.0 million, from $842.7 million in 2001; revenues totaled $223.7 million for the fourth quarter of 2002, a 6 percent increase from revenue of $211.8 million for the fourth quarter of 2001. Division operating income for 2002 totaled $109.0 million, an increase of 23 percent from pro forma operating income of $88.6 million in 2001; operating income increased 38 percent to $35.5 million in the fourth quarter of 2002, from pro forma operating income of $25.7 million in the fourth quarter of 2001. Improved operating results for 2002 reflect the benefits of cost control initiatives employed throughout the division and a 22 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 net pension credit. Operating results for the fourth quarter of 2002 also benefited from cost control initiatives employed throughout the division, an 11 percent decrease in newsprint expense and increased revenues; these savings were partially offset by a reduced net pension credit.

Print advertising revenue at The Washington Post newspaper decreased 3 percent to $555.7 million, from $574.3 million in 2001, and increased 2 percent to $150.0 million for the fourth quarter of 2002, from $146.8 million for the fourth quarter of 2001. The decrease in print advertising revenues for 2002 is due to a continued decline in recruitment advertising revenue, with volume decreases of 32 percent, offset by higher revenue from several advertising categories, including preprints, zoned and other classified advertising. The increase in print advertising revenues for the fourth quarter of 2002 is primarily due to higher revenues from several advertising categories, including preprints and zoned advertising. This increase was partially offset by a $2.5 million decline in recruitment advertising revenue resulting from a 19 percent volume decline, and a decline in retail advertising sales and volume.

Circulation revenues at The Post were up 3.6 percent and 4.8 percent, for 2002 and the fourth quarter of 2002, respectively, due to increases in single copy newsstand and home delivery prices in 2002. Daily circulation at The Post declined 1.7 percent and Sunday circulation declined 1.2 percent in 2002. For the year ended December 29, 2002, average daily circulation at The Post totaled 760,000 and average Sunday circulation totaled 1,054,000.

Revenue generated by the company's online publishing activities, primarily washingtonpost.com, increased 18 percent to $35.9 million during the year, from $30.4 million in 2001. Online revenues increased 45 percent to $10.6 million for the fourth quarter of 2002, from $7.3 million for the fourth quarter of 2001. Local and national online advertising revenues grew 60 percent in 2002 and 79 percent for the fourth quarter of 2002. Revenue at the Jobs section of washingtonpost.com decreased 1 percent in 2002 but increased 21 percent for the fourth quarter of 2002.

Television Broadcasting

Revenue at the television broadcasting division increased 9 percent to $343.6 million in 2002, from $314.0 million in 2001, due primarily to $31.8 million in political advertising, as well as Olympics-related advertising at the company's NBC affiliates in the first quarter of 2002. Additionally, revenues in 2001 were lower due to a general softness in advertising and several days of commercial free coverage following the events of September 11. Revenue increased 14 percent in the fourth quarter of 2002 to $100.0 million, from $88.0 million in 2001, due primarily to $20.1 million in political advertising. These increases were partially offset by reduced network compensation revenues in 2002.

Operating income for 2002 increased 16 percent to $168.8 million, from pro forma operating income of $146.0 million in 2001. For the fourth quarter of 2002, operating income increased 14 percent to $53.4 million, from pro forma operating income of $46.7 million for the fourth quarter of 2001. Operating income growth for 2002 and the fourth quarter of 2002 is due to strong revenue growth, along with tight cost controls, partially offset by a reduced pension credit.

In July 2002, WJXT in Jacksonville, Florida began operations as an independent station when its network affiliation with CBS ended.

