

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

<i>In thousands, except per share amounts</i>	Three months ended December 31,		Twelve months ended December 31,	
	2008 <i>(unaudited)</i>	2007 <i>(unaudited)</i>	2008 <i>(unaudited)</i>	2007
<b>Net operating revenues</b>				
Advertising	\$ 119,862	\$ 153,175	\$ 484,437	\$ 600,335
Circulation	32,438	28,914	123,381	112,635
Other	7,739	6,650	29,496	25,698
Total net operating revenues	<u>160,039</u>	<u>188,739</u>	<u>637,314</u>	<u>738,668</u>
<b>Operating Costs and Expenses</b>				
Salaries, wages and employee benefits	77,374	76,999	298,283	297,630
Other production, distribution and operating costs	65,741	66,919	248,423	259,231
Newsprint, ink and other supplies	24,379	24,789	94,609	102,501
Impairment on printing press	-	-	4,535	-
Goodwill impairment	14,145	344,424	14,145	344,424
Depreciation	11,363	11,961	46,777	45,815
Amortization	1,625	1,625	6,500	6,499
Total operating costs and expenses	<u>194,627</u>	<u>526,717</u>	<u>713,272</u>	<u>1,056,100</u>
Loss from operations	(34,588)	(337,978)	(75,958)	(317,432)
<b>Other income and expense</b>				
Interest expense	(745)	(8,287)	(4,028)	(34,834)
Other (expense) income, net	(629)	455	608	3,767
Total other expense	<u>(1,374)</u>	<u>(7,832)</u>	<u>(3,420)</u>	<u>(31,067)</u>
<b>Earnings</b>				
Loss before income taxes	(35,962)	(345,810)	(79,378)	(348,499)
Income tax benefit	(2,832)	(2,175)	(17,075)	(1,487)
Net Loss	<u>\$ (33,130)</u>	<u>\$ (343,635)</u>	<u>\$ (62,303)</u>	<u>\$ (347,012)</u>
<b>Net loss per share</b>				
Basic and Diluted	\$ (1.62)	\$ (16.80)	\$ (3.04)	\$ (16.97)
<b>Average shares outstanding</b>				
Basic and Diluted	20,479	20,452	20,478	20,452
<b>Cash dividends declared per share</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 0.625</u>	<u>\$ -</u>

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

<i>In thousands</i>	December 31, 2008	December 31, 2007
	<i>(unaudited)</i>	
<b>Assets</b>		
Current assets		
Cash and temporary cash investments	\$ 9,934	\$ 6,874
Accounts receivable, net	77,383	90,792
Other current assets	37,403	24,353
Total current assets	<u>124,720</u>	<u>122,019</u>
Property, plant and equipment, net	263,743	307,788
Intangible assets, net	139,449	160,093
Other assets	<u>29,768</u>	<u>29,810</u>
Total assets	<u>\$ 557,680</u>	<u>\$ 619,710</u>
<b>Liabilities and Shareholders' Equity</b>		
Current liabilities		
Current portion of long term debt	\$ 10,000	\$ -
Accounts payable	32,950	25,384
Accrued expenses	42,834	32,550
Other current liabilities	29,358	62,468
Total current liabilities	<u>115,142</u>	<u>120,402</u>
Long-term debt	-	378,916
Deferred income taxes	6,620	19,189
Other liabilities	27,264	14,263
Total shareholders' equity	<u>408,654</u>	<u>86,940</u>
Total liabilities and shareholders' equity	<u>\$ 557,680</u>	<u>\$ 619,710</u>

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

<i>In thousands (unaudited)</i>	Three months ended December 31,		Twelve months ended December 31,	
	2008	2007	2008	2007
Consolidated EBITDA (1)	\$ (8,084)	\$ 20,487	\$ (7,928)	\$ 83,073
Goodwill impairment	(14,145)	(344,424)	(14,145)	(344,424)
Depreciation and Amortization	(12,988)	(13,586)	(53,277)	(52,314)
Interest Expense	(745)	(8,287)	(4,028)	(34,834)
Income Tax Benefit	2,832	2,175	17,075	1,487
Net Loss	\$ <u>(33,130)</u>	\$ <u>(343,635)</u>	\$ <u>(62,303)</u>	\$ <u>(347,012)</u>

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

<i>In thousands (unaudited)</i>	Three months ended December 31,		Twelve months ended December 31,	
	2008	2007	2008	2007
Newspaper EBITDA (1)	\$ 6,197	\$ 37,980	\$ 36,864	\$ 135,855
Corporate & Non-Operating Company Expenses	(13,652)	(17,948)	(45,400)	(56,549)
Other (expense) income, net	(629)	455	608	3,767
Goodwill impairment	(14,145)	(344,424)	(14,145)	(344,424)
Depreciation and Amortization	(12,988)	(13,586)	(53,277)	(52,314)
Interest Expense	(745)	(8,287)	(4,028)	(34,834)
Income Tax Benefit	2,832	2,175	17,075	1,487
Net Loss	\$ <u>(33,130)</u>	\$ <u>(343,635)</u>	\$ <u>(62,303)</u>	\$ <u>(347,012)</u>

Note 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.