

Journal Communications, Inc.
Consolidated Statements of Earnings (unaudited)
(dollars in thousands, except for shares and per-share amounts)

	Fourth Quarter (A)			Four Quarters (B)		
	2007	2006	% Change	2007	2006	% Change
Continuing Operations:						
Revenue:						
Publishing	\$ 66,931	\$ 77,765	(13.9)	\$ 266,099	\$ 284,730	(6.5)
Broadcasting	56,739	70,189	(19.2)	218,118	238,536	(8.6)
Printing services	17,647	18,504	(4.6)	69,377	66,956	3.6
Other	6,300	8,747	(28.0)	29,060	38,541	(24.6)
Total revenue	147,617	175,205	(15.7)	582,654	628,763	(7.3)
Operating costs and expenses:						
Publishing	36,798	40,874	(10.0)	143,321	149,898	(4.4)
Broadcasting	25,332	27,424	(7.6)	96,924	95,745	1.2
Printing services	13,982	15,424	(9.3)	55,313	56,129	(1.5)
Other	5,428	7,309	(25.7)	24,659	32,893	(25.0)
Total operating costs and expenses	81,540	91,031	(10.4)	320,217	334,665	(4.3)
Selling and administrative expenses	48,126	47,429	1.5	183,649	189,498	(3.1)
Total operating costs and expenses and selling and administrative expenses	129,666	138,460	(6.4)	503,866	524,163	(3.9)
Operating earnings	17,951	36,745	(51.1)	78,788	104,600	(24.7)
Other income and (expense):						
Interest income	10	8		36	37	
Interest expense	(2,261)	(4,056)		(9,180)	(15,607)	
Total other income and (expense)	(2,251)	(4,048)	(44.4)	(9,144)	(15,570)	(41.3)
Earnings from continuing operations before income taxes	15,700	32,697	(52.0)	69,644	89,030	(21.8)
Provision for income taxes	5,459	12,711	(57.1)	26,626	35,247	(24.5)
Earnings from continuing operations	10,241	19,986	(48.8)	43,018	53,783	(20.0)
Gain (loss) from discontinued operations, net of tax	(772)	3,372	N/A	67,060	10,590	533.2
Net earnings	\$ 9,469	\$ 23,358	(59.5)	\$ 110,078	\$ 64,373	71.0
Weighted average number of shares:						
Basic	58,138,113	66,780,875		62,275,709	67,475,857	
Diluted	62,652,022	71,281,044		66,808,796	71,984,963	
Earnings per share:						
Basic:						
Continuing operations	\$ 0.17	\$ 0.29		\$ 0.66	\$ 0.77	
Discontinued operations	(0.02)	0.05		1.08	0.16	
Net earnings	\$ 0.15	\$ 0.34		\$ 1.74	\$ 0.93	
Diluted:						
Continuing operations	\$ 0.16	\$ 0.28		\$ 0.65	\$ 0.75	
Discontinued operations	(0.01)	0.05		1.00	0.14	
Net earnings	\$ 0.15	\$ 0.33		\$ 1.65	\$ 0.89	

(A) 2007 fourth quarter: October 1, 2007 to December 30, 2007 (13 weeks).
2006 fourth quarter: September 25, 2006 to December 31, 2006 (14 weeks).
(B) 2007 four quarters: January 1, 2007 to December 30, 2007 (52 weeks).
2006 four quarters: December 26, 2005 to December 31, 2006 (53 weeks).

Journal Communications, Inc.
Segment Information (unaudited)
(dollars in thousands)

	Fourth Quarter (A)			Four Quarters (B)		
	2007	2006	% Change	2007	2006	% Change
<u>Revenue</u>						
Publishing	\$ 66,931	\$ 77,765	(13.9)	\$ 266,099	\$ 284,730	(6.5)
Broadcasting	56,739	70,189	(19.2)	218,118	238,536	(8.6)
Printing services	17,647	18,504	(4.6)	69,377	66,956	3.6
Other	6,300	8,747	(28.0)	29,060	38,541	(24.6)
	\$ 147,617	\$ 175,205	(15.7)	\$ 582,654	\$ 628,763	(7.3)
<u>Operating earnings</u>						
Publishing	\$ 6,050	\$ 11,136	(45.7)	\$ 30,661	\$ 34,551	(11.3)
Broadcasting	10,334	23,090	(55.2)	41,349	65,887	(37.2)
Printing services	1,510	1,157	30.5	5,932	2,600	128.2
Other	57	1,362	(95.8)	846	1,562	(45.8)
	\$ 17,951	\$ 36,745	(51.1)	\$ 78,788	\$ 104,600	(24.7)
<u>Depreciation and amortization</u>						
Publishing	\$ 3,253	\$ 3,828	(15.0)	\$ 13,294	\$ 13,258	0.3
Broadcasting	3,306	3,605	(8.3)	12,930	12,970	(0.3)
Printing services	547	544	0.6	2,109	1,985	6.2
Other	250	210	19.0	1,035	865	19.7
	\$ 7,356	\$ 8,187	(10.2)	\$ 29,368	\$ 29,078	1.0

