

A. H. Belo Corporation
Consolidated Statements of Operations

<i>In thousands, except per share amounts (unaudited)</i>	Three months ended		Nine months ended	
	September 30,		September 30,	
	2008	2007	2008	2007
Net operating revenues				
Advertising	\$ 114,811	\$ 147,511	\$ 364,575	\$ 447,160
Circulation	31,563	28,210	90,943	83,721
Other	7,459	6,219	21,757	19,048
Total net operating revenues	<u>153,833</u>	<u>181,940</u>	<u>477,275</u>	<u>549,929</u>
Operating Costs and Expenses				
Salaries, wages and employee benefits	77,804	72,840	220,909	220,631
Other production, distribution and operating costs	60,768	66,243	182,682	192,312
Newsprint, ink and other supplies	23,523	25,037	70,230	77,712
Impairment on printing press	4,535	-	4,535	-
Depreciation	10,962	11,142	35,414	33,854
Amortization	1,625	1,624	4,875	4,874
Total operating costs and expenses	<u>179,217</u>	<u>176,886</u>	<u>518,645</u>	<u>529,383</u>
Earnings (loss) from operations	(25,384)	5,054	(41,370)	20,546
Other income and expense				
Interest expense	(52)	(8,768)	(3,283)	(26,547)
Other income (expense), net	(25)	530	1,237	3,312
Total other income and expense	<u>(77)</u>	<u>(8,238)</u>	<u>(2,046)</u>	<u>(23,235)</u>
Earnings				
Loss before income taxes	(25,461)	(3,184)	(43,416)	(2,689)
Income tax (benefit) expense	(8,203)	3,097	(14,243)	688
Net loss	<u>\$ (17,258)</u>	<u>\$ (6,281)</u>	<u>\$ (29,173)</u>	<u>\$ (3,377)</u>
Net loss per share				
Basic and Diluted	\$ (.84)	\$ (.31)	\$ (1.42)	\$ (.17)
Average shares outstanding				
Basic and Diluted	20,479	20,452	20,477	20,452
Cash dividends declared per share	<u>\$ 0.375</u>	<u>\$ -</u>	<u>\$ 0.625</u>	<u>\$ -</u>

A. H. Belo Corporation
Condensed Consolidated Balance Sheets

<i>In thousands</i>	September 30, 2008	December 31, 2007
	<i>(unaudited)</i>	
Assets		
Current assets		
Cash and temporary cash investments	\$ 17,712	\$ 6,874
Accounts receivable, net	66,289	90,792
Other current assets	38,408	24,353
Total current assets	<u>122,409</u>	<u>122,019</u>
Property, plant and equipment, net	264,290	307,788
Intangible assets, net	155,219	160,093
Other assets	<u>46,497</u>	<u>29,810</u>
Total assets	<u>\$ 588,416</u>	<u>\$ 619,710</u>
Liabilities and Shareholders' Equity		
Current liabilities		
Current portion of long term debt	\$ 10,000	\$ -
Accounts payable	28,907	25,384
Accrued expenses	42,194	32,550
Other current liabilities	32,323	62,468
Total current liabilities	<u>113,424</u>	<u>120,402</u>
Long-term debt	-	378,916
Deferred income taxes	19,888	19,189
Other liabilities	13,511	14,263
Total shareholders' equity	<u>441,593</u>	<u>86,940</u>
Total liabilities and shareholders' equity	<u>\$ 588,416</u>	<u>\$ 619,710</u>

A. H. Belo Corporation
Consolidated EBITDA

<i>In thousands (unaudited)</i>	Three months ended September 30,		Nine months ended September 30,	
	2008	2007	2008	2007
Consolidated EBITDA (1)	\$ (12,822)	\$ 18,350	\$ 156	\$ 62,586
Depreciation and Amortization	(12,587)	(12,766)	(40,289)	(38,728)
Interest Expense	(52)	(8,768)	(3,283)	(26,547)
Income Tax Benefit (Expense)	8,203	(3,097)	14,243	(688)
Net Loss	\$ <u>(17,258)</u>	\$ <u>(6,281)</u>	\$ <u>(29,173)</u>	\$ <u>(3,377)</u>

A. H. Belo Corporation
Newspaper EBITDA

<i>In thousands (unaudited)</i>	Three months ended September 30,		Nine months ended September 30,	
	2008	2007	2008	2007
Newspaper EBITDA (1)	\$ (3,067)	\$ 30,667	\$ 30,667	\$ 97,875
Corporate & Non-Operating Company Expenses	(9,730)	(12,847)	(31,748)	(38,601)
Other Income (Expense), net	(25)	530	1,237	3,312
Depreciation and Amortization	(12,587)	(12,766)	(40,289)	(38,728)
Interest Expense	(52)	(8,768)	(3,283)	(26,547)
Income Tax Benefit (Expense)	8,203	(3,097)	14,243	(688)
Net Loss	\$ <u>(17,258)</u>	\$ <u>(6,281)</u>	\$ <u>(29,173)</u>	\$ <u>(3,377)</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.