

	Morning							
	Sun	Cmbd Avg (Mon.-Fri.)	Mon	Tue	Wed	Thu	Fri	Sat
EXECUTIVE SUMMARY	191,923	127,138	126,274	123,598	124,736	124,130	136,956	134,402
The News & Observer								
Print (See Par. 1A)	185,093	115,785	115,614	111,751	112,794	112,155	126,617	126,421
Digital Replica (See Par. 1B)	6,270	10,796	10,105	11,291	11,385	11,418	9,781	7,422
Digital Non-Replica (See Par. 1C)	560	557	555	556	557	557	558	559
TOTAL AVERAGE CIRCULATION	191,923	127,138	126,274	123,598	124,736	124,130	136,956	134,402


Audience-FAX

PRINT READERSHIP: In Market				ONLINE READERSHIP: In Market			NET COMBINED AUDIENCE: In Market (unduplicated)			WEBSITE USAGE: Total Activity	
	Sun	Weekday	Past 7 Days		Past 7 Days	Past 30 Days		Past 7 Days	Past 7 Days Print	Past 30 Days Online	6 mos. Sept. 2011
DMA Readers	529,423	340,608	707,561	DMA Readers	179,609	297,765	DMA Audience	774,205	818,672		2,232,258
Reach	24.1%	15.5%	32.2%	Reach	8.2%	13.6%	Reach	35.3%	37.3%		24,501,957
NDM* Readers	410,034	279,154	545,732	NDM* Readers	151,954	251,056	NDM* Audience	600,446	636,183		
Reach	36.9%	25.1%	49.1%	Reach	13.7%	22.6%	Reach	54.0%	57.3%		

Source: 2011 Release 1 Scarborough Report. Copyright 2011, Scarborough Research. All rights reserved.

Source: Adobe SiteCatalyst, powered by Omniture, See Explanatory

Publishing Plans

	<p>Frequency: Daily Delivery Vehicle(s): Print, online Home Delivery print editions are delivered in broadsheet format Digital Non-Replica editions are sold for display of select newspaper content on personal computers, tablets and e-readers. Website(s): www.newsobserver.com</p>
---	---

1A. THE NEWS & OBSERVER - PRINT

Paid Circulation

Individually Paid Circulation

Home Delivery and Mail	146,262	103,226	103,204	99,782	99,816	99,572	113,760	111,598
Single Copy Sales	36,635	10,937	10,796	10,388	11,313	10,978	11,213	11,979
Total Average Individually Paid Circulation	182,897	114,163	114,000	110,170	111,129	110,550	124,973	123,577

Business/Traveler Paid Circulation

Group Subscriptions (Designated Employees)	24	5			24			
Hotel Distribution - Room/Lobby Copies	582	317	291	306	316	330	340	664
Total Average Business/Traveler Paid Circulation	606	322	291	306	340	330	340	664

Total Average Paid Circulation - Print	183,503	114,485	114,291	110,476	111,469	110,880	125,313	124,241
---	----------------	----------------	----------------	----------------	----------------	----------------	----------------	----------------

Verified Circulation

Home Delivery

Targeted	510							1,108
Total Average Home Delivery	510							1,108

Single Copy

Educational Copies		73	61	70	94	69	74	
University Copies		6	13	3	5	4	4	
Employee/Independent Contractor	1,006	1,001	1,001	1,001	1,001	1,001	1,001	1,001
Retail/Business	74	220	248	201	225	201	225	71
Total Average Single Copy	1,080	1,300	1,323	1,275	1,325	1,275	1,304	1,072

Total Average Verified Circulation - Print	1,590	1,300	1,323	1,275	1,325	1,275	1,304	2,180
---	--------------	--------------	--------------	--------------	--------------	--------------	--------------	--------------

Total Average Paid & Verified Circulation - Print	185,093	115,785	115,614	111,751	112,794	112,155	126,617	126,421
--	----------------	----------------	----------------	----------------	----------------	----------------	----------------	----------------

1B. THE NEWS & OBSERVER - DIGITAL REPLICA

Paid Circulation

Subscription	1,739	3,828	3,893	4,075	4,076	4,077	3,020	3,020
Total Average Paid Circulation - Digital Replica	1,739	3,828	3,893	4,075	4,076	4,077	3,020	3,020

Verified Circulation: Opt-in

Educational Copies	4,531	6,968	6,212	7,216	7,309	7,341	6,761	4,402
Total Average Verified Circulation - Digital Replica	4,531	6,968	6,212	7,216	7,309	7,341	6,761	4,402