Magazine Publishing

Revenue for the magazine publishing division totaled $349.1 million for 2002, a 7 percent decrease from $374.6 million in 2001; revenue decreased 4 percent to $97.7 for the fourth quarter of 2002, from $101.4 million in the fourth quarter of 2001. Revenues for 2001 reflect a significant spike in newsstand circulation revenue at Newsweek due to regular and special editions related to the events of September 11. Advertising revenues at Newsweek were up slightly in the fourth quarter of 2002, but were down for 2002, primarily due to declines in the international division. Operating income totaled $25.7 million for 2002, a decrease of 20 percent from pro forma operating income of $32.0 million in 2001; operating income for the fourth quarter totaled $11.6 million, an increase of 1 percent from pro forma operating income of $11.5 million in the fourth quarter of 2001. Operating results for 2002 include $16.1 million in pre-tax charges in connection with early retirement programs at Newsweek. Expenses for 2001 included approximately $5.0 million in nonrecurring costs associated with regular and special editions related to September 11. Costs for 2002 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.

Cable Television

Cable division revenue of $428.5 million for 2002 represents an 11 percent increase from revenues of $386.0 in 2001; revenue totaled $110.9 million for the fourth quarter of 2002, a 9 percent increase from $101.7 million from the fourth quarter of 2001. The 2002 revenue increase is principally due to rapid growth in the division's cable modem and digital service revenues. Cable division operating income increased 15 percent in 2002 to $80.9 million, from pro forma operating income of $70.6 million in 2001. For the fourth quarter of 2002, operating income increased 24 percent to $26.5 million, from pro forma operating income of $21.5 million for the fourth quarter of 2001. The increase in operating income for 2002 is due mostly to the division's revenue growth, offset by higher depreciation expense and increased programming expense.

Cable division cash flow (operating income excluding depreciation and amortization expense) totaled $169.8 million for 2002, an increase of 25 percent from $135.3 million for 2001; for the fourth quarter of 2002, cash flow increased 37 percent to $49.2 million, from $36.0 million for the fourth quarter of 2001.

The increase in depreciation expense for 2002 is primarily due to significant capital spending, primarily in 2001 and 2000, which has enabled the cable division to offer digital and broadband cable services to its subscribers; depreciation expense for 2002 also includes $5.4 million in charges for obsolete assets. The cable division began its rollout plan for these services in the third quarter of 2000. At December 31, 2002, the cable division had approximately 214,900 digital cable subscribers, representing a 30 percent penetration of the subscriber base in the markets where digital services are offered. Digital services are currently offered in markets serving 98 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 December 31, 2002, the cable division had 194,200 paying digital subscribers, compared to 31,000 at the end of 2001. Most of the benefits from these services began to show in the first quarter of 2002 and continued throughout the year, with the remaining portion of free one-year periods generally having ended by the end of 2002.

At December 31, 2002, the cable division had 718,000 basic subscribers, compared to 752,700 at the end of December 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 December 31, 2002, the cable division had 79,400 CableONE.net service subscribers, compared to 46,400 at the end of December 2001, due to a

large increase in the company's cable modem deployment (offered to 93 percent of homes passed at the end of December 2002) and subscriber penetration rates. Of these subscribers, 78,100 and 32,900 were cable modem subscribers at the end of 2002 and 2001, respectively, with the remainder being dial-up subscribers.

Education

Education division revenue in 2002 increased 26 percent to $621.1 million, from $493.7 million in 2001. Kaplan reported operating income for the year of $20.5 million, compared to a pro forma operating loss of $13.1 million in 2001. Approximately one-third of the increase in Kaplan revenue and approximately $9 million of the increase in Kaplan operating income is from newly acquired businesses, primarily in the higher education division. For the fourth quarter of 2002, education division revenue increased 30 percent to $163.7 million, from $125.6 million in the fourth quarter of 2001. Kaplan reported operating income for the fourth quarter of 2002 of $8.9 million, compared to a pro forma operating loss of $3.3 million for the fourth quarter of 2001. Excluding goodwill amortization in 2001, a summary of operating results for 2002 and the fourth quarter of 2002 compared to 2001 is as follows:

