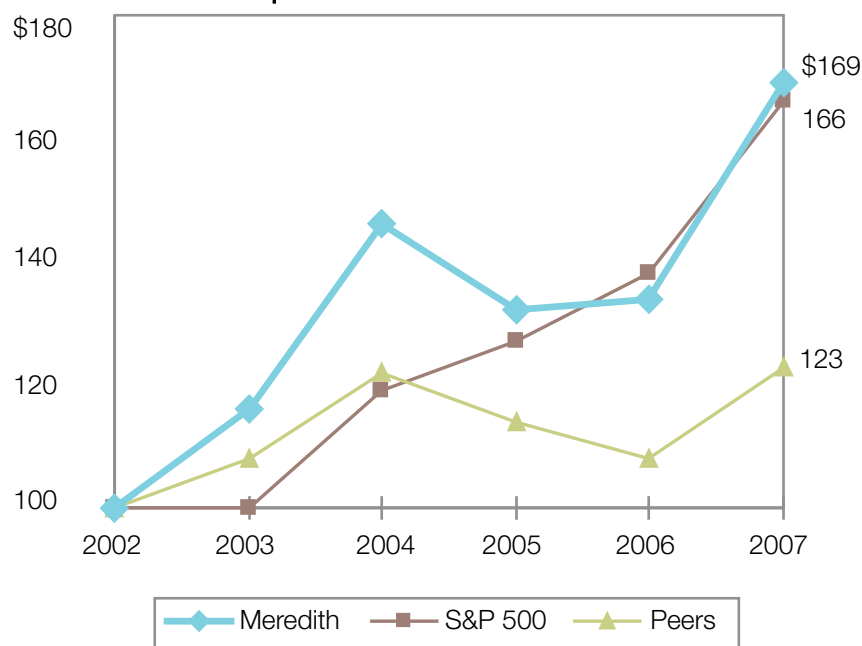


Financial Highlights

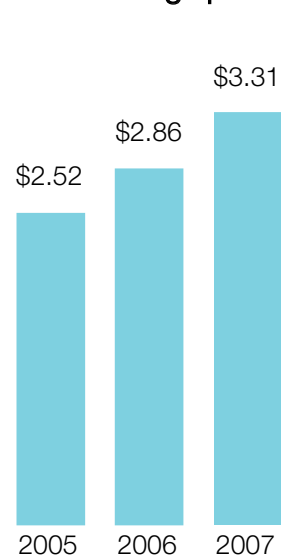
Years Ended June 30 (In millions except per share data and stock prices)

GAAP Results	2007	2006	2005
Revenues	\$ 1,616	\$ 1,561	\$ 1,217
Income from operations	288	267	228
Net earnings	162	145	129
Diluted earnings per share	3.31	2.86	2.52
Total assets	2,090	2,041	1,491
Debt	475	565	250
Dividends per share	0.69	0.60	0.52
Stock price	High	63.41	56.83
	Low	45.04	46.50
44.51			
Non-GAAP Results			
EBITDA ¹	\$ 337	\$ 312	\$ 263

Comparison of Shareholder Return²



Diluted earnings per share



(1) EBITDA = Earnings from continuing operations before interest, taxes, depreciation and amortization, and does not include Book Group restructuring charges in fiscal 2007.

Non-GAAP amounts are not in accordance with GAAP (accounting principles generally accepted in the United States of America). While management believes these measures contribute to an understanding of the Company's financial performance, they should not be considered in isolation or as a substitute for measures of performance prepared in accordance with GAAP. See "Reconciliation of Non-GAAP Financial Measure" in Appendix 1 immediately following the included Form 10-K.

(2) The graph compares the performance of the Company's common stock during the period July 1, 2002, to June 30, 2007, with the S&P 500 Index and with a Peer Group of nine companies engaged in multimedia businesses primarily with publishing and/or television broadcasting in common with the Company.

The S&P 500 Index includes 500 United States companies in the industrial, transportation, utilities, and financial sectors and is weighted by market capitalization. The Peer Group selected by the Company for comparison, which is also weighted by market capitalization, is comprised of Belo Corp.; Gannett Co., Inc.; Hearst-Argyle Television, Inc.; The McGraw-Hill Companies, Inc.; Media General, Inc.; The New York Times Company; The E. W. Scripps Company; Tribune Company; and The Washington Post Company. The Reader's Digest Association, Inc., which had been included in the Peer Group in prior years, is no longer a publicly traded company and has been removed.

The graph depicts the results for investing \$100 in the Company's common stock, the S&P 500 Index, and the Peer Group at closing prices on June 30, 2002, assuming dividends were reinvested.