Total Average Paid & Verified Circulation - Digital Replica	6,270	10,796	10,105	11,291	11,385	11,418	9,781	7,422
--	--------------	---------------	---------------	---------------	---------------	---------------	--------------	--------------

Total Average Circulation - Print & Digital Replica	191,363	126,581	125,719	123,042	124,179	123,573	136,398	133,843
--	----------------	----------------	----------------	----------------	----------------	----------------	----------------	----------------

1C. THE NEWS & OBSERVER - DIGITAL NON-REPLICA

Paid Circulation

eReaders without Advertising	560	557	555	556	557	557	558	559
Total Average Paid Circulation - Digital Non-Replica	560	557	555	556	557	557	558	559

Total Average Paid & Verified Circulation - Digital Non-Replica	560	557	555	556	557	557	558	559
--	------------	------------	------------	------------	------------	------------	------------	------------

TOTAL AVERAGE CIRCULATION - PRINT & DIGITAL REPLICA AND NON-REPLICA	191,923	127,138	126,274	123,598	124,736	124,130	136,956	134,402
--	----------------	----------------	----------------	----------------	----------------	----------------	----------------	----------------

2. TOTAL AVERAGE PAID & VERIFIED CIRCULATION By Market (See Par. 6 for description of area):

	Sun	Cmbd Avg (Mon.-Fri.)	Morning					
			Mon	Tue	Wed	Thu	Fri	Sat
NEWSPAPER DESIGNATED MARKET - PRINT								
Paid Circulation								
Individually Paid Circulation								
Home Delivery and Mail	97,686	66,767	66,643	64,241	64,274	64,106	74,572	73,065
Single Copy Sales	16,991	4,063	3,884	3,806	4,330	4,126	4,171	4,346
Newspaper Designated Market - Total Average Individually Paid Circulation	114,677	70,830	70,527	68,047	68,604	68,232	78,743	77,411
Business/Traveler Paid Circulation								
Group Subscriptions (Designated Employees)	24	5			24			
Hotel Distribution - Room/Lobby Copies	375	182	170	179	179	178	203	347
Newspaper Designated Market - Total Average Business/Traveler Paid Circulation	399	187	170	179	203	178	203	347
Newspaper Designated Market - Total Average Paid Circulation - Print	115,076	71,017	70,697	68,226	68,807	68,410	78,946	77,758
Verified Circulation								
Home Delivery								
Targeted	510							1,108
Newspaper Designated Market - Total Average Home Delivery	510							1,108
Single Copy								
Educational Copies		32	26	29	53	28	25	
University Copies		6	13	3	5	4	4	
Employee/Independent Contractor	793	793	793	793	793	793	793	793
Retail/Business	59	169	197	150	174	150	174	45
Newspaper Designated Market - Total Average Single Copy	852	1,000	1,029	975	1,025	975	996	838
Newspaper Designated Market - Total Average Verified Circulation - Print	1,362	1,000	1,029	975	1,025	975	996	1,946
Newspaper Designated Market - Total Average Paid & Verified Circulation - Print	116,438	72,017	71,726	69,201	69,832	69,385	79,942	79,704
BALANCE IN RETAIL TRADING ZONE - PRINT								
Paid Circulation								
Individually Paid Circulation								
Home Delivery and Mail	26,539	19,188	19,264	18,688	18,689	18,653	20,647	20,336
Single Copy Sales	6,926	1,925	1,974	1,803	2,031	1,915	1,902	2,020
Balance in Retail Trading Zone - Total Average Individually Paid Circulation	33,465	21,113	21,238	20,491	20,720	20,568	22,549	22,356
Business/Traveler Paid Circulation								
Hotel Distribution - Room/Lobby Copies	50	15	15	15	15	15	15	61
Balance in Retail Trading Zone - Total Average Business/Traveler Paid Circulation	50	15	15	15	15	15	15	61
Balance in Retail Trading Zone - Total Average Paid Circulation - Print	33,515	21,128	21,253	20,506	20,735	20,583	22,564	22,417
Verified Circulation								
Single Copy								
Educational Copies		20	15	19	19	19	28	
Employee/Independent Contractor	98	88	88	88	88	88	88	88
Balance in Retail Trading Zone - Total Average Single Copy	98	108	103	107	107	107	116	88
Balance in Retail Trading Zone - Total Average Verified Circulation - Print	98	108	103	107	107	107	116	88
Balance in Retail Trading Zone - Total Average Paid & Verified Circulation - Print	33,613	21,236	21,356	20,613	20,842	20,690	22,680	22,505
ALL OTHER - PRINT								
Paid Circulation								
Individually Paid Circulation								
Home Delivery and Mail	22,037	17,271	17,297	16,853	16,853	16,813	18,541	18,197
Single Copy Sales	12,718	4,949	4,938	4,779	4,952	4,937	5,140	5,613
All Other - Total Average Individually Paid Circulation	34,755	22,220	22,235	21,632	21,805	21,750	23,681	23,810
Business/Traveler Paid Circulation								
Hotel Distribution - Room/Lobby Copies	157	120	106	112	122	137	122	256
All Other - Total Average Business/Traveler Paid Circulation	157	120	106	112	122	137	122	256
All Other - Total Average Paid Circulation - Print	34,912	22,340	22,341	21,744	21,927	21,887	23,803	24,066
Verified Circulation								
Single Copy								
Educational Copies		21	20	22	22	22	21	
Employee/Independent Contractor	115	120	120	120	120	120	120	120
Retail/Business	15	51	51	51	51	51	51	26
All Other - Total Average Single Copy	130	192	191	193	193	193	192	146
All Other - Total Average Verified Circulation - Print	130	192	191	193	193	193	192	146
All Other - Total Average Paid & Verified Circulation - Print	35,042	22,532	22,532	21,937	22,120	22,080	23,995	24,212
Total Average Paid & Verified Circulation - Print	185,093	115,785	115,614	111,751	112,794	112,155	126,617	126,421
Total Digital Replica	6,270	10,796	10,105	11,291	11,385	11,418	9,781	7,422
Total Digital Non-Replica	560	557	555	556	557	557	558	559
TOTAL AVERAGE PAID & VERIFIED CIRCULATION	191,923	127,138	126,274	123,598	124,736	124,130	136,956	134,402

