UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
FORM 10-Q

(X) QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES AND EXCHANGE ACT OF 1934
For the quarterly period ended June 30, 2001

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES AND EXCHANGE ACT OF 1934
For the transition period from __________ to __________

Commission File Number 0-16914

THE E. W. SCRIPPS COMPANY
(Exact name of registrant as specified in its charter)

Ohio	31-1223339
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification Number)

312 Walnut Street Cincinnati, Ohio	45202
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code: (513) 977-3000

Not Applicable
(Former name, former address and former fiscal year, if changed since last report.)

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities and Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes X No

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date. As of July 31, 2001 there were 60,237,588 of the Registrant's Class A Common Shares outstanding and 19,096,913 of the Registrant's Common Voting Shares outstanding.

INDEX TO THE E. W. SCRIPPS COMPANY

REPORT ON FORM 10-Q FOR THE QUARTER ENDED JUNE 30, 2001

PART I

ITEM 1. FINANCIAL STATEMENTS

The information required by this item is filed as part of this Form 10-Q. See Index to Financial Information at page F-1 of this Form 10-Q.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The information required by this item is filed as part of this Form 10-Q. See Index to Financial Information at page F-1 of this Form 10-Q.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

The information required by this item is filed as part of this Form 10-Q. See Index to Financial Information at page F-1 of this Form 10-Q.

PART II

ITEM 1. LEGAL PROCEEDINGS

The Company is involved in litigation arising in the ordinary course of business, such as defamation actions and various governmental and administrative proceedings relating to renewal of broadcast licenses, none of which is expected to result in material loss.

ITEM 2. CHANGES IN SECURITIES

There were no changes in the rights of security holders during the quarter for which this report is filed.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

There were no defaults upon senior securities during the quarter for which this report is filed.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

The following table presents information on matters submitted to a vote of security holders at the 2001 Annual Meeting of Shareholders.

Description of Matters Submitted	In Favor	Against	Abstain	Broker Non-Votes
Class A Common Shares:				
Election of Directors:				
Daniel J. Meyer	55,603,637	136,574		
Nicholas B. Paumgarten	55,229,706	510,505		
Ronald W. Tysoe	55,603,607	136,604		
Julie A. Wrigley	55,603,692	136,519		
Common Voting Shares:				
Election of Directors:				
William R. Burleigh	19,047,813			
John H. Burlingame	19,047,813			
Joseph P. Clayton	19,047,813			
Kenneth W. Lowe	19,047,813			
Nackey E. Scagliotti	19,047,813			
Charles E. Scripps	19,047,813			
Edward W. Scripps	19,047,813			
Paul K. Scripps	19,047,813			

ITEM 5. OTHER INFORMATION

None.

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K

Exhibits

The information required by this item is filed as part of this Form 10-Q. See Index to Exhibits at page E-1 of this Form 10-Q.

Reports on Form 8-K

No reports on Form 8-K were filed during the quarter for which this report is filed.

SIGNATURES

~~Pursuant to the requirements of the Securities and Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.~~

~~THE E. W. SCRIPPS COMPANY~~

~~Dated: August 13, 2001~~ ~~BY: D. J. Castellini~~
~~D. J. Castellini~~
~~Senior Vice President and~~
~~Chief Financial Officer~~

~~THE E. W. SCRIPPS COMPANY~~

~~Index to Financial Information~~

CONSOLIDATED BALANCE SHEETS
(in thousands)

		As of	
	June 30, 2001 (Unaudited)	December 31, 2000	June 30, 2000 (Unaudited)
ASSETS			
Current Assets:			
Cash and cash equivalents	$ 16,519	$ 14,112	$ 15,326
Accounts and notes receivable (less allowances $13,618, $13,891, $12,990)	250,845	289,583	286,011
Program rights and production costs	108,561	115,513	80,502
Network distribution fees	21,976	21,105	18,601
Inventories	9,350	17,802	16,852
Deferred income taxes	29,967	30,421	27,035
Miscellaneous	36,035	35,449	32,088
Total current assets	473,253	523,985	476,415
Investments	403,088	177,922	241,007
Property, Plant and Equipment	383,480	502,041	482,497
Goodwill and Other Intangible Assets	1,202,401	1,209,132	1,208,648
Other Assets:			
Program rights and production costs (less current portion)	99,185	96,881	81,320
Network distribution fees (less current portion)	42,613	40,571	48,342
Miscellaneous	19,390	22,334	27,128
Total other assets	161,188	159,786	156,790
TOTAL ASSETS	$ 2,623,410	$ 2,572,866	$ 2,565,357

See notes to consolidated financial statements.

CONSOLIDATED BALANCE SHEETS

(in thousands, except share data)

	June 30, 2001 (Unaudited)	As of December 31, 2000	June 30, 2000 (Unaudited)
LIABILITIES AND STOCKHOLDERS' EQUITY			
Current Liabilities:			
Current portion of long term debt	$ 202,758	$ 212,828	$ 260,170
Accounts payable	62,902	114,275	91,918
Customer deposits and unearned revenue	35,158	37,214	41,078
Accrued liabilities:			
Employee compensation and benefits	36,488	49,089	43,581
Network distribution fees	54,779	48,257	46,696
Miscellaneous	83,118	71,313	65,127
Total current liabilities	475,203	532,976	548,570
Deferred Income Taxes	144,813	129,932	147,275
Long Term Debt (less current portion)	508,555	501,781	501,855
Other Long Term Obligations and Minority Interests (less current portion)	129,470	130,367	132,791
Stockholders' Equity:			
Preferred stock, $.01 par authorized: 25,000,000 shares; none outstanding			
Common stock, $.01 par:			
Class A authorized: 120,000,000 shares; issued and outstanding: 60,203,383; 59,641,828; and 59,306,189 shares	602	596	593
Voting authorized: 30,000,000 shares; issued and outstanding: 19,096,913; 19,096,913; and 19,216,913 shares	191	191	192
Total	793	787	785
Additional paid in capital	183,435	157,394	152,395
Retained earnings	1,175,191	1,093,138	1,031,413
Unrealized gains on securities available for sale	17,950	31,877	59,317
Foreign currency translation adjustment	(58)	361	700
Unvested restricted stock awards	(11,942)	(5,747)	(9,744)
Total stockholders' equity	1,365,369	1,277,810	1,234,866
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	$ 2,623,410	$ 2,572,866	$ 2,565,357

See notes to consolidated financial statements.

