

A. H. Belo Corporation

Condensed Consolidated Statements of Operations

<i>In thousands, except share and per share amounts (unaudited)</i>	<i>Three Months Ended June 30,</i>		<i>Six Months Ended June 30,</i>	
	<i>2015</i>	<i>2014</i>	<i>2015</i>	<i>2014</i>
Net Operating Revenue				
Advertising and marketing services	\$ 38,266	\$ 40,251	\$ 75,097	\$ 77,977
Circulation	20,816	21,227	41,854	42,239
Printing, distribution and other	7,594	7,783	15,161	13,437
Total net operating revenue	66,676	69,261	132,112	133,653
Operating Costs and Expense				
Employee compensation and benefits	25,105	25,722	52,608	53,886
Other production, distribution and operating costs	31,015	29,640	62,475	58,084
Newsprint, ink and other supplies	7,843	8,114	16,009	16,102
Depreciation	2,875	3,348	5,915	6,758
Amortization	373	30	746	60
Total operating costs and expense	67,211	66,854	137,753	134,890
Operating income (loss)	(535)	2,407	(5,641)	(1,237)
Other Income (Expense), Net				
Gains on equity method investments, net	690	18,567	276	18,159
Other income (loss), net	(532)	141	(423)	258
Total other income (expense), net	158	18,708	(147)	18,417
Income (Loss) from Continuing Operations Before Income Taxes	(377)	21,115	(5,788)	17,180
Income tax provision (benefit)	317	1,428	(5,413)	2,319
Income (Loss) from Continuing Operations	(694)	19,687	(375)	14,861
Income from discontinued operations	—	2,146	—	3,123
Income (Loss) related to the divestiture of discontinued operations, net	2	153	(10)	(25)
Tax expense from discontinued operations	—	30	—	46
Gain (Loss) from Discontinued Operations, Net	2	2,269	(10)	3,052
Net Income (Loss)	(692)	21,956	(385)	17,913
Net loss attributable to noncontrolling interests	(100)	(24)	(156)	(30)
Net Income (Loss) Attributable to A. H. Belo Corporation	\$ (592)	\$ 21,980	\$ (229)	\$ 17,943
Per Share Basis				
Basic				
Continuing operations	\$ (0.03)	\$ 0.86	\$ (0.01)	\$ 0.64
Discontinued operations	—	0.10	—	0.14
Net income (loss) attributable to A. H. Belo Corporation	\$ (0.03)	\$ 0.96	\$ (0.01)	\$ 0.78
Diluted				
Continuing operations	\$ (0.03)	\$ 0.85	\$ (0.01)	\$ 0.64
Discontinued operations	—	0.10	—	0.14
Net income (loss) attributable to A. H. Belo Corporation	\$ (0.03)	\$ 0.95	\$ (0.01)	\$ 0.78
Weighted average shares outstanding				
Basic	21,747,635	22,014,125	21,758,382	21,946,256
Diluted	21,747,635	22,121,695	21,758,382	22,064,339

A. H. Belo Corporation
Condensed Consolidated Balance Sheets

<i>In thousands (unaudited)</i>	<i>June 30,</i> <i>2015</i>	<i>December 31,</i> <i>2014</i>
Assets		
Current assets:		
Cash and cash equivalents	\$ 84,061	\$ 158,171
Accounts receivable, net	32,249	34,396
Other current assets	14,980	13,323
Assets of discontinued operations	253	565
Total current assets	131,543	206,455
Property, plant and equipment, net	52,034	61,589
Intangible assets, net	45,985	25,238
Other assets	5,538	5,465
Total assets	<u>\$ 235,100</u>	<u>\$ 298,747</u>
Liabilities and Shareholders' Equity		
Current liabilities:		
Accounts payable	\$ 13,769	\$ 12,904
Accrued expenses and other current liabilities	12,369	72,065
Advance subscription payments	15,429	15,894
Liabilities of discontinued operations	85	543
Total current liabilities	41,652	101,406
Long-term pension liabilities	62,923	65,859
Other liabilities	5,322	5,463
Noncontrolling interests - redeemable	1,263	—
Total shareholders' equity	123,940	126,019
Total liabilities and shareholders' equity	<u>\$ 235,100</u>	<u>\$ 298,747</u>