

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 Pontiac-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.

	12/31/98	12/31/97	12/31/96	12/31/95	
Per Share Information					
Stock Price	144.00	122.00	92.50	80.00	
Earnings Per Share	12.75	15.98	19.53	10.04	
Price / Earnings Ratio	11.29	7.63	4.74	7.97	
Book Value Per Share	174.02	164.19	148.03	126.18	
Price / Book Value %	82.75	74.30	62.49	63.40	
Dividends Per Share	3.00	3.00	3.00	2.15	
Annual Financial Data					
Operating Results (000's)					
Total Revenues	14,828.9	13,960.3	14,100.9	13,060.4	
Costs & Expenses	-14,078.2	-13,028.5	-12,882.2	-12,459.5	
Income Before Taxes and Other	750.7	931.8	1,218.8	600.9	
Other Items	0.0	0.0	1.8	0.0	
Income Tax	-269.0	-327.0	-473.0	-216.0	
Net Income	481.7	604.8	747.6	384.9	
Cash Flow From Operations	1,677.3	614.7	1,511.4	525.4	
Balance Sheet (000's)					
Cash & Equivalents	2,599.7	1,667.5	2,464.3	1,349.7	
Total Current Assets	5,335.1	4,732.9	5,406.8	3,989.6	
Fixed Assets, Net	4,165.3	4,500.6	2,257.2	2,513.2	
Total Assets	10,323.1	9,774.0	8,124.9	6,607.9	
Total Current Liabilities	1,738.1	1,493.6	1,862.5	1,107.7	
Long-Term Debt	1,450.0	1,650.0	300.0	400.0	
Stockholders' Equity	6,570.0	6,197.4	5,637.3	4,836.3	
Performance & Financial Condition					
Return on Total Revenues %	3.25	4.33	5.30	2.95	
Return on Avg Stockholders' Equity %	7.55	10.22	14.28	8.22	
Return on Average Assets %	4.79	6.76	10.15	5.78	
Current Ratio	3.07	3.17	2.90	3.60	
Debt / Equity %	22.07	26.62	5.32	8.27	
Compound Growth %'s					
EPS %	8.29	Net Income %	7.76	Total Revenues %	4.32

Comments

After a decline in revenues in 1997 as compared to 1996, the Company regained record sales with a 5.9% increase in 1998. In connection with the formation of the new partnership mentioned above, \$175,000 was expensed in 1998 for severance and other related costs. Approximately \$2.2 million was spent on a new printing press in 1997, most of which was financed with long term debt. The Company remains strong financially. Balance sheet assets are probably undervalued. The stock is inactively traded and considered a gem by many investors. Investment Classification: Value

Officers	Position	Ownership Information	
Bradley L. Thompson II	President	Number of Shares Outstanding	37,755
Laurence M. Scoville, Jr.	Secretary	Market Capitalization	\$ 5,436,720
Burton D. Farbman	Director	Frequency of Dividends	Quarterly
William R. Halling	Director	Number of Shareholders	Under 500

Other Information

Transfer Agent	Company Office Detroit, MI	Where Listed	OTC-BB
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		