CONSOLIDATED STATEMENTS OF INCOME (UNAUDITED)

(in thousands, except per share data)	Three months ended June 30, 2001	Three months ended June 30, 2000	Six months ended June 30, 2001	Six months ended June 30, 2000
Operating Revenues:				
Advertising	$ 284,451	$ 345,926	$ 557,224	$ 663,625
Circulation	34,058	36,548	70,240	74,897
Affiliate fees	19,935	14,535	39,692	29,165
Licensing	17,251	17,409	35,251	33,660
Joint operating agency distributions	7,727	12,266	16,784	23,149
Other	10,631	12,774	22,241	25,821
Total operating revenues	374,053	439,458	741,432	850,317
Operating Expenses:				
Employee compensation and benefits	118,087	129,314	236,842	256,606
Newsprint and ink	22,383	38,646	48,624	75,838
Amortization of purchased programming	33,694	29,332	65,789	57,370
Other operating expenses	98,841	120,008	203,115	237,280
Depreciation	13,595	17,185	27,952	34,259
Amortization of intangible assets	11,122	10,071	21,530	19,805
Total operating expenses	297,722	344,556	603,852	681,158
Operating Income	76,331	94,902	137,580	169,159
Other Credits (Charges):				
Interest expense	(10,859)	(13,481)	(23,320)	(26,117)
Investment results, net of expenses	2,957	(1,449)	61,742	(10,511)
Net gains on divested operations				6,269
Miscellaneous, net	480	45	833	991
Net other credits (charges)	(7,422)	(14,885)	39,255	(29,368)
Income Before Taxes and Minority Interests	68,909	80,017	176,835	139,791
Provision for Income Taxes	28,584	32,833	69,226	57,947
Income Before Minority Interests	40,325	47,184	107,609	81,844
Minority Interests	975	1,063	1,821	2,119
Net Income	$ 39,350	$ 46,121	$ 105,788	$ 79,725
Net Income per Share of Common Stock:				
Basic	$.50	$.59	$1.34	$1.02
Diluted	.49	.58	1.32	1.01

See notes to consolidated financial statements.

CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)

(in thousands)

	Six months ended June 30, 2001	2000
Cash Flows from Operating Activities:		
Net income	$ 105,788	$ 79,725
Adjustments to reconcile net income to net cash flows from operating activities:		
Depreciation and amortization	49,482	54,064
Net investment results and loss (gain) on divestitures	(63,431)	4,242
Deferred income taxes	22,845	2,879
Dividends greater than share of earnings of equity method investments	24,499	1,563
Minority interests in income of subsidiary companies	1,821	2,119
Network distribution fee amortization greater (less) than payments	3,170	5,165
Program cost amortization greater (less) than payments	(17,024)	(15,400)
Other changes in certain working capital accounts, net	(19,031)	(23,408)
Miscellaneous, net	15,288	4,691
Net operating activities	123,407	115,640
Cash Flows from Investing Activities:		
Additions to property, plant and equipment	(29,095)	(26,145)
Purchase of subsidiary companies and long-term investments	(23,923)	(87,058)
Payment for interest in Denver JOA	(62,520)	
Sale of subsidiary companies and long-term investments	14,048	26,910
Miscellaneous, net	1,298	4,347
Net investing activities	(100,192)	(81,946)
Cash Flows from Financing Activities:		
Increase in long-term debt	6,790	55
Payments on long-term debt	(10,103)	(7,490)
Repurchase Class A Common shares	(1,988)	
Dividends paid	(23,735)	(21,921)
Dividends paid to minority interests	(784)	(785)
Miscellaneous, net (primarily employee stock compensation)	9,012	1,317
Net financing activities	(20,808)	(28,824)
Increase in Cash and Cash Equivalents	2,407	4,870
Cash and Cash Equivalents:		
Beginning of year	14,112	10,456
End of period	$ 16,519	$ 15,326
Supplemental Cash Flow Disclosures:		
Interest paid, excluding amounts capitalized	$ 22,966	$ 25,784
Income taxes paid	19,989	55,665
Denver newspaper assets contributed to JOA	162,227	
Destin newspaper traded for Fort Pierce newspaper (see Note 2)		3,857

See notes to consolidated financial statements.

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
AND STOCKHOLDERS' EQUITY (UNAUDITED)
(in thousands, except share data)

	Common Stock	Additional Paid in Capital	Retained Earnings	Accumulated Other Comprehensive Income	Unvested Restricted Stock Awards	Total Stockholders' Equity	Comprehensive Income for Three Months Ended June 30
Balances at December 31, 1999	$ 781	$ 136,731	$ 973,609	$ 58,271	$ (4,940)	$ 1,164,452	
Comprehensive income:							
Net income			79,725			79,725	$ 46,121
Unrealized gains, net of tax of $1,525 and ($22,753)				2,824		2,824	(42,256)
Less: reclassification adjustment for gains in income, net of tax of ($433)				(805)		(805)	
Increase (decrease) in unrealized gains on securities				2,019		2,019	(42,256)
Foreign currency translation adjustments				(273)		(273)	(246)
Total			79,725	1,746		81,471	$ 3,619
Dividends: declared and paid - $.28 per share			(21,921)			(21,921)	
Compensation plans, net: 407,851 shares issued; 1,500 shares forfeited; 25,611 shares repurchased	4	14,404			(4,804)	9,604	
Tax benefits of compensation plans		1,260				1,260	
Balances at June 30, 2000	$ 785	$ 152,395	$1,031,413	$ 60,017	$ (9,744)	$ 1,234,866	
Balances at December 31, 2000	$ 787	$ 157,394	$1,093,138	$ 32,238	$ (5,747)	$ 1,277,810	
Comprehensive income:							
Net income			105,788			105,788	$ 39,350
Unrealized gains, net of tax of $19,655 and $14,213				36,523		36,523	26,313
Less: reclassification adjustment for gains in income, net of tax of ($27,165) and ($4,084)				(50,450)		(50,450)	(7,584)
Increase (decrease) in unrealized gains on securities				(13,927)		(13,927)	18,729
Foreign currency translation adjustments				(419)		(419)	163
Total			105,788	(14,346)		91,442	$ 58,242
Dividends: declared and paid - $.30 per share			(23,735)			(23,735)	
Repurchase 35,200 Class A Common Shares		(1,988)				(1,988)	
Compensation plans, net: 706,660 shares issued; 108,505 shares repurchased; 1,400 shares forfeited	6	20,979			(6,195)	14,790	
Tax benefits of compensation plans		7,050				7,050	
Balances at June 30, 2001	$ 793	$ 183,435	$1,175,191	$ 17,892	$ (11,942)	$ 1,365,369	

See notes to consolidated financial statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation - The financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America for interim financial information and with the instructions to Form 10-Q and Rule 10-01 of Regulation S-X. The information disclosed in the notes to consolidated financial statements included in the Company's Annual Report on Form 10-K for the year ended December 31, 2000, has not changed materially unless otherwise disclosed herein. Financial information as of December 31, 2000, included in these financial statements has been derived from the audited consolidated financial statements included in that report. In management's opinion all adjustments (consisting of normal recurring accruals) necessary for a fair presentation of the interim periods have been made.

