

Detroit Legal News Company (The)

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www.legalnews.com

Company Description

The Detroit Legal News Company's primary business is producing and selling sheetfeed commercial printing (d/b/a Inland Press). In addition, the Company published the *Detroit Legal News*, a daily, and the *Oakland County Legal News*, a weekly legal newspaper, circulated principally to subscribers in southeastern Michigan. On January 4, 1999, the Company contributed its newspapers and \$275,000 to a new venture in which it owns a 55% interest. Other partners contributed subscription lists and the ongoing business of other legal newspapers. During 1997 and 1998, the Company redeemed a total of 2,026 of its shares for \$125 per share.

	12/31/99	12/31/98	12/31/97	12/31/96	
Per Share Information					
Stock Price	156.00	144.00	122.00	92.50	
Earnings Per Share	16.79	12.75	15.98	19.53	
Price / Earnings Ratio	9.29	11.29	7.63	4.74	
Book Value Per Share	184.65	174.02	164.19	148.03	
Price / Book Value %	84.48	82.75	74.30	62.49	
Dividends Per Share	3.10	3.00	3.00	3.00	
Annual Financial Data					
Operating Results (000's)					
Total Revenues	16,452.6	14,828.9	13,960.3	14,100.9	
Costs & Expenses	-14,739.6	-14,078.2	-13,028.5	-12,882.2	
Income Before Taxes and Other	1,713.0	750.7	931.8	1,218.8	
Other Items	-732.9	0.0	0.0	1.8	
Income Tax	-346.0	-269.0	-327.0	-473.0	
Net Income	634.1	481.7	604.8	747.6	
Cash Flow From Operations	-142.2	1,677.3	614.7	1,511.4	
Balance Sheet (000's)					
Cash & Equivalents	1,422.9	2,599.7	1,667.5	2,464.3	
Total Current Assets	6,089.5	5,335.1	4,732.9	5,406.8	
Fixed Assets, Net	4,401.8	4,165.3	4,500.6	2,257.2	
Total Assets	10,872.6	10,323.1	9,774.0	8,124.9	
Total Current Liabilities	1,573.1	1,738.1	1,493.6	1,862.5	
Long-Term Debt	750.0	1,450.0	1,650.0	300.0	
Stockholders' Equity	6,971.5	6,570.0	6,197.4	5,637.3	
Performance & Financial Condition					
Return on Total Revenues %	3.85	3.25	4.33	5.30	
Return on Avg Stockholders' Equity %	9.36	7.55	10.22	14.28	
Return on Average Assets %	5.98	4.79	6.76	10.15	
Current Ratio	3.87	3.07	3.17	2.90	
Debt / Equity %	10.76	22.07	26.62	5.32	
Compound Growth %'s					
EPS %	-4.91	Net Income %	-5.34	Total Revenues %	5.28

Comments

The large increase in revenues recorded in 1999 was due to the new ownership structure of the newspapers. The Company reports total revenues and expenses of the new venture and reduces net earnings by the minority interest portion, which was \$733,000 in 1999. In connection with the formation of the new partnership mentioned above, \$175,000 was expensed in 1998 for severance and other related costs. Therefore, 1999 net income is about the same had the prior year's expense not been incurred. The Company remains strong financially. Balance sheet assets are probably undervalued. The stock is inactively traded and is considered to be a gem by many investors. Investment Classification: Value

Officers	Position	Ownership Information
Bradley L. Thompson II	President	Number of Shares Outstanding 37,755
Richard E. Rassel	Secretary	Market Capitalization \$ 5,889,780
Laurence M. Scoville, Jr.	Director	Frequency of Dividends Quarterly
Burton D. Farbmán	Director	Number of Shareholders Under 500

Other Information

Transfer Agent	Company Office Detroit, MI	Where Listed	OTC-PS
Auditor	KPMG LLP	Symbol	DTRL
Market Maker	Forbes Walsh Kelly & Co., Inc. (800)221-3747	SIC Code	2750
	Sharpe Capital Inc. (800)355-5781	Employees	100
Broker Dealer	OTC Specialist		
	Howe Barnes - Janel Huston (800)621-2364		