2A. TOTAL AVERAGE CIRCULATION By Quarters:

	Sun	Morning						
		Cmbd Avg (Mon.-Fri.)	Mon	Tue	Wed	Thu	Fri	Sat
March 28 to June 26, 2011	193,621	132,514	131,635	128,986	130,199	129,775	141,977	138,300
June 27 to September 25, 2011	190,225	121,763	120,913	118,209	119,273	118,485	131,935	130,503

3. DISTRIBUTION BY COUNTY AND ZIP CODE RECEIVING 25 OR MORE COPIES IN DETAIL BY COUNTIES: (See Audit Report)

4. BASIC PRICES:

	By Home Delivery 52 Wks./1 Yr.	Single Copy	By Mail 52 Wks./1 Yr.
M & S.....	\$199.00		\$342.00
M only	123.00	75¢	214.00
M (Mon.-Fri.) only	118.00		
Fri, Sat & S	153.00		222.00
S only.....	113.00	\$2.00	152.00
DIGITAL:			
M & S.....	\$65.00		
HYBRID:			
Fri, Sat & S	\$161.00		
S only.....	119.00		

5. ANALYSIS OF HOME DELIVERY AND MAIL INDIVIDUALLY PAID CIRCULATION BY PRICE CATEGORY:

Newspapers will report home delivery/mail subscription circulation above and below 25 percent of basic price of the member newspaper. This reporting is only required if more than five percent of a newspaper's subscription circulation falls into the less than 25 percent of basic price category.

6. EXPLANATORY - OTHER:

PARTICIPANT IN ABC'S PROGRAM(S)/SERVICE(S): This newspaper is a participant in ABC's ZIP/FSA Code Program, Coupon Distribution Verification Service and Insert Verification Service,

LATEST AUDIT REPORT RELEASED: Issued for 52 weeks ended December 26, 2010.

CREDIT AND ARREARS ALLOWANCE: Included in Individually Paid Home Delivery and Mail is an average of the following:

	Total
Sun	207
Cmbd Avg (Mon.-Fri.) & Sat	207

These copies were served to subscribers that ordered delivery directly with and were billed by the newspaper and for which payment was not received and/or short-term arrears copies served to subscribers whose term has expired.

PUBLISHER'S RETURN POLICY: Fully Returnable.

VERIFIED RETAIL/BUSINESS: Included in Verified Retail/Business are copies distributed through publisher-maintained venues. Verification is made of distribution to location only, and not of actual pick-up.

