

A. H. Belo Corporation
Consolidated Statements of Operations

<i>In thousands, except per share amounts (unaudited)</i>	Three months ended		Six months ended	
	June 30,		June 30,	
	2008	2007	2008	2007
Net operating revenues				
Advertising	\$ 125,341	\$ 157,704	\$ 249,764	\$ 299,649
Circulation	30,275	27,894	59,380	55,511
Other	7,639	6,678	14,298	12,829
Total net operating revenues	<u>163,255</u>	<u>192,276</u>	<u>323,442</u>	<u>367,989</u>
Operating Costs and Expenses				
Salaries, wages and employee benefits	68,840	72,492	143,105	147,791
Other production, distribution and operating costs	60,948	65,170	121,914	126,069
Newsprint, ink and other supplies	23,738	26,007	46,707	52,675
Depreciation	12,211	11,352	24,452	22,712
Amortization	1,625	1,625	3,250	3,250
Total operating costs and expenses	<u>167,362</u>	<u>176,646</u>	<u>339,428</u>	<u>352,497</u>
Earnings (loss) from operations	(4,107)	15,630	(15,986)	15,492
Other income and expense				
Interest expense	(165)	(9,035)	(3,231)	(17,779)
Other income (expense), net	305	2,608	1,262	2,782
Total other income and expense	<u>140</u>	<u>(6,427)</u>	<u>(1,969)</u>	<u>(14,997)</u>
Earnings				
Earnings (loss) before income taxes	(3,967)	9,203	(17,955)	495
Income tax benefit	<u>(770)</u>	<u>(3,097)</u>	<u>(6,040)</u>	<u>(2,409)</u>
Net earnings (loss)	<u>\$ (3,197)</u>	<u>\$ 12,300</u>	<u>\$ (11,915)</u>	<u>\$ 2,904</u>
Net earnings (loss) per share				
Basic and Diluted	\$ (.16)	\$.60	\$ (.58)	\$.14
Average shares outstanding				
Basic and Diluted	20,478	20,452	20,476	20,452
Cash dividends declared per share	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 0.25</u>	<u>\$ -</u>

A. H. Belo Corporation
Condensed Consolidated Balance Sheets

<i>In thousands</i>	June 30, 2008	December 31, 2007
	<i>(unaudited)</i>	
Assets		
Current assets		
Cash and temporary cash investments	\$ 24,882	\$ 6,874
Accounts receivable, net	72,408	90,792
Other current assets	34,524	24,353
Total current assets	<u>131,814</u>	<u>122,019</u>
Property, plant and equipment, net	275,223	307,788
Intangible assets, net	156,843	160,093
Other assets	43,237	29,810
Total assets	<u>\$ 607,117</u>	<u>\$ 619,710</u>
Liabilities and Shareholders' Equity		
Current liabilities		
Accounts payable	\$ 30,016	\$ 25,384
Accrued expenses	41,657	32,550
Other current liabilities	28,737	62,468
Total current liabilities	<u>100,410</u>	<u>120,402</u>
Long-term debt	-	378,916
Deferred income taxes	26,809	19,189
Other liabilities	13,916	14,263
Total shareholders' equity	<u>465,982</u>	<u>86,940</u>
Total liabilities and shareholders' equity	<u>\$ 607,117</u>	<u>\$ 619,710</u>

A. H. Belo Corporation
Consolidated EBITDA

<i>In thousands (unaudited)</i>	Three months ended June 30,		Six months ended June 30,	
	2008	2007	2008	2007
Consolidated EBITDA (1)	\$ 10,034	\$ 31,215	\$ 12,978	\$ 44,236
Depreciation and Amortization	(13,836)	(12,977)	(27,702)	(25,962)
Interest Expense	(165)	(9,035)	(3,231)	(17,779)
Income Tax Benefit	770	3,097	6,040	2,409
Net Earnings (Loss)	\$ <u>(3,197)</u>	\$ <u>12,300</u>	\$ <u>(11,915)</u>	\$ <u>2,904</u>

A. H. Belo Corporation
Newspaper EBITDA

<i>In thousands (unaudited)</i>	Three months ended June 30,		Six months ended June 30,	
	2008	2007	2008	2007
Newspaper EBITDA (1)	\$ 19,305	\$ 42,542	\$ 33,734	\$ 67,208
Corporate & Non-Operating Company Expenses	(9,576)	(13,935)	(22,018)	(25,754)
Other Income (Expense), net	305	2,608	1,262	2,782
Depreciation and Amortization	(13,836)	(12,977)	(27,702)	(25,962)
Interest Expense	(165)	(9,035)	(3,231)	(17,779)
Income Tax Benefit	770	3,097	6,040	2,409
Net Earnings (Loss)	\$ <u>(3,197)</u>	\$ <u>12,300</u>	\$ <u>(11,915)</u>	\$ <u>2,904</u>

Note 1: The Company defines Consolidated EBITDA as net earnings before interest expense, income taxes, depreciation and amortization and Newspaper EBITDA as net earnings before corporate and non-operating company expenses, other income net, interest expense, income taxes, depreciation and amortization. Neither Consolidated EBITDA nor Newspaper EBITDA is a measure of financial performance under accounting principles generally accepted in the United States. Management uses both measures in internal analyses as a supplemental measure of the financial performance of the Company to assist it with determining bonus achievement, performance comparisons against its peer group of companies, as well as capital spending and other investing decisions. They are also common alternative measures of performance used by investors, financial analysts, and rating agencies to evaluate financial performance. Neither Consolidated EBITDA nor Newspaper EBITDA should be considered in isolation or as a substitute for cash flows provided by operating activities or other income or cash flow data prepared in accordance with U.S. GAAP and this non-GAAP measure may not be comparable to similarly titled measures of other companies.