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TRIBUNE TO ACQUIRE COMPTON'S MULTIMEDIA PUBLISHING GROUP

CHICAGO, Tuesday, July 6, 1993 -- Tribune Company has reached agreement to acquire Compton's Multimedia Publishing Group, a leader in the development and distribution of interactive multimedia software for the consumer and education markets.

Tribune will purchase Compton's from Encyclopedia Britannica, Inc. of Chicago, for approximately \$57 million cash. Completion of the transaction is expected in the third quarter, 1993.

Best know for its encyclopedia, Compton's publishes references, education, entertainment and business information titles, principally in the interactive compact disc format known as CD ROM. Compton's is a leader in adapting traditional print products to these compact discs, which play text, graphics, audio and video on a computer or television screen.

Compton's publishes 31 CD ROM and 16 floppy disk titles, with rights to 185 more from leading publishers. The company also distributes 81 CD ROM titles under an extensive affiliate-label program, and owns proprietary technology called SmarTrieve(tm) to organize and present information in multimedia formats. The company continues to publish the print version of Compton's Encyclopedia in 26 volumes.

Compton's chief executive Stanley Frank and general manager Norman Bastin will continue to lead the company, which is based in Carlsbad, Calif. The company's 12-month revenues through June 1993 totaled approximately \$28 million. Its revenues have grown at an annual rate of more than 50 percent over the past three years.

"This acquisition is an excellent fit for Tribune's information and entertainment business," said Scott C. Smith, Tribune senior vice president/development. "It advances our established strategy of expanding into emerging markets that have prospects for dynamic growth. We see Compton's as a natural extension of our publishing business to include not only print but multimedia as well.

"We're enthusiastic about the prospects for the CD ROM market, and we believe the content and skills we develop for CD ROM will have applications to other media over time," Smith said. "We intend to make investments to extend the content developed and marketed by Compton's."

"The acquisition by Tribune will enable Compton's to further enhance our market position as a leading publisher and distributor of multimedia titles," Frank said. "With Tribune support, we intend to be more aggressive in each of these areas and further expand the market, providing a new gateway to education and popular culture."

The electronic media research firm LINK Resources projects that total multimedia software sales will grow from less than \$100 million in 1992 to \$2 billion by 1996. Multimedia programming is now delivered through personal computers and video game players, and eventually also will be provided through interactive broad band networks to the home.

Compton's Encyclopedia was first published in 1922 as the "picture encyclopedia." Encyclopedia Britannica acquired the company in 1961. Compton's Interactive Encyclopedia was first published in 1990, and since has been a bestseller among CD ROM titles. Content of the full 26 volumes of the print work, plus audio, video and graphics, is available on a single CD ROM disc, which stores information equal to 1,500 floppy discs.

Tribune Company also announced today an agreement to acquire Contemporary Books, a leading niche publisher of popular nonfiction titles as well as educational books and materials primarily for adult learners. Tribune Newspaper Company, a wholly owned subsidiary of Tribune Company, will be renamed Tribune Publishing Company to reflect the unit's growing scope of interests that include specialty publishing and electronic information services.

Tribune is a leading information and entertainment company. It publishes six daily newspapers, operates seven TV and six radio stations, produces and syndicates information and programming, and has an interest in newsprint manufacturing.

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