Results of operations are not necessarily indicative of the results that may be expected for future interim periods or for the full year.

Joint Operating Agencies - The application for a joint operating agency ("JOA") between the Company's Denver Rocky Mountain News ("RMN") and MediaNews Group Inc.'s Denver Post was approved in January 2001 by the U.S. Department of Justice. The JOA commenced operations on January 22, 2001. The Denver Publishing Company, a wholly owned subsidiary of the Company, holds a 50% interest in the JOA.

Included in JOA distributions in the Consolidated Statements of Income is the Company's share of the operating profit (loss) of the Denver JOA from January 22, 2001. The Company also includes in its operating expenses its editorial costs associated with the RMN. The Company's financial statements no longer include the advertising and other revenue of the RMN, the costs to produce, distribute and market the newspaper, nor related depreciation. The Company's residual interest in the net assets of the JOA is included in Investments in the Consolidated Balance Sheets.

Derivative Instruments and Hedging Activities - The Company adopted Financial Accounting Standard ("FAS") No. 133 - Accounting for Derivative Instruments and Hedging Activities effective January 1, 2001. Adoption of the new standard had no effect on the Company's financial statements.

Net Income Per Share - The following table presents additional information about basic and diluted weighted average shares outstanding:

(in thousands)	Three months ended June 30,		Six months ended June 30,	
	2001	2000	2001	2000
Basic weighted average shares outstanding	78,844	78,115	78,781	78,078
Effect of dilutive securities:				
Unvested restricted stock held by employees	160	135	153	125
Stock options held by employees	998	745	999	739
Diluted weighted average shares outstanding	80,002	78,995	79,933	78,942

Recently Issued Accounting Standards - The Emerging Issues Task Force reached a consensus on Issue 00-25 - Vendor Income Statement Characterization of Consideration Paid to a Reseller of the Vendor's Products in April 2001. The consensus, which must be adopted no later than January 1, 2002, requires consideration paid to customers to be deducted from revenue. The Company currently classifies amortization of distribution fees paid to cable television and satellite broadcast systems as an operating expense in its financial statements.

The Company plans to adopt this policy effective with its Annual Report on Form 10-K for the year ended December 31, 2001. Financial statements for prior periods will be restated. The change in classification will have no impact on the Company's reported operating income or financial position. However, operating revenues will be reduced by the amounts of amortization of distribution fees, which in the six months ended June 30 totaled $10,900,000 in 2001 and $9,000,000 in 2000.

~~In July 2001 the Financial Accounting Standards Board issued FAS No. 141 - Business Combinations and FAS No. 142 - Goodwill and Other Intangible Assets. FAS No. 141 requires business combinations initiated after June 30, 2001 to be accounted for using the purchase method of accounting. FAS 141 also specifies the types of acquired intangible assets that are required to be recognized and reported separately from goodwill and those acquired intangible assets that are required to be included in goodwill.~~

~~Currently recorded goodwill and intangibles will be evaluated against this new criteria and, as a result, certain intangibles may be subsumed into goodwill, or amounts initially recorded as gooodwill may be separately identified and recognized apart from goodwill. Under FAS 142 recorded goodwill will no longer be amortized, but instead will be tested for impairment at least annually. Recognized intangible assets will be amortized over their respective estimated useful lives and reviewed for impairment in accordance with FAS 121 - Accounting for the Impairment of Long Lived Assets and for Long Lived Assets to Be Disposed Of. Any recognized intangible asset determined to have an indefinite useful life will not be amortized, but will instead be tested for impairment in accordance with the Standard until its life is determined to no longer be indefinite.~~

~~Goodwill and intangible assets with indefinite lives acquired in business combinations completed before July 1, 2001 will continue to be amortized until December 31, 2001. Upon adoption of FAS 142, management expects amortization of goodwill and other intangible assets will be substantially reduced commencing January 1, 2002.~~

~~In connection with the adoption of FAS 142 the Company will also make a transitional impairment evaluation of whether goodwill is impaired as of January 1, 2002. To accomplish this, the Company must (1) identify its reporting units, (2) determine the carrying value of each reporting unit by assigning the assets and liabilities, including the existing goodwill and intangible assets to those reporting units, and (3) determine the fair value of each reporting unit. This first step of the transitional assessment must be completed by June 30, 2002. If the carrying value of any reporting unit exceeds its fair value, then detailed fair values for each of the assigned assets (excluding goodwill) and liabilities will be determined to calculate the amount of goodwill impairment, if any. This second step is required to be completed as soon as possible, but no later than December 31, 2002. Any transitional impairment loss resulting from the adoption will be recognized as the effect of a change in accounting principle.~~

~~It is not practicable to reasonably estimate the impact of the transitional impairment evaluation or to quantify the reduction in amortization of goodwill and other intangible assets. The recorded net book value of goodwill and other intangible assets at June 30, 2001, was $1,202,401,000. Amortization was $21,530,000 for the six months ended June 30, 2001.~~

~~Reclassifications - For comparative purposes, certain 2000 amounts have been reclassified to conform to 2001 classifications.~~

2. ACQUISITIONS AND DIVESTITURES

Acquisitions

2001 In the first quarter the Company acquired an additional 3.5% interest in The Television Food Network.

2000 In the first quarter the Company acquired the daily newspaper in Fort Pierce, Florida, in exchange for its newspaper in Destin, Florida, and cash; and television station KMCI in Lawrence, Kansas.

In later periods the Company acquired the daily newspaper in Henderson, Kentucky, and the weekly newspaper in Marco Island, Florida.

The following table presents additional information about the acquisitions:

(in thousands)	Six months ended June 30, 2001	Six months ended June 30, 2000
Goodwill and other intangible assets acquired	$ 14,435	$ 40,357
Other assets acquired		6,518
Total	14,435	46,875
Fair value of Destin newspaper		(3,857)
Liabilities assumed		(38)
Cash paid	$ 14,435	$ 42,980

The acquisitions have been accounted for as purchases. The allocations of the purchase prices are based on preliminary appraised values of the assets acquired and liabilities assumed, and are therefore subject to change. Operating results are included in the Consolidated Statements of Income from the dates of acquisitions, with the exception of KMCI whose results were included while the Company operated the station under a contract with the former owner. Pro forma results are not presented because the combined results of operations would not be significantly different than the reported amounts.

Divestitures

2000 In the first quarter the Company sold its independent telephone directories in Memphis, Tennessee; Kansas City, Missouri; and North Palm Beach, Florida, and traded its Destin, Florida, newspaper and cash for the daily newspaper in Fort Pierce, Florida. The sales and trade resulted in net gains of $6,269,000, $3,800,000 after tax ($.05 per share).

In the third quarter the Company sold its remaining independent telephone directories in Louisiana.

