

A. H. BELO CORPORATION

Robert W. Dechard
Chairman of the Board
President
Chief Executive Officer

March 10, 2011

Dear Colleagues:

Numerous important and exciting developments have occurred at A. H. Belo since I communicated with you last November. These include:

- Yesterday, the Board of Directors approved reinstatement of a Company match for eligible participants in the A. H. Belo Savings Plan (the 401(k) Plan) for the first six months of 2011. In July, a lump-sum payment will be made into the account of each eligible participant in the Savings Plan who made contributions to the Plan during the period from January 1, 2011 through June 30, 2011, based on a retroactive dollar-for-dollar match up to 1.5% of each participant's contribution. This approach enables participants to receive the match at mid-year versus phasing it in during the second half of 2011. There will be no match from July 1, 2011 through December 31, 2011. The Company will resume an ongoing dollar-for-dollar match up to 1.5% of each eligible participant's contribution on a per-pay-period basis effective January 1, 2012.
- On January 1, A. H. Belo and Belo Corp. completed the split of The G. B. Dealey Retirement Pension Plan into separately-sponsored plans. A. H. Belo is now the Plan Sponsor for two new pension plans that cover nearly 5,100 active and retired participants at *The Providence Journal*, *The Dallas Morning News*, and A. H. Belo Corporation. On June 1, Fidelity Investments will take over all pension administration and will offer a comprehensive online solution for participants to check the status of their pension benefit, update their personal profile, and model retirement scenarios.
- Also in January, *The Dallas Morning News* launched its subscriber content initiative. The reaction from our audiences to the redesigned Web site, dallasnews.com, a new iPhone app, and our first iPad app has been overwhelmingly positive. In the first six weeks, 29,000 consumers downloaded the new iPhone app and 18,000 downloaded the first iPad app. Plans for similar initiatives in Providence and Riverside are well underway.

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- We made important investments in journalism during 2010 which resulted in recognition for many of the Company's reporters, editors, photographers and news artists – most recently Jacquelyn Floyd receiving the American Society of News Editors distinguished writing award for commentary and column writing. And, last month, the first Stephen Hamblett Award was presented to Anthony Lewis. The Hamblett Award will recognize lifetime commitment to free speech and First Amendment rights in New England.

Looking ahead, the Company's top three priorities for 2011 are executing on revenue initiatives, remaining vigilant on expenses, and maximizing operating cash flow. Since we are facing rising prices for health care, newsprint and fuel, we must remain focused on streamlining operations and creating the financial flexibility needed to support new revenue initiatives. The Management Committee continues to monitor competitive pay practices in our industry and we are very much aware that there have been no merit increases at A. H. Belo since 2008. However, the early-stage recovery in Dallas and the economic challenges in Rhode Island and Inland Southern California continue to create uncertainty that makes it difficult to predict when merit increases can be implemented at any level in the Company.

A. H. Belo's many successes are possible because of your commitment to the Company and the communities we serve. Our audiences have more choices than ever before for news and information. What sets us apart is the quality of our journalism. No other news and information company in Dallas, Providence or Riverside can match the depth of coverage we provide with local, thoroughly-researched, relevant, timely, and well-edited content. A. H. Belo's future depends on our using this competitive advantage to serve our Company's many constituencies. The Board of Directors and Management Committee thank each and every one of you for your belief in this future.

Sincerely,