(In thousands)	Fourth Quarter			YTD		
	2002	2001	% Change	2002	2001	% Change
Revenue						
Supplemental education	$ 90,461	$ 78,807	+15	$371,248	$328,039	+13
Higher education	73,248	46,771	+57	249,877	165,642	+51
	$163,709	$125,578	+30	$621,125	$493,681	+26
Operating income (loss)						
Supplemental education	$ 10,407	$ 3,801	+174	$ 54,103	$ 27,509	+97
Higher education	9,468	6,035	+57	27,569	9,149	+201
Kaplan corporate overhead	(9,570)	(6,487)	(48)	(26,143)	(23,981)	(9)
Other*	(1,367)	(6,619)	+79	(35,017)	(25,738)	(36)
	$ 8,938	$ (3,270)	---	$ 20,512	$(13,061)	---

*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 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 operating income from Kaplan's CFA and real estate licensure 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 increase in this expense category in the fourth quarter of 2002 is due to a $4.2 million charge relating to the early termination of an office lease for one of Kaplan's units.

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. For 2002 and 2001, the company recorded expense of $34,531,000 and $25,302,000, respectively, related to this plan. 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 2002 was $19.3 million, compared to losses of $68.7 million for 2001. For the fourth quarter of 2002, the company's equity in losses of affiliates totaled $2.4 million, compared to $23.0 million for the fourth quarter of 2001. The improvements were primarily due to better operating results at BrassRing LLC, which accounted for approximately $13.9 million and $1.3 million of 2002 and the fourth quarter of 2002 equity in losses of affiliates, respectively, compared to $75.1 million and $23.5 million in equity losses for the same periods of 2001. The company's affiliate investments at the end of 2002 consisted of a 49 percent interest in BrassRing LLC, a 50 percent interest in the International Herald Tribune, and a 49 percent interest in Bowater Mersey Paper Company Limited.

On January 1, 2003, the company sold its fifty percent interest in the International Herald Tribune for $65 million; the company will report a pre- tax non-operating gain of approximately $50 million in the first quarter of 2003.

Other Non-Operating Income (Expense)

The company recorded other non-operating income, net, of $28.9 million in 2002, compared to $283.7 million of non-operating income, net, for 2001. For the fourth quarter of 2002, the company recorded non-operating income, net, of $27.3 million, compared to non-operating expense, net, of $9.9 million for the fourth quarter of 2001. The 2002 non-operating income includes a pre-tax gain of $27.8 on the exchange of certain cable systems in the fourth quarter of 2002 and a gain on the sale of marketable securities; these gains were 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 $33.5 million in 2002, compared to $47.5 million in 2001; net interest expense totaled $7.4 million for the fourth quarter of 2002, versus $9.3 million for the fourth quarter of 2001. At December 29, 2002, the company had $664.8 million in borrowings outstanding at an average interest rate of 4.0 percent; at December 30, 2001, the company had $933.1 million in borrowings outstanding.

Provision for Income Taxes

The effective tax rate was 38.8 percent for 2002, compared to 40.7 percent for 2001. Excluding the effect of the cable gain transactions, the company's effective rate approximated 38.7 percent for 2002 and 50.2 percent for 2001. The effective tax rate for 2002 has declined primarily 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. The company's effective tax rate has also declined due to an increase in operating earnings and a decrease in the overall state tax rate.

Cumulative Effect of Change in Accounting Principle

Earlier this year, the company completed its SFAS 142 transitional goodwill impairment test, resulting in an after-tax impairment loss of $12.1 million, or $1.27 per share, related to PostNewsweek Tech Media (part of magazine publishing segment). This loss is included in the company's 2002 results as a cumulative effect of change in accounting principle.

Earnings Per Share

The calculations of diluted earnings per share for 2002 and the fourth quarter of 2002 were based on 9,523,000 and 9,537,000 weighted average shares, respectively, compared to 9,500,000 and 9,501,000, respectively, for 2001 and the fourth quarter of 2001. The company made no significant repurchases of its stock during 2002.

Stock Options - Change in Accounting Method

Effective the first day of the company's 2002 fiscal year, the company 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 was 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."

In December 2002, the company awarded 11,500 stock options resulting in total stock option expense of less than $100,000 for 2002.

