UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

[X] Quarterly Report Under Section 13 or 15(d) of the Securities Exchange Act of 1934
For Quarter Ended June 30, 1996

OR

[ ] Transition Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Commission File Number 1-6227

Lee Enterprises, Incorporated

A Delaware Corporation I.D. #42-0823980
215 N. Main Street
Davenport, Iowa 52801
Phone: (319) 383-2100

Indicate by a check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities 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 practical date.

Class	Outstanding at June 30, 1996
Common Stock, $2.00 par value	34,309,608
Class "B" Common Stock, $2.00 par value	12,717,947

PART I. FINANCIAL INFORMATION

Item 1.

LEE ENTERPRISES, INCORPORATED

CONSOLIDATED STATEMENTS OF INCOME
(In Thousands Except Per Share Data)

	Three Months Ended June 30,		Nine Months Ended June 30,	
	1996	1995	1996	1995
Operating revenue:				
Newspaper:				
Advertising	$ 43,362	$ 42,740	$ 126,180	$ 112,403
Circulation	19,967	19,427	59,918	53,372
Other	13,826	12,383	41,071	36,278
Broadcasting	30,671	25,061	88,200	76,129
Graphic arts	17,344	15,785	49,386	44,297
Equity in net income of associated companies	1,664	1,710	4,847	6,356
	126,834	117,106	369,602	328,835
Operating expenses:				
Compensation costs	41,335	38,107	124,446	110,091
Newsprint and ink	9,539	8,567	29,777	21,710
Depreciation	4,251	3,270	12,197	9,090
Amortization of intangibles	3,800	3,553	11,498	9,578
Other	37,753	34,125	112,685	99,449

	96,678	87,622	290,603	249,918
Operating income	30,156	29,484	78,999	78,917
Financial (income) expense, net:				
Financial (income)	(663)	(901)	(1,751)	(2,334)
Financial expense	2,347	2,917	7,335	8,837
	1,684	2,016	5,584	6,503
Income before taxes on income	28,472	27,468	73,415	72,414
Income taxes	11,427	11,033	29,625	28,037
Net income	$ 17,045	$ 16,435	$ 43,790	$ 44,377
Weighted average number of shares	47,938	48,364	48,021	46,476
Earnings per share	$ 0.36	$ 0.34	$ 0.91	$ 0.95
Dividends per share	$ 0.12	$ 0.11	$ 0.36	$ 0.33

LEE ENTERPRISES, INCORPORATED

CONDENSED CONSOLIDATED BALANCE SHEETS
(In Thousands)

ASSETS	June 30, 1996	September 30, 1995
	(Unaudited)	
Cash and cash equivalents	$ 25,991	$ 10,683
Temporary investments		200
Accounts receivable, net	66,321	58,584
Inventories	15,177	18,355
Film rights and other	13,636	16,687
Total current assets	121,125	104,509
Investments	21,292	19,700
Property and equipment, net	109,326	108,196
Intangibles and other assets	312,452	327,524
	$ 564,195	$ 559,929

LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities	$ 111,771	$ 116,527
Long-term debt, less current maturities	69,617	75,511
Deferred items	53,925	56,849
Stockholders' equity	328,882	311,042
	$ 564,195	$ 559,929

LEE ENTERPRISES, INCORPORATED

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(In Thousands)

