

**A. H. Belo Corporation**  
**Consolidated Statements of Operations**

<i>In thousands, except per share amounts (unaudited)</i>	Three months ended June 30,		Six months ended June 30,	
	2010	2009	2010	2009
<b>Net operating revenues</b>				
Advertising	\$ 77,004	\$ 87,492	\$ 149,190	\$ 176,823
Circulation	35,456	33,266	71,042	64,980
Other	9,110	6,746	17,097	14,195
Total net operating revenues	<u>121,570</u>	<u>127,504</u>	<u>237,329</u>	<u>255,998</u>
<b>Operating Costs and Expenses</b>				
Salaries, wages and employee benefits	56,817	51,720	113,071	114,614
Other production, distribution and operating costs	47,034	50,867	93,066	106,734
Newsprint, ink and other supplies	12,492	16,425	23,713	36,043
Asset impairment	-	1,749	-	82,689
Depreciation	8,441	9,662	17,605	20,198
Amortization	1,310	1,625	2,620	3,249
Total operating costs and expenses	<u>126,094</u>	<u>132,048</u>	<u>250,075</u>	<u>363,527</u>
Loss from operations	(4,524)	(4,544)	(12,746)	(107,529)
<b>Other income and expense</b>				
Interest expense	(203)	(291)	(406)	(591)
Other income, net	5,967	(702)	5,992	120
Total other (expense) income	<u>5,764</u>	<u>(993)</u>	<u>5,586</u>	<u>(471)</u>
<b>Earnings</b>				
Income (loss) before income taxes	1,240	(5,537)	(7,160)	(108,000)
Income tax expense (benefit)	1,411	1,534	2,139	(222)
Net loss	<u>\$ (171)</u>	<u>\$ (7,071)</u>	<u>\$ (9,299)</u>	<u>\$ (107,778)</u>
<b>Net loss per share</b>				
Basic and diluted	\$ (0.01)	\$ (0.34)	\$ (0.45)	\$ (5.25)
<b>Average shares outstanding</b>				
Basic and diluted	20,950	20,537	20,860	20,521

**A. H. Belo Corporation**  
**Condensed Consolidated Balance Sheets**

<i>In thousands</i>	June 30, 2010	December 31, 2009
	<i>(unaudited)</i>	
<b>Assets</b>		
Current assets		
Cash and cash equivalents	\$ 60,009	\$ 24,503
Accounts receivable, net	47,025	62,977
Other current assets	32,304	34,464
Total current assets	<u>139,338</u>	<u>121,944</u>
Property, plant and equipment, net	185,551	203,329
Intangible assets, net	49,390	52,009
Other assets	<u>26,465</u>	<u>27,145</u>
Total assets	<u>\$ 400,744</u>	<u>\$ 404,427</u>
<b>Liabilities and Shareholders' Equity</b>		
Current liabilities		
Accounts payable	\$ 16,395	\$ 19,191
Accrued expenses	37,768	29,788
Advance subscription payments	24,211	26,713
Total current liabilities	<u>78,374</u>	<u>75,692</u>
Deferred income taxes	1,366	223
Other liabilities	6,915	6,915
Total shareholders' equity	<u>314,089</u>	<u>321,597</u>
Total liabilities and shareholders' equity	<u>\$ 400,744</u>	<u>\$ 404,427</u>

**A. H. Belo Corporation**  
**Consolidated EBITDA**

<i>In thousands (unaudited)</i>	Three months ended June 30,		Six months ended June 30,	
	2010	2009	2010	2009
Consolidated EBITDA (1)	\$ 11,194	\$ 7,790	\$ 13,471	\$ (1,273)
Asset impairment	-	(1,749)	-	(82,689)
Depreciation and Amortization	(9,751)	(11,287)	(20,225)	(23,447)
Interest Expense	(203)	(291)	(406)	(591)
Income Tax Benefit (Expense)	(1,411)	(1,534)	(2,139)	222
Net Loss	\$ <u>(171)</u>	\$ <u>(7,071)</u>	\$ <u>(9,299)</u>	\$ <u>(107,778)</u>

**A. H. Belo Corporation**  
**Newspaper EBITDA**

<i>In thousands (unaudited)</i>	Three months ended June 30,		Six months ended June 30,	
	2010	2009	2010	2009
Newspaper EBITDA (1)	\$ 10,094	\$ 13,126	\$ 19,527	\$ 10,807
Corporate & Non-Operating Company Expenses	(4,867)	(4,633)	(12,048)	(12,200)
Other income, net	5,967	(702)	5,992	120
Asset impairment	-	(1,749)	-	(82,689)
Depreciation and Amortization	(9,751)	(11,287)	(20,225)	(23,447)
Interest Expense	(203)	(291)	(406)	(591)
Income Tax Benefit (Expense)	(1,411)	(1,534)	(2,139)	222
Net Loss	\$ <u>(171)</u>	\$ <u>(7,071)</u>	\$ <u>(9,299)</u>	\$ <u>(107,778)</u>

(1) The Company defines Consolidated EBITDA as net earnings before interest expense, income taxes, goodwill impairment, depreciation and amortization and Newspaper EBITDA as net earnings before corporate and non-operating company expenses, other income net, interest expense, income taxes, goodwill impairment, 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.