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)

	Fourth Quarter		
	2002	2001	% Change
Operating revenues	$695,885	$628,409	11
Operating expenses	(523,062)	(500,484)	5
Operating income before depreciation and amortization	172,823	127,925	35
Depreciation	(43,641)	(33,036)	32
Amortization	(172)	(21,748)	(99)
Operating income	129,010	73,141	76
Equity in losses of affiliates, net	(2,366)	(23,023)	(90)

Interest income	71	570	(88)
Interest expense	(7,438)	(9,914)	(25)
Other income, net	27,268	(9,949)	--
Income before income taxes	146,545	30,825	--
Provision for income taxes	(52,800)	(16,300)	--
Net income	93,745	14,525	--
Redeemable preferred stock dividends	-	-	--
Net income available for common stock	$93,745	$14,525	--
Basic earnings per share	$9.86	$1.53	--
Diluted earnings per share	$9.83	$1.53	--
Basic average shares outstanding	9,509,000	9,492,000	
Diluted average shares outstanding	9,537,000	9,501,000	
Pro forma results (1) :			
Net income available for common stock as reported	$93,745	$14,525	--
Amortization of goodwill and other intangibles, net of tax	-	14,954	--
Pro forma net income available for common stock	$93,745	$29,479	218
Basic earnings per share	$9.86	$3.11	217
Diluted earnings per share	$9.83	$3.10	217

(1) Fourth 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)

	Fiscal Year		
	2002	2001	% Change
Operating revenues	$2,584,203	$2,411,024	7
Operating expenses	(2,034,050)	(1,973,859)	3
Operating income before depreciation and			

amortization	550,153	437,165	26
Depreciation	(171,908)	(138,300)	24
Amortization	(655)	(78,933)	(99)
Operating income	377,590	219,932	72
Equity in losses of affiliates, net	(19,308)	(68,659)	(72)
Interest income	332	2,167	(85)
Interest expense	(33,819)	(49,640)	(32)
Other income, net	28,873	283,739	(90)
Income before income taxes and cumulative effect of change in accounting principle	353,668	387,539	(9)
Provision for income taxes	(137,300)	(157,900)	(13)
Income before cumulative effect of change in accounting principle	216,368	229,639	(6)
Cumulative effect of change in method of accounting for goodwill and other intangible assets	(12,100)	-	--
Net income	204,268	229,639	(11)
Redeemable preferred stock dividends	(1,033)	(1,052)	(2)
Net income available for common stock	$203,235	$228,587	(11)
Basic earnings per share:			
Before cumulative effect of change in accounting principle	$22.76	$24.21	(6)
Cumulative effect of change in accounting principle	$(1.27)	$-	--
Redeemable preferred stock dividends	$(0.11)	$(0.11)	--
Net income available for common stock	$21.38	$24.10	(11)
Diluted earnings per share:			
Before cumulative effect of change in accounting principle	$22.72	$24.17	(6)
Cumulative effect of change in accounting principle	$(1.27)	$-	--
Redeemable preferred stock dividends	$(0.11)	$(0.11)	--
Net income available for common stock	$21.34	$24.06	(11)
Basic average shares outstanding	9,504,000	9,486,000	
Diluted average shares outstanding	9,523,000	9,500,000	

	Fiscal Year		%
	2002	2001	Change
Pro forma results (1) :			
Income before cumulative effect of change in accounting principle, as reported	$216,368	$229,639	(6)
Amortization of goodwill and other intangibles, net of tax	-	54,989	--
Pro forma income before cumulative effect of change in accounting principle	216,368	284,628	(24)
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	$203,235	$283,576	(28)
Basic earnings per share:			
Before cumulative effect of change in accounting principle	$22.76	$30.00	(24)
Cumulative effect of change in accounting principle	$(1.27)	$-	--
Redeemable preferred stock dividends	$(0.11)	$(0.11)	--
Net income available for common stock	$21.38	$29.89	(28)
Diluted earnings per share			
Before cumulative effect of change in accounting principle	$22.72	$29.96	(24)
Cumulative effect of change in accounting principle	$(1.27)	$-	--
Redeemable preferred stock dividends	$(0.11)	$(0.11)	--
Net income available for common stock	$21.34	$29.85	(29)