Nine Months Ended June 30:	1996	1995
	(Unaudited)	
Cash Provided by Operations:		
Net income	$ 43,790	$ 44,377
Adjustments to reconcile net income to net cash provided by operations:		
Depreciation and amortization	23,695	18,668
Distributions in excess of earnings of associated companies	1,166	1,769
Other balance sheet changes	(7,228)	(761)
Net cash provided by operations	61,423	64,053
Cash Provided by (Required for) Investing Activities:		
Acquisitions	(367)	7,144
Purchase of temporary investments	(200)	(200)
Proceeds from maturities of temporary investments	400	38,859
Purchase of property and equipment	(13,866)	(10,643)
Other	(1,320)	(964)
Net cash provided by (required for) investing activities	(15,353)	34,196
Cash (Required for) Financing Activities:		
Purchase of common stock	(11,654)	(26,450)
Cash dividends paid	(11,316)	(9,827)
Payment of debt	(25,076)	(25,000)
Proceeds from long-term borrowings	15,000	
Other	2,284	757
Net cash (required for) financing activities	(30,762)	(60,520)
Net increase in cash and cash equivalents	15,308	37,729
Cash and cash equivalents:		
Beginning	10,683	18,784
Ending	$ 25,991	$ 56,513

LEE ENTERPRISES, INCORPORATED

NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL INFORMATION

- ---

Note 1. Basis of Presentation

The information furnished reflects all adjustments, consisting of normal recurring accruals, which are, in the opinion of management, necessary to a fair presentation of the financial position as of June 30, 1996 and the results of operations for the three and nine month periods ended June 30, 1996 and 1995 and cash flows for the nine month periods needed June 30, 1996 and 1995.

Note 2. Common Stock Split

On November 9, 1995, the Board of Directors declared a two-for-one stock split on the Company's common stock and Class B common stock effected in the form of a stock dividend payable December 8, 1995, to holders of record on November 20, 1995. All share and per share data is stated to reflect the split.

Note 3. Investment in Associated Companies
Condensed operating results of unconsolidated associated companies are as follows:

	Three Months Ended June 30,		Nine Months Ended June 30,	
	1996	1995	1996	1995
Revenues	$ 18,226	$ 17,427	$ 54,576	$ 68,110
Operating expenses, except depreciation and amortization	12,506	11,502	37,871	46,276
Depreciation and amortization	433	444	1,363	1,708
Operating income	5,287	5,481	15,342	20,126
Financial income	287	312	876	1,212
Income before income taxes	5,573	5,793	16,218	21,338
Income taxes	2,249	2,339	6,522	8,579
Net income	3,324	3,454	9,696	12,759

a. Madison Newspaper, Inc. (50% owned)
b. Journal-Star Printing Co. (49.75% owned until March 31, 1995)
c. Quality Information Systems (50% owned)

Note 4. Inventories

Inventories consist of the following:

	June 30, 1996	September 30, 1995
	(In Thousands) (Unaudited)	
Newsprint	$ 2,279	$ 3,634
Media products and services:		
Raw material	5,514	7,554
Finished goods	7,384	7,167
	$ 15,177	$ 18,355

Note 5. Cash Flows Information

The components of other balance sheet changes are:

	Nine Months Ended June 30,	
	1996	1995
	(In Thousands) (Unaudited)	
(Increase) in receivables	$ (9,175)	$ (6,128)
(Increase) decrease in inventories, film rights and other	2,098	(428)
Increase (decrease) in accounts payable, accrued expenses and unearned income	(5,987)	4,877
Increase in income taxes payable	4,622	277
Other, primarily deferred items	1,214	(323)
	$ (7,228)	$ (1,725)

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

Operating results:

	Three Months Ended June 30, 1996	Three Months Ended June 30, 1995	Nine Months Ended June 30, 1996	Nine Months Ended June 30, 1995
	(Dollar Amounts in Thousands Except for Per Share Data)			
Operating revenue	$ 126,834	$ 117,106	$ 369,602	$ 328,835
Percent change	8.3%		12.4%	
Income before depreciation and amortization, interest and taxes (EBITDA)	38,207	36,307	102,694	97,585
Percent change	5.2%		5.2%	
Operating income	30,156	29,484	78,999	78,917
Percent change	2.3%		0.1%	
Net income	17,045	16,435	43,790	44,377
Percent change	3.7%		(1.3)%	
Earnings per share	$ 0.36	$ 0.34	$ 0.91	$ 0.95
Percent change	5.9%		(4.2)%	

As if the acquisition of Journal-Star Printing Co. and SJL of Kansas Corp. had occurred on October 1, 1994.