Included in the consolidated financial statements are the following results of divested operations (excluding gains on sales):

(in thousands)	Three months ended June 30, 2000	Six months ended June 30, 2000
Operating revenues	$ 1,262	$ 8,064
Operating income (loss)	(261)	(372)

3. UNUSUAL CREDITS AND CHARGES

2001 Included in net investment results are i) recognized net investment gains and ii) adjustments to accrued incentive compensation related to changes in the net gains (realized and estimated unrealized) on the Scripps Ventures I portfolio. Included in year-to-date recognized net investment gains are i) a gain of $65,900,000 on the exchange of the Company's investment in Time Warner for America Online, which acquired Time Warner, and an $11,700,000 gain on the sale of a portion of the Company's investment in Centra Software, ii) $22,600,000 in write-downs for several investments, and iii) an $8,400,000 reduction in accrued incentive compensation, to $3,100,000 at June 30, 2001, in conjunction with the $56,000,000 decrease in the total realized and estimated unrealized net gain on Scripps Ventures I's portfolio, to $21,000,000.

Net investment results increased net income $40,500,000 ($.51 per share) year-to-date and $1,900,000 ($.02 per share) for the quarter.

Costs associated with workforce reductions, including the Company's share of such costs at the Denver JOA, reduced operating income $11,200,000 in the second quarter and year-to-date period. Net income was reduced $7,100,000 ($.09 per share).

The combined effect of the above items was to increase 2001 year-to-date net income $33,400,000 ($.42 per share) and to reduce 2001 second quarter net income $5,100,000 ($.07 per share).

2000 Included in net investment results are i) realized gains of $5,000,000 on the sale of certain investments, ii) $11,000,000 in write-downs of certain investments, and iii) a $3,800,000 increase in accrued incentive compensation, to $10,800,000 at June 30, 2000, in conjunction with the $25,000,000 increase in the total realized and estimated unrealized net gain on Scripps Ventures I's portfolio, to $72,000,000.

Net investment results reduced net income $6,800,000 ($.09 per share) year-to-date and $1,000,000 ($.01 per share) for the quarter.

$800,000 of expenses associated with preparations for the joint newspaper operations in Denver, reduced net income $500,000 ($.01 per share) in the second quarter.

The combined effect of the above items and the gains on divestitures (see Note 2) was to reduce 2000 year-to-date net income $3,600,000 ($.05 per share) and to reduce second quarter net income $1,500,000 ($.02 per share).

4. LONG TERM DEBT

Long term debt consisted of the following:

(in thousands)	As of June 30, 2001	As of December 31, 2000	As of June 30, 2000
Variable rate credit facilities, including commercial paper	$ 502,718	$ 512,788	$ 559,950
$100 million, 6.625% note, due in 2007	99,908	99,901	99,894
$100 million, 6.375% note, due in 2002	99,973	99,964	99,954
Other notes	8,714	1,956	2,227
Total long term debt	711,313	714,609	762,025
Current portion of long term debt	202,758	212,828	260,170
Long term debt (less current portion)	$ 508,555	$ 501,781	$ 501,855

The Company has a Competitive Advance and Revolving Credit Facility Agreement, which permits aggregate borrowings up to $700,000,000 (the "Variable Rate Credit Facilities"). The Variable Rate Credit Facilities are comprised of two unsecured lines, one limited to $400,000,000 principal amount maturing in 2001, and the other limited to $300,000,000 principal amount maturing in 2002. Borrowings under the Variable Rate Credit Facilities are available on a committed revolving credit basis at the Company's choice of three short term rates or through an auction procedure at the time of each borrowing. The Variable Rate Credit Facilities are also used by the Company in whole or in part, in lieu of direct borrowings, as credit support for its commercial paper. The weighted average interest rates on the Variable Rate Credit Facilities were 4.1% at June 30, 2001, 6.6% at December 31, 2000, and 6.7% at June 30, 2000.

5. INVESTMENTS

Investments consisted of the following:

(in thousands, except share data)	As of June 30, 2001	December 31, 2000	June 30, 2000
Securities available for sale (at market value):			
AOL Time Warner common stock (2,017,000 shares)	$ 106,891		
Time Warner common stock (1,344,000 shares)		$ 70,239	$ 102,185
Centra Software (700,500; 1,792,500; 1,792,500 common shares)	11,901	6,946	17,030
garden.com Inc. (2,414,000 common shares and 276,000 warrants)			5,797
iVillage Inc. (41,000; 270,000; 270,000 common shares)	59	40	5,412
Other	4,542	3,929	4,819
Total available for sale securities	123,393	81,154	135,243
Denver newspaper JOA	199,695		
FOX SportSouth and other joint ventures	8,787	9,502	7,270
Other equity investments	71,213	87,266	98,494
Total investments	$ 403,088	$ 177,922	$ 241,007
Unrealized gains (losses) on securities available for sale	$ 27,607	$ 49,047	$ 91,323

Investments available for sale represent securities in publicly traded companies. Investments available for sale are recorded at fair value. Fair value is based upon the closing price of the security on the reporting date.

The Company exchanged its investment in Time Warner for America Online, which acquired Time Warner, in the first quarter of 2001. The Company sold 1,092,000 shares of Centra Software in the second quarter of 2001. See Note 3.

The values of several of the Company's investments in available for sale securities declined below historical cost and were written down in 2000. During the third quarter of 2000 the Company received $5,000,000 upon delivery of 229,000 iVillage shares under the provisions of a zero cost collar.

Other equity investments includes securities that do not trade in public markets, so they do not have readily determinable fair values. However, based upon the price paid by other investors for similar securities in subsequent rounds of financing, if any, and based upon management's assessment when circumstances indicate fair value is less than the price paid in the most recent round, the total estimated value of these investments was $80,000,000 on June 30, 2001, $163,000,000 on December 31, 2000, and $156,000,000 on June 30, 2000. There can be no assurance as to the amounts the Company would receive if these securities were sold.

The Company's Scripps Ventures Funds I and II invest in new businesses focusing primarily on new media technology. Scripps Ventures I invested $54,000,000. The managers' compensation includes a share of the portfolio's cumulative net gain through December 2002 if a specified minimum return is achieved. Based on the portfolio's realized and estimated unrealized net gains of $21,000,000 through June 30, 2001, the incentive compensation accrual was $3,100,000. The incentive compensation accrual will be subject to change as the net gain changes through December 2002. Scripps Ventures II is authorized to invest up to $100,000,000, of which $41,000,000 was invested as of June 30, 2001. The managers have a minority equity interest in the return on Scripps Ventures II's investments if a specified minimum return is achieved.

