

A. H. Belo Corporation
Condensed Consolidated Statements of Operations

<i>In thousands, except per share amounts (unaudited)</i>	Three months ended	
	March 31,	
	2012	2011
Net operating revenues		
Advertising	\$ 60,077	\$ 67,936
Circulation	34,655	35,052
Printing and distribution	10,102	9,187
Total net operating revenues	<u>104,834</u>	<u>112,175</u>
Operating costs and expenses		
Salaries, wages and employee benefits	46,005	50,495
Other production, distribution and operating costs	40,696	45,652
Newsprint, ink and other supplies	13,972	14,502
Depreciation	7,113	7,583
Amortization	1,310	1,310
Total operating costs and expenses	<u>109,096</u>	<u>119,542</u>
Loss from operations	(4,262)	(7,367)
Other (expense) income, net		
Interest expense	(136)	(207)
Other income, net	907	1,267
Total other (expense) income, net	<u>771</u>	<u>1,060</u>
Earnings		
Loss before income taxes	(3,491)	(6,307)
Income tax expense	402	420
Net loss	<u>\$ (3,893)</u>	<u>\$ (6,727)</u>
Net loss per share:		
Basic and diluted	\$ (0.18)	\$ (0.31)
Average shares outstanding:		
Basic and diluted	21,688	21,383

A. H. Belo Corporation
Condensed Consolidated Balance Sheets

<i>In thousands (unaudited)</i>	March 31, 2012	December 31, 2011
Assets		
Current assets		
Cash and cash equivalents	\$ 55,701	\$ 57,440
Accounts receivable, net	37,377	50,533
Other current assets	24,295	20,225
Total current assets	117,373	128,198
Property, plant and equipment, net	158,037	163,418
Intangible assets, net	40,222	41,532
Other assets	11,286	11,940
Total assets	\$ 326,918	\$ 345,088
Liabilities and Shareholders' Equity		
Current liabilities		
Accounts payable	\$ 13,687	\$ 18,062
Accrued expenses	25,633	30,167
Advance subscription payments	24,181	22,491
Total current liabilities	63,501	70,720
Pension liabilities	140,270	145,980
Other liabilities	6,039	6,909
Total shareholders' equity	117,108	121,479
Total liabilities and shareholders' equity	\$ 326,918	\$ 345,088

A. H. Belo Corporation**Reconciliation of Net Loss to EBITDA and Adjusted EBITDA**

	Three months ended	
	March 31,	
<i>In thousands (unaudited)</i>	2012	2011
AS REPORTED		
Net loss	\$ (3,893)	\$ (6,727)
Addback:		
Depreciation and amortization	8,423	8,893
Interest expense	136	207
Income tax expense	402	420
EBITDA (1)	<u>5,068</u>	<u>2,793</u>
Addback:		
Pension expense	1,036	1,685
Adjusted EBITDA (1)	<u>\$ 6,104</u>	<u>\$ 4,478</u>

- (1) EBITDA is calculated by adding depreciation and amortization, interest expense and income tax expense recorded to net loss. Adjusted EBITDA is calculated by adding pension expense, non-cash impairment expense and net investment-related losses recorded to EBITDA.

Neither EBITDA nor Adjusted EBITDA is a measure of financial performance under generally accepted accounting principles ("GAAP"). Management uses EBITDA, Adjusted EBITDA and similar measures in internal analyses as supplemental measures of the Company's financial performance and to assist with performance comparisons against its peer group of companies and other decisions. EBITDA or similar measures are also common alternative measures of performance used by investors, financial analysts and rating agencies to evaluate financial performance. Neither EBITDA nor Adjusted 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 GAAP, and these non-GAAP measures may not be comparable to similarly-titled measures of other companies.