	Three Months Ended June 30, 1996	Three Months Ended June 30, 1995	Nine Months Ended June 30, 1996	Nine Months Ended June 30, 1995
	(Dollar Amounts in Thousands Except for Per Share Data)			
Proforma:				
Operating revenue	$ 126,834	$ 121,325	$ 369,602	$ 355,566
Percent change	4.5%		4.0%	
Income before depreciation and amortization, interest and taxes (EBITDA)	38,207	37,795	102,694	106,498
Percent change	1.1%		(3.6)%	
Operating income	30,156	30,183	78,999	84,068
Percent change	(0.1)%		(6.0)%	
Net income	17,045	16,387	43,790	44,770
Percent change	4.0%		(2.2)%	
Earnings per share	$ 0.36	$ 0.34	$ 0.91	$ 0.92
Percent change	5.9%		(1.1)%	

Operations by line of business are as follows:

	Three Months Ended June 30, 1996	Three Months Ended June 30, 1995	Nine Months Ended June 30, 1996	Nine Months Ended June 30, 1995
	(In Thousands)			
Operating revenue:				
Newspapers	$ 78,841	$ 76,274	$ 232,059	$ 208,452
Broadcasting	30,671	25,061	88,200	76,129
Graphic arts	17,322	15,771	49,343	44,254
	$ 126,834	$ 117,106	$ 369,602	$ 328,835
Income before depreciation and amortization, interest and taxes (EBITDA):				
Newspapers	$ 25,752	$ 25,238	$ 71,613	$ 67,258
Broadcasting	10,425	9,253	27,017	29,056
Graphic arts	4,228	5,038	12,194	11,385
Corporate	(2,198)	(3,222)	(8,130)	(10,114)
	$ 38,207	$ 36,307	$ 102,694	$ 97,585
Operating income:				
Newspapers	$ 21,998	$ 21,666	$ 60,728	$ 58,164
Broadcasting	7,342	7,259	17,907	23,268
Graphic arts	3,161	3,916	8,917	7,994
Corporate	(2,345)	(3,357)	(8,553)	(10,509)
	$ 30,156	$ 29,484	$ 78,999	$ 78,917
Capital expenditures:				
Newspapers	$ 3,269	$ 2,183	$ 8,302	$ 5,268
Broadcasting	1,428	1,870	4,951	5,066
Graphic arts	24	15	251	61
Corporate	186	11	362	248
	$ 4,907	$ 4,079	$ 13,866	$ 10,643

On March 31, 1995, the Company acquired the 50.25% interest in Journal-Star Printing Co. ("JSPC") not previously owned, making JSPC a wholly-owned subsidiary. The transaction involved the issuance of 3,293,286 shares of the Company's common stock and was accounted for as a purchase. The 49.75% interest previously owned by the Company is accounted for by the equity method through March 31, 1995.

As a result of the acquisition deferred income taxes related to the undistributed income of the 49.75% interest in JSPC were recognized as a reduction of income tax expense and certain contract termination, relocation and reorganization payments related to the 49.75% ownership interest were recognized as expense as of March 31, 1995. Without these one-time costs operating income for the nine months ended June 30, 1995 would have been $80,150,000. As a result of the $838,000 tax benefit, the total effect of these transactions was not significant to net income for the nine month period ended June 30, 1995.

On August 28, 1995, the Company also purchased all of the stock of SJL of Kansas Corp. which operates NBC affiliates KSNW-TV and KSNT-TV in Wichita and Topeka, Kansas.