~~6. SEGMENT INFORMATION~~

~~The Company's reportable segments are strategic businesses that offer different products and services. The Company primarily evaluates the operating performance of its segments based on earnings before interest, income taxes, depreciation and amortization ("EBITDA"), excluding divested operating units (see Note 2), unusual items (see Note 3) and all credits and charges classified as non-operating in the Consolidated Statements of Income. No single customer provides more than 10% of the Company's revenue. International revenues are primarily derived from licensing comic characters and HGTV and Food Network programming in international markets. Licensing of comic characters in Japan provides more than 50% of the Company's international revenues, which are less than $50,000,000 annually.~~

~~Financial information for the Company's business segments is as follows:~~

(in thousands)	Three months ended June 30, 2001	Three months ended June 30, 2000	Six months ended June 30, 2001	Six months ended June 30, 2000
OPERATING REVENUES				
Newspapers	$ 181,902	$ 239,507	$ 371,450	$ 469,531
Scripps Networks	99,182	86,466	186,799	159,789
Broadcast Television	74,199	87,471	140,120	164,158
Licensing and other media	22,819	24,752	47,112	48,775
Total	378,102	438,196	745,481	842,253
Unusual item	(4,049)		(4,049)	
Divested operating units		1,262		8,064
Per consolidated financial statements	$ 374,053	$ 439,458	$ 741,432	$ 850,317
EBITDA				
Newspapers	$ 60,059	$ 65,635	$ 114,282	$ 128,096
Scripps Networks	26,593	25,179	42,414	40,517
Broadcast Television	25,255	32,910	41,342	56,464
Licensing and other media	3,902	4,154	8,641	8,630
Corporate	(4,048)	(4,735)	(8,904)	(9,561)
Total	111,761	123,143	197,775	224,146
Unusual items	(10,713)	(836)	(10,713)	(836)
Divested operating units		(149)		(87)
Per consolidated financial statements	$ 101,048	$ 122,158	$ 187,062	$ 223,223
DEPRECIATION				
Newspapers	$ 6,085	$ 10,359	$ 13,230	$ 20,360
Scripps Networks	1,958	1,584	3,843	3,441
Broadcast Television	5,076	4,725	9,992	9,409
Licensing and other media	190	193	384	384
Corporate	223	267	440	504
Total	13,532	17,128	27,889	34,098
Unusual items	63		63	
Divested operating units		57		161
Per consolidated financial statements	$ 13,595	$ 17,185	$ 27,952	$ 34,259
AMORTIZATION OF INTANGIBLE ASSETS				
Newspapers	$ 6,460	$ 5,787	$ 12,732	$ 11,373
Scripps Networks	1,899	1,873	3,706	3,600
Broadcast Television	2,352	2,356	4,681	4,708
Total	10,711	10,016	21,119	19,681
Unusual items	411		411	
Divested operating units		55		124
Per consolidated financial statements	$ 11,122	$ 10,071	$ 21,530	$ 19,805
OPERATING INCOME				
Newspapers	$ 47,514	$ 49,489	$ 88,320	$ 96,363
Scripps Networks	22,736	21,722	34,865	33,476
Broadcast Television	17,827	25,829	26,669	42,347
Licensing and other media	3,712	3,961	8,257	8,246
Corporate	(4,271)	(5,002)	(9,344)	(10,065)
Total	87,518	95,999	148,767	170,367
Unusual items	(11,187)	(836)	(11,187)	(836)
Divested operating units		(261)		(372)
Per consolidated financial statements	$ 76,331	$ 94,902	$ 137,580	$ 169,159

(in thousands)	Three months ended June 30,		Six months ended June 30,	
	2001	2000	2001	2000
PAYMENTS (GREATER) LESS THAN PROGRAM AMORTIZATION AND NETWORK DISTRIBUTION COSTS				
Scripps Networks	$ (7,658)	$ (4,665)	$ (15,218)	$ (10,089)
Broadcast Television	1,437	198	1,364	(146)
Total	$ (6,221)	$ (4,467)	$ (13,854)	$ (10,235)
ADDITIONS TO PROPERTY, PLANT AND EQUIPMENT				
Newspapers	$ 5,375	$ 5,150	$ 15,763	$ 9,354
Scripps Networks	3,650	1,654	5,289	3,250
Broadcast Television	4,816	3,979	7,344	12,822
Licensing and other media	182	231	280	316
Corporate	356	72	419	293
Total	14,379	11,086	29,095	26,035
Divested operating units		45		110
Per consolidated financial statements	$ 14,379	$ 11,131	$ 29,095	$ 26,145
BUSINESS ACQUISITIONS AND OTHER ADDITIONS TO LONG LIVED ASSETS				
Newspapers	$ 382	$ 805	$ 64,650	$ 32,806
Scripps Networks	9,299	8,415	27,850	8,992
Broadcast Television	27	55	27	14,660
Licensing and other media		5		10
Venture capital and other investments	3,161	37,101	7,372	46,052
Total	$ 12,869	$ 46,381	$ 99,899	$ 102,520
ASSETS				
Newspapers			$ 1,280,470	$ 1,230,571
Scripps Networks			569,280	492,002
Broadcast Television			473,584	491,804
Licensing and other media			25,870	31,243
Venture capital and other investments			196,066	231,874
Corporate			70,250	56,282
Total			2,615,520	2,533,776
Divested operating units			7,890	31,581
Total			$ 2,623,410	$ 2,565,357

Other additions to long lived assets include investments and network distribution fees. Corporate assets are primarily cash, cash equivalent and other short term investments, and refundable and deferred income taxes.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The Company operates in three reportable segments: Newspapers, Scripps Networks, and Broadcast Television.

FORWARD LOOKING STATEMENTS

This discussion and the information contained in the notes to the consolidated financial statements contain certain forward looking statements that are based on management's current expectations. Forward looking statements are subject to certain risks, trends and uncertainties that could cause actual results to differ materially from the expectations expressed in the forward looking statements. Such risks, trends and uncertainties, which in most instances are beyond the Company's control, include changes in advertising demand and other economic conditions; consumers' taste; newsprint prices; program costs; labor relations; technological developments; competitive pressures; interest rates; regulatory rulings; and reliance on third party vendors for various products and services. The words "believe," "expect," "anticipate," "estimate," "intend" and similar expressions identify forward looking statements. All forward looking statements, which are as of the date of this filing, should be evaluated with the understanding of their inherent uncertainty.

RESULTS OF OPERATIONS

Acquisitions and divestitures can affect the comparability of year over year reported results. Amounts included in the accompanying tables include the results of acquired operations from the dates of acquisition. The results of divested operating units are removed from the segment operating results and reported separately because management believes they impede analysis of the Company's ongoing operations.

See Note 2 to the Consolidated Financial Statements on page F-9 regarding acquisitions and divestitures.

The application for a JOA between the Company's Denver Rocky Mountain News ("RMN") and MediaNews Group Inc.'s Denver Post was approved by the U.S. Department of Justice. The JOA commenced operations on January 22, 2001. The Denver Publishing Company, a wholly owned subsidiary of the Company holds a 50% interest in the JOA.

