

HEARST corporation

*Eve Burton
Vice President
and General Counsel*

February 4, 2009

Ms. Anne Bremner and
Mr. Phil Talmadge
Co-Chairs, Committee for a Two-Newspaper Town
c/o Law Offices of Charlotte Cassady


**SENT VIA E-MAIL to abremner@staffordfrey.com; phil@talmadgelg.com;
and Kathy@cassadylaw.net**

Dear Anne and Phil:

Your letter of February 2, 2009 was forwarded to me recently. We share your sadness regarding the dramatic changes in the newspaper industry that have necessitated Hearst putting the *Seattle Post-Intelligencer* up for sale. As both of you know, Hearst made every effort to keep the *P-I* alive.

In answer to the issues you have raised, we have publicly stated that we are not considering an acquisition of *The Seattle Times*. Accordingly, Hearst has not, and will not, be making the final payment under our Right of First Purchase Agreement. In regard to the question about whether Hearst will maintain a web-only operation, we are still studying that possibility and no decision has been made. However, if we were to move forward in this direction, we would do so outside the JOA.

Sincerely,



Eve Burton

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