QUARTER ENDED JUNE 30, 1996

Newspapers:

Wholly-owned daily newspaper advertising revenue increased $622,000, 1.5%. Advertising revenue from local merchants increased $283,000, 1.2%. Local "run-of-press" advertising increased $885,000, 5.4% as a result of higher average rates. Advertising inches increased less than 1%. Local preprint revenue decreased $602,000, 7.6% due to reductions in distribution of preprints by merchants. Classified advertising revenue increased $964,000, 7.1% as a .6% decrease in units was offset by higher average rates. These increases were offset by a $625,000 decrease in national and other advertising revenue. Circulation revenue increased $540,000, 2.8% as a result of higher rates which offset a 2.3% decrease in volume. Other revenue at daily newspapers increased $1,564,000, 22.8% primarily as a result of increases in commercial printing and other nontraditional products and services.

Wholly-owned daily newspaper compensation expense increased $863,000, 3.8% due primarily to increases in average compensation. Newsprint and ink costs increased $942,000, 11.1%. The increase was a result of higher unit costs and a 1.2% increase in consumption due to increased commercial printing activity. Other operating expenses exclusive of depreciation and amortization increased $85,000, .6%.

Revenues from weekly newspapers, shoppers and specialty publications decreased $121,000, 2.2% primarily as a result of reduction in book publishing revenue and the elimination of nonperforming properties. Operating income decreased $245,000 due to development costs of the Company's new tourism publication.

Broadcasting:

Exclusive of the effects of the acquisition of SJL of Kansas Corp., revenue for the quarter increased $548,000, 2.2%, as political advertising increased $1,140,000, local/regional advertising decreased $1,323,000, 9.9%, national advertising increased $523,000, 5.9% and production revenue increased $244,000. Compensation costs increased $484,000, 5.4% due to an increase in the number of hours worked in production operations and normal compensation increases. Programming costs increased $377,000, 24.8% primarily due to higher program acquisition costs. Other operating expenses exclusive of depreciation and amortization increased $50,000, .9% for the quarter.

Graphic Arts:

Graphic arts revenue increased $1,559,000, 9.9%, as decreased unit volume from NAPP's letterpress plate business was offset by higher selling prices, growth in the flexographic printing plate business and revenue from the distribution of flexographic commercial printing plates which commenced in September 1995. Revenue from the letterpress business is expected to decrease each year as conversions to offset or flexographic printing continue. Operating income decreased $755,000, 19.3% due to operating margins from distribution being lower than the margin on manufactured products.

Corporate:

Corporate costs were reduced by $500,000 due to favorable experience in the Company's self funded medical plan.

Financial Expense and Income Taxes:

Interest expense was reduced due to payments on long-term debt offset, in part, by $15,000,000 of short-term borrowings to finance the acquisition of SJL of Kansas Corp.

Income taxes were 40.1% and 40.2% of pre-tax income for the quarters ended June 30, 1996 and 1995, respectively.

NINE MONTHS ENDED JUNE 30, 1996

Newspapers:

On a proforma basis for newspapers owned at the end of fiscal 1995, wholly-owned daily newspaper advertising revenue increased $2,227,000, 1.8%. Advertising revenue from local merchants increased $1,267,000, 1.7%. Local "run-of-press" advertising increased $1,079,000, 2.1% as a result of higher average rates which offset a 3.0% decrease in advertising inches. Local preprint revenue increased $188,000, .8%. Classified advertising revenue increased $2,137,000, 5.8% as a 1.7% decrease in units primarily related to weakness in the automotive segment in the first six months of the year was offset by higher average rates. These increases were offset by a $1,177,000 decrease in national and other advertising revenue. Circulation revenue increased $2,414,000, 4.2% as a result of higher average rates which offset a 2% decrease in volume. Other revenue at daily newspapers increased $2,971,000, 13.8% primarily as a result of increases in commercial printing and other nontraditional products and services.

On a proforma basis for newspapers owned at the end of fiscal 1995, wholly-owned daily newspaper compensation expense increased $2,562,000, 3.8% due primarily to increases in average compensation. Newsprint and ink costs increased $5,132,000, 21.1%. Higher unit costs were offset in part by a .1% decrease in consumption. Other operating expenses exclusive of depreciation and amortization decreased $57,000, .1%.