Included in RMN revenue is the Company's share of the operating profit (loss) of the Denver JOA from January 22, 2001. The Company also includes in its operating expenses its editorial costs associated with the RMN. The Company's financial statements no longer include the advertising and other revenue of the RMN, the costs to produce, distribute and market the newspaper, nor related depreciation. To enhance comparability of year over year operating results, the Company is reporting the RMN separately.

All per share disclosures included in management's discussion and analysis of financial condition and results of operations are on a diluted basis.

~~Consolidated results of operations were as follows:~~

(in thousands, except per share data)	Quarterly Period 2001	Change	2000	Year to Date 2001	Change	2000
Operating revenues:						
Newspapers	$ 181,166	(0.8)%	$ 182,537	$ 359,874	(0.4)%	$ 361,337
Scripps Networks	99,182	14.7 %	86,466	186,799	16.9 %	159,789
Broadcast Television	74,199	(15.2)%	87,471	140,120	(14.6)%	164,158
Licensing and other media	22,819	(7.8)%	24,752	47,112	(3.4)%	48,775
Total	377,366	(1.0)%	381,226	733,905	(0.0)%	734,059
Rocky Mountain News	736		56,970	11,576		108,194
Unusual item	(4,049)			(4,049)		
Divested operating units			1,262			8,064
Total operating revenues	$ 374,053		$ 439,458	$ 741,432		$ 850,317
Operating income:						
Newspapers	$ 52,394	(7.0)%	$ 56,345	$ 100,766	(10.7)%	$ 112,821
Scripps Networks	22,736	4.7 %	21,722	34,865	4.1 %	33,476
Broadcast Television	17,827	(31.0)%	25,829	26,669	(37.0)%	42,347
Licensing and other media	3,712	(6.3)%	3,961	8,257	0.1 %	8,246
Corporate	(4,271)	14.6 %	(5,002)	(9,344)	7.2 %	(10,065)
Total	92,398	(10.2)%	102,855	161,213	(13.7)%	186,825
Rocky Mountain News	(4,880)	28.8 %	(6,856)	(12,446)	24.4 %	(16,458)
Unusual items	(11,187)		(836)	(11,187)		(836)
Divested operating units			(261)			(372)
Total operating income	76,331		94,902	137,580		169,159
Interest expense	(10,859)		(13,481)	(23,320)		(26,117)
Investment results, net of expenses	2,957		(1,449)	61,742		(10,511)
Net gains on divested operations						6,269
Miscellaneous, net	480		45	833		991
Income taxes	(28,584)		(32,833)	(69,226)		(57,947)
Minority interest	(975)		(1,063)	(1,821)		(2,119)
Net income	$ 39,350		$ 46,121	$ 105,788		$ 79,725
Net income per share of common stock	$.49		$.58	$1.32		$1.01
Weighted average shares outstanding	80,002		78,995	79,933		78,942
Reconciliations to net income from core operations:						
Reported net income	$ 39,350		$ 46,121	$ 105,788		$ 79,725
Add back / (deduct):						
Net investment results	(1,930)		951	(40,454)		6,844
Workforce reductions	7,078			7,078		
Net gains on divested operations						(3,763)
Denver JOA expenses			543			543
Net income from core operations	$ 44,498	(6.5)%	$ 47,615	$ 72,412	(13.1)%	$ 83,349
Reported net income per share of common stock	$.49		$.58	$1.32		$1.01
Add back / (deduct):						
Net investment results	(.02)		.01	(.51)		.09
Workforce reductions	.09			.09		
Net gains on divested operations						(.05)
Denver JOA expenses			.01			.01
Net income from core operations per share of common stock	$.56	(6.7)%	$.60	$.91	(14.2)%	$1.06

~~See Note 3 to the Consolidated Financial Statements on page F 10 regarding items excluded from core operations.~~

Other financial and statistical data, excluding divested operations and unusual items, is as follows:

(in thousands)	Quarterly Period			Year to Date		
	2001	Change	2000	2001	Change	2000
Total advertising revenues	$ 284,451	(2.8)%	$ 292,639	$ 546,445	(1.9)%	$ 557,084
Advertising revenues as a percentage of total revenues	75.4 %		76.8 %	74.5 %		75.9 %
EBITDA:						
Newspapers	$ 64,413	(6.4)%	$ 68,812	$ 124,954	(9.0)%	$ 137,271
Scripps Networks	26,593	5.6 %	25,179	42,414	4.7 %	40,517
Broadcast Television	25,255	(23.3)%	32,910	41,342	(26.8)%	56,464
Licensing and other media	3,902	(6.1)%	4,154	8,641	0.1 %	8,630
Corporate	(4,048)	14.5 %	(4,735)	(8,904)	6.9 %	(9,561)
Total	116,115	(8.1)%	126,320	208,447	(10.7)%	233,321
Denver Rocky Mountain News	(4,354)		(3,177)	(10,672)		(9,175)
Total EBITDA	$ 111,761		$ 123,143	$ 197,775		$ 224,146
Effective income tax rate for core operations	41.1 %		40.9 %	41.2 %		41.0 %
Net cash provided by operating activities	$ 47,992		$ 58,500	$ 123,407		$ 115,640
Capital expenditures	(14,379)		(11,086)	(29,095)		(26,035)
Business acquisitions and other additions to long lived assets	(12,869)		(46,381)	(99,899)		(102,520)
Increase (decrease) in long term debt	(34,848)		(13,941)	(3,313)		(7,435)
Dividends paid, including minority interests	(12,274)		(11,363)	(24,519)		(22,706)
Purchase and retirement of common stock				(1,988)		

Earnings before interest, income taxes, depreciation and amortization ("EBITDA") is included in the discussion of results of operations because:

- Management believes the year over year change in EBITDA, combined with information on historical and anticipated capital spending, is a more useful and reliable measure of year over year performance than the change in operating income.

- Banks and other lenders use EBITDA to determine the Company's borrowing capacity.

- Financial analysts and acquirors use EBITDA, combined with capital spending requirements, to value communications media companies.

EBITDA should not, however, be construed as an alternative measure of the amount of the Company's income or cash flows from operating activities.

Average daily borrowings under short term credit facilities in the second quarter were $534 million in 2001 and $568 million in 2000. The weighted average interest rate on such borrowings were 4.5% in 2001 and 6.4% in 2000. For the year to date period the weighted average interest rate on the short term credit facilities was 5.2% in 2001 and 6.2% in 2000. The Company is currently rolling over short term debt at an effective 90 day yield of 3.7%. The average balance of all interest bearing obligations for the first half of the year was $770 million in 2001 and $799 million in 2000.

Interest capitalized was $410,000 in 2001 and $30,000 in 2000.

Operating results for each of the Company's reportable segments, excluding divested operating units and unusual items, are presented on the following pages.