MARKET DESCRIPTION:

Zone Reporting for this newspaper is defined as:

NEWSPAPER DESIGNATED MARKET comprises Wake County; in Johnston County, tracts 402 (part), 409 (part), 410 and 411, all in North Carolina.

BALANCE OF RETAIL TRADING ZONE includes, with exception of City Zone, counties of Franklin, Granville, Harnett, Johnston, Lee, Vance and Warren; in CHATHAM County, townships of Baldwin, Cape Fear, Center, Gulf, Hadley, Haw River, Hickory Mountain, New Hope, Oakland and Williams; in MOORE County, townships 1, 5, 6 and 7; in NASH County, townships of Bailey, Castalia, Coopers, Dry Wells, Ferrells, Jackson, Mannings and Nashville; in ORANGE County, townships of Bingham and Chapel Hill; and in WILSON County, townships of Cross Roads and Old Fields

MARKET PENETRATION: #County population and occupied household estimates appearing in ABC reports are obtained from The Nielsen Company (U.S.), Inc. Estimates for ABC defined newspaper markets and areas below the county level are projections based upon The Nielsen Company (U.S.), Inc. estimates. The Nielsen Company (U.S.), Inc. estimates are intended for your company's use during its normal course of business, and, while the information may be provided to third parties during such course of business, it may not be sold or sub-licensed to third parties or electronically integrated into third party systems without the prior written consent of The Nielsen Company (U.S.), Inc.

6. EXPLANATORY - OTHER: (Continued)

PERCENTAGE OF TOTAL PAID & VERIFIED CIRCULATION - PRINT AND HOUSEHOLD COVERAGE PERCENT:

		Population	Occupied Households	Sun			Cmbd Avg (Mon.-Fri.)			Sat		
				Total Circ.	% of Total Circ.	Household Coverage	Total Circ.	% of Total Circ.	Household Coverage	Total Circ.	% of Total Circ.	Household Coverage
Newspaper Designated Market	2000 Census	666,998	256,438	116,438	62.9	30.7%	72,017	62.2	19.0%	79,704	63.0	21.0%
	#1-1-11 Est.	1,001,727	379,752									
Balance in Retail Trading Zone	2000 Census	613,557	234,099	33,613	18.2	11.7%	21,236	18.3	7.4%	22,505	17.8	7.8%
	#1-1-11 Est.	748,818	286,983									
Total NDM & BRTZ*	2000 Census	1,280,555	490,537	150,051	81.1	22.5%	93,253	80.5	14.0%	102,209	80.8	15.3%
All Other	#1-1-11 Est.	1,750,545	666,735	35,042	18.9		22,532	19.5		24,212	19.2	
Total Paid & Verified Circulation - Print				185,093	100.0%		115,785	100.0%		126,421	100.0%	

#Source: The Nielsen Company (U.S.), Inc. *NDM = Newspaper Designated Market; BRTZ = Balance in Retail Trading Zone.

PRINT ADVERTISING POLICY: Publisher's declared policy is that all editions carry all national advertising and classified advertising scheduled for the day. A small percentage of local advertising from the advertisers located outside of the Raleigh Metropolitan Area is eliminated from the last edition of the Morning and Sunday issues.

DIGITAL REPLICA ADVERTISING POLICY: Publisher's declared policy is that the e-edition carries all ROP advertising and classified ads that appear in our final edition for the day.

DIGITAL NON-REPLICA ADVERTISING POLICY: The Kindle and Sony E-Reader editions do not contain advertisements.

SUBSCRIBER LOYALTY PROGRAM: A subscriber rewards program is offered. It is initiated by the subscriber when they visit our website newsobserver.com and activate a member account, log in and validate their subscription status. All current print subscribers are eligible and all receive the same access and level of membership. Rewards include coupons which may be printed and presented for discounts at local retailers, passes for access to various newspaper-sponsored events and other giveaways. There are 36,479 subscribers registered with our rewards program.

AVERAGE UNPAID DISTRIBUTION: Includes Arrears, Advertisers & Agencies and Complimentary, Sample, Service:

	Total
Sun	3,106
Cmbd Avg (Mon.-Fri.)	2,990
Mon	2,677
Tue	2,768
Wed	3,021
Thu	3,340
Fri	3,146
Sat	3,350

6A. AUDIENCE FAX - EXPLANATORY:

Print/Online Readership Explanatory:

DMA Area: Raleigh/Durham

NDM* Area: Reflects 77.4% circulation within the circulation defined market per the December 26, 2010 circulation Audit Report covered by the Readership Newspaper Designated Market and is comprised of: Counties of Durham, Johnston, Orange and Wake, all in North Carolina.

