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Philadelphia Inquirer Increases Circulation
Audit Bureau of Circulations FasFax Report Shows First Gains Since 2004

PHILADELPHIA, April 30, 2007 – Brian P. Tierney, Chief Executive Officer of Philadelphia Media Holdings, and publisher of The Philadelphia Inquirer and Daily News announced that The Philadelphia Inquirer has increased its daily circulation by 2,136 or 0.6% on a year over year basis, according to information released today by the Audit Bureau of Circulations (ABC) for the six months ending March 2007. The Audit Bureau of Circulations reports these publishers’ estimates twice a year and requires these estimates to be subject to audit by ABC.

“I am very pleased with this first full circulation and readership report under our new ownership,” said Mr. Tierney. “Our ownership believes deeply in these papers and has been confident that with the right support, marketing push, and an emphasis on quality journalism we could turn around the daily numbers -- I think this shows that our belief has been vindicated. We are also pleased that we have been able to increase our online readership at the same time.”

ABC reports indicate that The Daily News made major improvements and has cut its circulation deficit by more than 75%. Similarly, The Inquirer’s Sunday circulation has cut its deficit by more than half on a year over year basis.

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On a year over year basis, the daily Inquirer went from a loss of 18,667 or 350,457 for the six months ending March 2006 to a gain of 2,136 or 352,593 for the six months ending March 2007. This is the first time that the total circulation of The Inquirer has shown a gain since 2004.

The Sunday edition of The Philadelphia Inquirer also made gains and while not yet in positive territory, it cut its year over year deficit by 55%. The circulation went from a loss of 38,277 in March 2006 to a loss of 17,295 in March 2007.

For the Daily News, there was significant improvement in the overall circulation deficit on a year over year basis. In March 2006, the Daily News reported a circulation decline of 12,083 and in March 2007, the deficit stands at 2,641 which is an improvement of 9,442. The major reason for this gain is growth in home delivery which went from 8,296 home delivered copies in March 2006 to 10,664 home delivered copies in March 2007. This gain is the result of the January 2007 expansion of home delivery for the Daily News throughout the region. The Daily News' home delivery circulation is now at its highest point since May 2001.

Scarborough Research Shows Readership Increases

The ABC information comes on the heels of Scarborough Research report which was released last week and showed that The Inquirer's readership in its eight-county primary market grew 4% to 899,046 up 30,000 on a daily basis. The Sunday Inquirer's readership was up 3% to 1,698,268 an increase of 56,000. Scarborough Research is a joint venture of Nielsen and Arbitron and measures actual newspaper readership.

The Scarborough data pointed out that The Inquirer, the Daily News and the Sunday Inquirer, on a combined basis now reach 2,249,703, an increase of 3% or 63,000 readers, over the course of a week in its primary market. On a daily basis, the Daily News cut its readership decline by 50% going from a 14% decline in 2006 to a 7% decline in 2007.

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On a daily basis, philly.com visitors increased by 7% to 117,206. According to the newspaper own tracking, the number of monthly page views have increased 50 percent from 20 million last July to 30 million in recent months.

In addition to this positive news for the first full six month circulation period under the newspapers' new owners, Mr. Tierney also expressed confidence in the ability to achieve circulation improvements in the future.

“We are hopeful that our numbers will continue to improve. We have begun to turn the ship around and we are benefiting from the significant investment we have made over the last nine months. I am pleased that we are number four overall and number two among broadsheet given the unique tabloid war going on in New York City,” said Mr. Tierney. “Some said that pigs would fly or hell would freeze over before we could increase newspaper circulation and readership. I am proud that we have proven them wrong.”

About Philadelphia Media Holdings

Philadelphia Media Holdings, LLC, is the leading media company in the Philadelphia region. Privately held and locally owned, PMH is the owner of The Philadelphia Inquirer, Daily News, philly.com, related online products and several community newspapers. With almost one million people reading The Inquirer each day, and 1.6 million on Sundays, The Inquirer is the region's most-read daily newspaper. Together with the Daily News, the #1 tab newspaper in the region, which reaches 500,000 readers each week, and philly.com, the #1 website in the region, Philadelphia Media Holdings, LLC, reaches almost 2 million people each day.