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Journal Communications, Inc.
Publishing Segment Information (unaudited)
(dollars in thousands)

Publishing revenue by category:

	Fourth Quarter of 2007 (A)			Fourth Quarter of 2006 (B)			% Change Daily	% Change CN&S	% Change Total
	Daily Newspaper	Community Newspapers & Shoppers	Total	Daily Newspaper	Community Newspapers & Shoppers	Total			
Advertising revenue:									
Retail	\$ 25,211	\$ 7,327	\$ 32,538	\$ 29,227	\$ 8,436	\$ 37,663	(13.7)	(13.1)	(13.6)
Classified	12,112	1,266	13,378	14,758	1,653	16,411	(17.9)	(23.4)	(18.5)
National	2,461	--	2,461	3,240	--	3,240	(24.0)	N/A	(24.0)
Direct Marketing	1,475	--	1,475	1,745	--	1,745	(15.5)	N/A	(15.5)
Other	--	68	68	--	131	131	N/A	(48.1)	(48.1)
Total advertising revenue	41,259	8,661	49,920	48,970	10,220	59,190	(15.7)	(15.3)	(15.7)
Circulation revenue	12,759	262	13,021	13,780	593	14,373	(7.4)	(55.8)	(9.4)
Other revenue	3,242	748	3,990	3,283	919	4,202	(1.2)	(18.6)	(5.0)
Total revenue	\$ 57,260	\$ 9,671	\$ 66,931	\$ 66,033	\$ 11,732	\$ 77,765	(13.3)	(17.6)	(13.9)
	Four Quarters of 2007 (C)			Four Quarters of 2006 (D)			% Change Daily	% Change CN&S	% Change Total
	Daily Newspaper	Community Newspapers & Shoppers	Total	Daily Newspaper	Community Newspapers & Shoppers	Total			
Advertising revenue:									
Retail	\$ 90,235	\$ 29,318	\$ 119,553	\$ 90,998	\$ 34,499	\$ 125,497	(0.8)	(15.0)	(4.7)
Classified	58,152	5,994	64,146	64,674	7,854	72,528	(10.1)	(23.7)	(11.6)
National	9,227	--	9,227	11,018	--	11,018	(16.3)	N/A	(16.3)
Direct Marketing	4,434	--	4,434	5,873	--	5,873	(24.5)	N/A	(24.5)
Other	--	386	386	--	657	657	N/A	(41.2)	(41.2)
Total advertising revenue	162,048	35,698	197,746	172,563	43,010	215,573	(6.1)	(17.0)	(8.3)
Circulation revenue	51,174	1,082	52,256	52,652	2,268	54,920	(2.8)	(52.3)	(4.9)
Other revenue	12,234	3,863	16,097	10,923	3,314	14,237	12.0	16.6	13.1
Total revenue	\$ 225,456	\$ 40,643	\$ 266,099	\$ 236,138	\$ 48,592	\$ 284,730	(4.5)	(16.4)	(6.5)

- (A) 2007 fourth quarter: October 1, 2007 to December 30, 2007 (13 weeks).
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(C) 2007 four quarters: January 1, 2007 to December 30, 2007 (52 weeks).
(D) 2006 four quarters: December 26, 2005 to December 31, 2006 (53 weeks).

NOTE:

Publishing segment information is provided to facilitate comparison of our publishing segment results with those of other publishing companies and is not representative of the overall business of Journal Communications or its operating results.