NEWSPAPERS - RMN operating results are presented separately as a single line item to enhance comparability of year over year Newspaper operating results. Excluding divested operations and unusual items, operating results were as follows:

(in thousands)	Quarterly Period			Year to Date		
	2001	Change	2000	2001	Change	2000
Operating revenues:						
Local	$ 50,966	(1.8)%	$ 51,888	$ 102,777	(1.5)%	$ 104,348
Classified	51,228	(5.2)%	54,010	101,625	(3.7)%	105,485
National	8,733	16.5 %	7,498	16,061	14.2 %	14,061
Preprint and other	22,446	4.2 %	21,549	43,110	3.4 %	41,677
Newspaper advertising	133,373	(1.2)%	134,945	263,573	(0.8)%	265,571
Circulation	34,058	3.0 %	33,068	69,460	2.7 %	67,604
Joint operating agency distributions	11,051	(9.9)%	12,266	20,927	(9.6)%	23,149
Other	2,684	18.9 %	2,258	5,914	18.0 %	5,013
Total operating revenues	181,166	(0.8)%	182,537	359,874	(0.4)%	361,337
Expenses, excluding depreciation and amortization:						
Editorial and newspaper content	21,883	1.3 %	21,598	43,772	2.1 %	42,889
Newsprint and ink	21,582	11.4 %	19,377	43,972	13.3 %	38,825
Other press and production	17,236	1.3 %	17,020	34,362	4.5 %	32,894
Circulation and distribution	16,652	6.9 %	15,579	33,066	10.0 %	30,058
Other advertising, internet and printing	6,301	3.8 %	6,068	12,607	4.9 %	12,013
Advertising sales and marketing	16,621	3.5 %	16,065	32,978	4.1 %	31,677
General and administrative	15,817	(6.9)%	16,993	32,732	(3.8)%	34,017
Total	116,092	3.0 %	112,700	233,489	5.0 %	222,373
EBITDA	65,074	(6.8)%	69,837	126,385	(9.1)%	138,964
Share of pre tax earnings of equity method investments	(661)		(1,025)	(1,431)		(1,693)
Total EBITDA	64,413	(6.4)%	68,812	124,954	(9.0)%	137,271
Depreciation and amortization	12,019	(3.6)%	12,467	24,188	(1.1)%	24,450
Operating income, excluding the RMN	52,394	(7.0)%	56,345	100,766	(10.7)%	112,821
RMN operating income (loss)	(4,880)	28.8 %	(6,856)	(12,446)	24.4 %	(16,458)
Total operating income	$ 47,514	(4.0)%	$ 49,489	$ 88,320	(8.3)%	$ 96,363

Other Financial and Statistical Data:

	Quarterly Period			Year to Date		
Percent of operating revenues:						
EBITDA	35.6 %		37.7 %	34.7 %		38.0 %
Operating income	28.9 %		30.9 %	28.0 %		31.2 %
Capital expenditures	$ 5,375		$ 5,150	$ 15,763		$ 9,354
Business acquisitions and other additions to long lived assets	382		805	64,650		32,806

The demand for advertising was soft in most of the Company's markets for the first six months of 2001. On a pro forma basis, assuming all acquisitions had been completed as of January 1, 2000, local advertising decreased 3.7% in the quarter and 4.4% year to date. Classified advertising decreased 6% in the quarter and 5.3% year to date.

Expenses, other than newsprint, decreased approximately 1% on the same pro forma basis for the quarter, and were flat year to date.

Newsprint and ink increased primarily due to a 17% increase in year over year newsprint prices.

The Company's operating results in Denver are beginning to improve due to advertising and circulation rate increases implemented by the JOA. The Company also anticipates a substantial reduction in JOA operating expenses resulting from headcount reductions, and the publication of combined weekend editions and a single classified advertising section distributed daily in both newspapers.

SCRIPPS NETWORKS - Operating results, excluding unusual items, were as follows:

(in thousands)	Quarterly Period			Year to Date		
	2001	Change	2000	2001	Change	2000
Operating revenues:						
Advertising	$ 77,920	10.2 %	$ 70,702	$ 144,519	12.7 %	$ 128,177
Affiliate fees	19,935	37.2 %	14,535	39,692	36.1 %	29,165
Other	1,327	8.0 %	1,229	2,588	5.8 %	2,447
Total operating revenues	99,182	14.7 %	86,466	186,799	16.9 %	159,789
Operating expenses, excluding depreciation and amortization:						
Programming and production	25,025	16.3 %	21,516	49,086	18.4 %	41,474
Operations and distribution	9,317	18.7 %	7,852	18,914	15.6 %	16,368
Amortization of distribution fees	5,645	22.0 %	4,628	10,944	21.3 %	9,024
Sales and marketing	21,012	17.0 %	17,963	39,606	21.7 %	32,549
General and administrative	12,982	29.3 %	10,039	27,867	29.5 %	21,527
Total	73,981	19.3 %	61,998	146,417	21.1 %	120,942
EBITDA - consolidated networks	25,201	3.0 %	24,468	40,382	4.0 %	38,847
Share of pre tax earnings of equity method investments	1,392		711	2,032		1,670
Total EBITDA	26,593	5.6 %	25,179	42,414	4.7 %	40,517
Depreciation and amortization	3,857	11.6 %	3,457	7,549	7.2 %	7,041
Operating income	$ 22,736	4.7 %	$ 21,722	$ 34,865	4.1 %	$ 33,476
Other Financial and Statistical Data:						
Percent of operating revenues:						
EBITDA	26.8 %		29.1 %	22.7 %		25.4 %
Operating income	22.9 %		25.1 %	18.7 %		21.0 %
Payments for programming and network distribution fees less than (greater than) amounts recognized as expense	$ (7,658)		$ (4,665)	$ (15,218)		$ (10,089)
Capital expenditures	3,650		1,654	5,289		3,250
Business acquisitions and other additions to long lived assets	9,299		8,415	27,850		8,992

According to the Nielsen Homevideo Index, HGTV was distributed to 70.5 million homes in June 2001, up 7.6 million from June 2000 and 0.7 million in the second quarter. Food Network was distributed to 60.4 million homes in June 2001, up 11.0 million from June 2000 and 2.5 million in the second quarter.

The Company launched DIY in the fourth quarter of 1999 and expects to launch Fine Living, its fourth network, in early 2002. Start up expenses associated with DIY and Fine Living reduced EBITDA in the second quarter by $4.9 million in 2001 compared to $2.5 million in the second quarter of 2000. DIY and Fine Living reduced year to date EBITDA $10.3 million in 2001 and $4.6 million in 2000. Full year start up expenses are expected to reduce EBITDA by $20 million to $25 million. The cash required by DIY and Fine Living will substantially exceed the reported operating losses in 2001.

Excluding the start up expenses of the new networks, EBITDA increased 14% in the quarter and 17% year to date.