Revenues from weekly newspapers, shoppers and specialty publications increased $873,000, 5.6%, primarily as a result of revenue from properties acquired since the beginning of the first quarter of the last fiscal year. Operating income decreased $268,000 due to development costs of the Company's new tourism publication.

Broadcasting:

Exclusive of the effects of the acquisition of SJL of Kansas Corp. revenue decreased $1,717,000, 2.3%, as political advertising decreased $934,000, local/regional advertising decreased $2,665,000, 6.9% national advertising increased $892,000, 3.6% and production revenue increased $575,000. Compensation costs increased $1,946,000, 7.3% due primarily to an increase in the number of hours worked in production operations. Programming costs increased $995,000, 20.1% primarily due to higher program acquisition costs. Other operating expenses exclusive of depreciation and amortization increased $976,000, 6.3%.

Graphic Arts:

Graphic arts revenue increased $5,079,000, 11.5%, as decreased unit volume from NAPP's letterpress plate business was offset by higher selling prices, growth in the flexographic printing plate business and revenue from the distribution of flexographic commercial printing plates which commenced in September 1995. Several letterpress customers completed conversion to offset or flexographic printing. Revenue from the letterpress business is expected to decrease each year as conversions continued. Operating income increased $923,000, 11.5% due to the increased sales volume and a reduction in spending on new product initiatives.

Equity in Net Income of Associated Companies:

Equity in net income of associated companies decreased $1,509,000. The prior year included $1,423,000 of equity in net income of Journal-Star Printing Co.

Financial Expense and Income Taxes:

Interest expense was reduced due to payments on long-term debt offset, in part, by $15,000,000 of short-term borrowings to finance the acquisition of SJL of Kansas Corp.

Income taxes were 40.4% and 38.7% of pre-tax income for the nine months ended June 30, 1996 and 1995, respectively. The increase in the effective income tax rate was due to an increase in nondeductible intangible asset amortizations. Elimination of the Journal-Star Printing Company deferred taxes discussed above decreased the 1995 effective rate by 1.2%.

Liquidity and Capital Resources:

Cash provided by operations, which is the Company's primary source of liquidity, generated $61,423,000 for the nine month period ended June 30, 1996. Available cash balances, cash flow from operations and bank lines of credit provide adequate liquidity. Covenants related to the Company's credit agreements are not considered restrictive to operations and anticipated stockholder dividends.

Item 6. Exhibits and Reports on Form 8-K

a. Exhibits:

Exhibit 11 - Computation of Earnings Per Share

b. There were no reports on Form 8-K required to be filed during the quarter for which this report is filed.

SIGNATURES

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

LEE ENTERPRISES, INCORPORATED

DATE:------------------------ ------------------------------------

G.C. Wahlig, Chief Accounting Officer

LEE ENTERPRISES, INCORPORATED

PART I. EXHIBIT 11

Computation of Earnings Per Common Share
(In Thousands Except Per Share Amounts)

	Three Months Ended June 30,		Nine Months Ended June 30,	
	1996	1995	1996	1995
Net income applicable to common shares	$ 17,045	$ 16,435	$ 43,790	$ 44,377
Shares:				
Weighted average common shares outstanding	46,974	47,614	47,126	45,804
Dilutive effect of certain stock options	964	750	895	672
Average common shares outstanding as adjusted	47,938	48,364	48,021	46,476
Earnings per common share	$ 0.36	$ 0.34	$ 0.91	$ 0.95

5

THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM THE JUNE 30 1996 10-Q FOR LEE ENTERPRISES, INCORPORATED AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS

1,000

9-MOS
SEP-30-1996
JUN-30-1996
25,991
0
71,073
4,752
15,177
121,125
265,143
155,817
564,195
111,771
69,617
0
0
94,056
234,826
564,195
364,755
369,602
0
290,603
0
0
7,335
73,415
29,625
43,790
0
0
0
43790
.91
.91