Journal Communications, Inc.
Publishing Segment Information, continued (unaudited)

Daily newspaper's core newspaper advertising linage by category:

	Fourth Quarter (A)		% Change
	2007	2006	
Advertising linage (inches):			
Full run			
Retail	139,073	179,793	(22.6)
Classified	115,358	150,744	(23.5)
National	13,650	16,443	(17.0)
Total full run	<u>268,081</u>	<u>346,980</u>	(22.7)
Part run	9,558	26,481	(63.9)
Total advertising linage	<u>277,639</u>	<u>373,461</u>	(25.7)
Preprint pieces (in thousands)	<u>256,707</u>	<u>293,909</u>	(12.7)

Total pages and revenue per page of our community newspapers and shoppers:

Total pages			
Community newspapers	11,164	17,238	(35.2)
Shoppers and specialty products	12,008	13,124	(8.5)
Total pages	<u>23,172</u>	<u>30,362</u>	(23.7)
Revenue per page	<u>\$ 329.45</u>	<u>\$ 298.01</u>	10.5

Daily newspaper's core newspaper advertising linage by category:

	Four Quarters (B)		% Change
	2007	2006	
Advertising linage (inches):			
Full run			
Retail	591,649	670,719	(11.8)
Classified	539,443	653,601	(17.5)
National	47,451	59,049	(19.6)
Total full run	<u>1,178,543</u>	<u>1,383,369</u>	(14.8)
Part run	39,199	111,420	(64.8)
Total advertising linage	<u>1,217,742</u>	<u>1,494,789</u>	(18.5)
Preprint pieces (in thousands)	<u>872,784</u>	<u>926,175</u>	(5.8)

Total pages and revenue per page of our community newspapers and shoppers:

Full pages of advertising:			
Community newspapers	47,540	70,724	(32.8)
Shoppers and specialty products	49,079	57,513	(14.7)
Total full pages of advertising	<u>96,619</u>	<u>128,237</u>	(24.7)
Revenue per page	<u>\$ 329.47</u>	<u>\$ 298.52</u>	10.4

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2006 four quarters: December 26, 2005 to December 31, 2006 (53 weeks).

NOTE: Publishing segment information is provided to facilitate comparison of our publishing segment results with those of other publishing companies and is not representative of the overall business of Journal Communications or its operating results. All data is subject to later adjustment.

Journal Communications, Inc.

Reconciliation of consolidated net earnings to consolidated EBITDA (unaudited)

(dollars in thousands)

	Fourth Quarter (A)		Four Quarters (B)	
	2007	2006	2007	2006
Net earnings	\$ 9,469	\$ 23,358	\$ 110,078	\$ 64,373
(Gain)/loss from discontinued operations, net	772	(3,372)	(67,060)	(10,590)
Provision for income taxes	5,459	12,711	26,626	35,247
Total other expense, net	2,251	4,048	9,144	15,570
Depreciation	6,843	7,626	27,407	27,080
Amortization	513	561	1,961	1,998
EBITDA	\$ 25,307	\$ 44,932	\$ 108,156	\$ 133,678

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We define EBITDA as net earnings excluding gain/loss from discontinued operations, net, provision for income taxes, total other expense (which is entirely comprised of interest income and expense), depreciation and amortization.

Our management uses EBITDA, among other things, to evaluate our operating performance, and to value prospective acquisitions. EBITDA is not a measure of performance calculated in accordance with accounting principles generally accepted in the United States. EBITDA should not be considered in isolation of, or as a substitute for, net earnings as an indicator of operating performance or cash flows from operating activities as a measure of liquidity. EBITDA, as we calculate it, may not be comparable to EBITDA reported by other companies.

Journal Communications, Inc.
Consolidated Condensed Balance Sheets
(dollars in thousands)

	December 30, 2007 (unaudited)	December 31, 2006
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 6,256	\$ 7,923
Receivables, net	86,197	87,401
Inventories, net	7,258	6,752
Prepaid expenses	13,066	11,281
Deferred income taxes	6,821	11,017
Assets of discontinued operations	-	118,584
Total current assets	119,598	242,958
Property and equipment, net	223,800	218,103
Goodwill	232,538	231,635
Broadcast licenses	223,529	196,659
Other intangible assets, net	25,702	26,826
Prepaid pension costs	15,298	-
Other assets	16,502	39,077
Total assets	\$ 856,967	\$ 955,258

LIABILITIES AND SHAREHOLDERS' EQUITY

Current liabilities:		
Accounts payable	\$ 30,026	\$ 31,108
Accrued compensation	16,871	18,730
Accrued employee benefits	10,390	10,456
Deferred revenue	14,936	18,505
Accrued income taxes	219	4,048
Other current liabilities	7,757	18,368
Liabilities of discontinued operations	-	20,856
Current portion of long-term liabilities	4,508	4,770
Total current liabilities	84,707	126,841
Accrued employee benefits	25,157	33,749
Long-term notes payable to banks	178,885	235,000
Deferred income taxes	67,664	62,089
Other long-term liabilities	12,992	16,687
Shareholders' equity	487,562	480,892
Total liabilities and shareholders' equity	\$ 856,967	\$ 955,258