(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)

	Fourth Quarter		
	2002	2001	% Change
Operating Revenues:			
Newspaper publishing	$223,699	$211,756	6
Television broadcasting	99,968	87,964	14
Magazine publishing (2)	97,659	101,377	(4)
Cable television	110,850	101,734	9
Education	163,709	125,578	30
	$695,885	$628,409	11
Operating Expenses:			
Newspaper publishing	$188,244	$187,993	0
Television broadcasting	46,616	44,805	4
Magazine publishing (2)	86,076	91,521	(6)
Cable television	84,317	90,615	(7)
Education	154,771	132,921	16
Corporate office	6,851	7,413	(8)
	$566,875	$555,268	2
Operating Income:			
Newspaper publishing	$35,455	$23,763	49
Television broadcasting	53,352	43,159	24
Magazine publishing	11,583	9,856	18
Cable television	26,533	11,119	139
Education	8,938	(7,343)	--
Corporate office	(6,851)	(7,413)	8
	$129,010	$73,141	76
Depreciation:			
Newspaper publishing	$10,666	$9,424	13
Television broadcasting	2,765	3,141	(12)
Magazine publishing	1,042	1,057	(1)
Cable television	22,668	14,474	57
Education	6,500	4,940	32
	$43,641	$33,036	32
Amortization:			
Newspaper publishing	$4	$1,979	(100)
Television broadcasting	--	3,534	--
Magazine publishing	--	1,667	--
Cable television	38	10,386	(100)
Education	130	4,182	(97)
	$172	$21,748	(99)

Pro forma results (1):

Operating Income:			
Newspaper publishing	$35,455	$25,738	38
Television broadcasting	53,352	46,693	14
Magazine publishing	11,583	11,523	1
Cable television	26,533	21,466	24
Education	8,938	(3,270)	--

Corporate office	(6,851)	(7,413)	8
	$129,010	$94,737	36

(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)

	Fiscal Year		%
	2002	2001	Change
Operating Revenues:			
Newspaper publishing	$841,984	$842,721	0
Television broadcasting	343,552	314,010	9
Magazine publishing (2)	349,050	374,575	(7)
Cable television	428,492	386,037	11
Education	621,125	493,681	26
	$2,584,203	$2,411,024	7
Operating Expenses:			
Newspaper publishing	$732,978	$757,977	(3)
Television broadcasting	174,726	182,163	(4)
Magazine publishing (2)	323,322	349,269	(7)
Cable television	347,555	353,800	(2)
Education	600,613	522,018	15
Corporate office	27,419	25,865	6
	$2,206,613	$2,191,092	1
Operating Income:			
Newspaper publishing	$109,006	$84,744	29
Television broadcasting	168,826	131,847	28
Magazine publishing	25,728	25,306	2
Cable television	80,937	32,237	151
Education	20,512	(28,337)	--
Corporate office	(27,419)	(25,865)	(6)
	$377,590	$219,932	72
Depreciation:			
Newspaper publishing	$42,961	$37,862	13
Television broadcasting	11,187	11,932	(6)
Magazine publishing	4,124	4,654	(11)
Cable television	88,751	64,505	38
Education	24,885	19,347	29
	$171,908	$138,300	24

Amortization:			
Newspaper publishing	$15	$3,864	(100)
Television broadcasting	--	14,135	--
Magazine publishing	--	6,669	--
Cable television	155	38,553	(100)
Education	485	15,712	(97)
	$655	$78,933	(99)

Pro forma results (1):

Operating Income:			
Newspaper publishing	$109,006	$88,592	23
Television broadcasting	168,826	145,982	16
Magazine publishing	25,728	31,975	(20)
Cable television	80,937	70,634	15
Education	20,512	(13,061)	--
Corporate office	(27,419)	(25,865)	(6)
	$377,590	$298,257	27

(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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