The Readership research sample produced the following completed unweighted total interviews:

Market	Print Readership			Online Readership		Combined Audience	
	Sun	Weekday	Past 7 Days	Past 7 Days	Past 30 Days	Past 7 Days	Past 7 Days Print Past 30 Days Online
DMA	714	512	931	245	401	1,019	1,081
NDM*	614	451	785	213	340	857	902

The "Past 7 Day Print and Past 30 Day Online" measurement is a combination of respondents who answered affirmatively that they read the Daily or Sunday print edition in the past week or respondents who answered affirmatively that they viewed the newspaper's website(s) any time in the past 30 days. Respondents captured in this measurement are included once with no duplication.

Please visit www.audiencefax.com to create customizable reports.

Website Usage Explanatory:

The following represents a by-month recap of the six month average total unique cookies and page impressions/views as submitted by the data provider. In addition, any/all footnote references supplied by the data provider are also shown.

2011	Total Unique Cookies	Page Impressions/Views
April	2,255,056	26,937,926
May	2,006,508	23,687,598
June	2,194,386	22,637,245
July	2,185,438	21,881,277
August	2,204,451	27,960,367
September	2,547,708	23,907,327

ABC did not determine the publisher's choice of data provider for these statistics nor should the inclusion of this data be construed as endorsement by ABC of the methodology or technologies used by the data provider. As appropriate, ABC audits will verify the applications and measurement techniques used by the data provider to establish the statistics and data presented on behalf of the publication.

Website Usage Definitions:

Total Unique Cookies: This site employs a cookie-based method for reporting of a Unique. In the absence of a cookie a combination of the IP address and user agent string is used to establish a Unique. All traffic regardless of the originating location (U.S. or International) is included in this total. Also included in this count may be content from co-branded third party vendors as disclosed in the audit report for this site.

This method of accounting identifies an unduplicated cookie or identified browser that accessed the Internet content of the site during the measurement period reported and does not measure a person. No adjustment or correction to the numbers presented in the Audience Fax Web Site Usage, Total Activity has been made to adjust this number from cookies to people. (i.e. deletion of the cookies from browsers or for users accessing the site from multiple devices or locations.) Additionally, identifying non-cookied users by the IP address & user agent string in combination may over or understate the number of individual people due to dynamic IP addressing.

Page Impressions/Views: The combination of one or more files presented to a viewer as a single document as a result of a single request received by the server. In effect, one request by a valid user should result in one Page Impression/ View being reported. The counted page impression may not necessarily be in focus or visible in the user's browser.

Cookie: A small piece of information (i.e., program code) that is stored on a browser for the purpose of identifying that browser during audience activity and between visits or sessions. Cookies are typically set to expire. Some cookies are intended to remain on the browser temporarily (for example, during a session) and some are persistent in that they are intended to be retained for longer periods.

Browser: A software program running on an Internet enabled device that can request, load and display documents available on the World Wide Web. In our definition, it is assumed that a "human being" is operating the browser manually and viewing the page.

Jim McClure, Advertising Director
Telephone (919) 836-2822 - FAX (919) 836-5704
P.O. Box 191
Raleigh, NC 27602-0191
email: jmccclure@nando.com

We certify that to the best of our knowledge all data set forth in this Publisher's Statement are true and report circulation in accordance with Audit Bureau of Circulations' Bylaws and Rules.

Parent Company: McClatchy Company

01-3320-0

THE NEWS & OBSERVER, published by News & Observer Publishing Company, a wholly owned subsidiary of McClatchy Company, Inc. • 215 S. McDowell St. • Raleigh, NC 27601

PAR

JIM PURYEAR

ORAGE QUARLES III

Vice President, Circulation

Publisher

Date Signed: October 11, 2011

	Period Ended Date	09/30/11
	Individually Paid	182,897
01-3320-0	Business/Traveler Paid	606
PARADE	Total Paid	183,503
	Verified	1,590
	Total	185,093
	Digital Replica	6,270
	Digital Non-Replica	560
	Total Circ. Excluding Branded Editions	191,923
	Branded Editions	
	Total Paid & Verified Circulation	191,923
	April 1 to June 30, 2011 - QUARTERS - SUNDAY	193,621
	July 1 to September 30, 2011 - QUARTERS - SUNDAY	190,225