BROADCAST TELEVISION - Operating results, excluding unusual items, were as follows:

(in thousands)	Quarterly Period 2001	Change	2000	Year to Date 2001	Change	2000
Operating revenues:						
Local	$ 43,585	(9.3)%	$ 48,072	$ 82,538	(7.4)%	$ 89,151
National	26,266	(21.3)%	33,362	49,069	(22.6)%	63,414
Political	304		2,165	304		3,906
Other	4,044	4.4 %	3,872	8,209	6.8 %	7,687
Total operating revenues	74,199	(15.2)%	87,471	140,120	(14.6)%	164,158
Operating expenses, excluding depreciation and amortization:						
Programming and station operations	33,992	(7.7)%	36,826	68,763	(7.2)%	74,113
Sales and marketing	9,291	(17.5)%	11,258	17,995	(14.9)%	21,149
General and administrative	5,661	(12.6)%	6,477	12,020	(3.3)%	12,432
Total	48,944	(10.3)%	54,561	98,778	(8.3)%	107,694
EBITDA	25,255	(23.3)%	32,910	41,342	(26.8)%	56,464
Depreciation and amortization	7,428	4.9 %	7,081	14,673	3.9 %	14,117
Operating income	$ 17,827	(31.0)%	$ 25,829	$ 26,669	(37.0)%	$ 42,347
Other Financial and Statistical Data:						
Percent of operating revenues:						
EBITDA	34.0 %		37.6 %	29.5 %		34.4 %
Operating income	24.0 %		29.5 %	19.0 %		25.8 %
Capital expenditures	$ 4,816		$ 3,979	$ 7,344		$ 12,822
Business acquisitions and other additions to long lived assets	27		55	27		14,660

The Company continues to be adversely affected by its relatively high exposure to weakly rated ABC television network programming. Six of the Company's 10 television stations are ABC affiliates. Year over year automobile advertising declined sharply in the quarter.

Operating expenses, excluding depreciation and amortization, are expected to decrease 6% to 9% for the full year.

~~LIQUIDITY AND CAPITAL RESOURCES~~

~~The Company's cash flow from operating activities is expected to substantially exceed the total of its capital expenditure requirements and cash dividends in 2001, as it has since 1992. The excess cash flow from existing businesses and the Company's substantial borrowing capacity have been used primarily to fund acquisitions, investments, and to develop new businesses. There are essentially no legal or other restrictions on the transfer of funds among the Company's business segments.~~

~~Repurchase of a total of six million Class A Common shares was authorized by the Board of Directors in 1998. The balance remaining on this authorization is 2.1 million shares.~~

~~The Company's Scripps Ventures Funds invest in new businesses focusing primarily on new media technology. See Note 5 to the Consolidated Financial Statements. At June 30, 2001, an additional $59 million remains to be invested under the Board of Directors authorization.~~

~~Net debt (borrowings less cash equivalent and other short-term investments) decreased $7 million in the first half of 2001, to $707 million at June 30, 2001.~~

~~MARKET RISK~~

~~The Company's earnings and cash flow can be affected by, among other things, interest rate changes, foreign currency fluctuations (primarily in the exchange rate for the Japanese yen) and changes in the price of newsprint. The information disclosed in Market Risk in the Company's Annual Report on Form 10 K for the year ended December 31, 2000, has not changed materially unless otherwise disclosed herein.~~

~~The Company may use foreign currency forward and option contracts to hedge its cash flow exposures denominated in Japanese yen and forward contracts to reduce the risk of changes in the price of newsprint on anticipated newsprint purchases. The Company held no foreign currency or newsprint forward contracts in 2001 or 2000.~~

~~The following table presents additional information about the Company's market risk sensitive financial instruments:~~

(in thousands, except share data)	As of June 30, 2001		As of December 31, 2000	
	Cost Basis	Fair Value	Cost Basis	Fair Value
Financial instruments subject to interest rate risk:				
Variable rate credit facilities, including commercial paper	$502,718	$ 502,718	$ 512,788	$ 512,788
$100 million, 6.625% note, due in 2007	99,908	99,800	99,901	97,900
$100 million, 6.375% note, due in 2002	99,973	101,100	99,964	99,800
Other notes	8,714	7,682	1,956	812
Total long-term debt	$711,313	$ 711,300	$ 714,609	$ 711,300
Financial instruments subject to market value risk:				
AOL Time Warner common stock (2,017,000 shares)	$ 93,719	$ 106,891		
Time Warner common stock (1,344,000 shares)			$ 27,816	$ 70,239
Centra Software (700,500 and 1,792,500 common shares)	1,427	11,901	3,652	6,946
Other available for sale securities	640	4,601	639	3,969
Total investments in publicly traded companies	95,786	123,393	32,107	81,154
Other equity investments	71,213	(a)	87,266	(a)

~~(a) Included in other equity investments are securities that do not trade in public markets, so they do not have readily determinable fair values. However, based upon the price paid by other investors for similar securities in subsequent rounds of financing, if any, and based upon management's assessment when circumstances indicate fair value is less than the price paid in the most recent round, the total estimated value of these investments was $80,000,000 on June 30, 2001, and $163,000,000 on December 31, 2000. There can be no assurance as to the amounts the Company would receive if these securities were sold.~~

~~The Company manages interest rate risk primarily by maintaining a mix of fixed rate and variable rate debt. The Company currently does not use interest rate swaps, forwards or other derivative financial instruments to manage its interest rate risk. See Note 4 to the Consolidated Financial Statements. The weighted average interest rate on borrowings under the Variable Rate Credit Facilities was 4.1% at June 30, 2001, and 6.6% at December 31, 2000.~~

THE E. W. SCRIPPS COMPANY

Index to Exhibits

RATIO OF EARNINGS TO FIXED CHARGES EXHIBIT 12

(in thousands)

	Three months ended June 30,		Six months ended June 30,	
	2001	2000	2001	2000
EARNINGS AS DEFINED:				
Earnings from operations before income taxes after eliminating undistributed earnings of 20% to 50% owned affiliates	$ 82,404	$ 81,082	$ 201,334	$ 141,417
Fixed charges excluding capitalized interest and preferred stock dividends of majority owned subsidiary companies	12,202	15,056	26,035	29,503
Earnings as defined	$ 94,606	$ 96,138	$ 227,369	$ 170,920
FIXED CHARGES AS DEFINED:				
Interest expense, including amortization of debt issue costs	$ 10,859	$ 13,481	$ 23,320	$ 26,117
Interest capitalized	181	16	412	30
Portion of rental expense representative of the interest factor	1,343	1,575	2,715	3,386
Preferred stock dividends of majority owned subsidiary companies	20	20	40	40
Fixed charges as defined	$ 12,403	$ 15,092	$ 26,487	$ 29,573
RATIO OF EARNINGS TO FIXED CHARGES	7.63	6.37	8.58	5.78