

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

|  | Three months ended<br>March 31, |                    |
|--|---------------------------------|--------------------|
| <i>In thousands, except per share amounts</i>      | 2008                            | 2007               |
|  | <i>(unaudited)</i>              | <i>(unaudited)</i> |
| <b>Net operating revenues</b>                      |                                 |                    |
| Advertising  | \$ 124,423                      | \$ 141,945         |
| Circulation  | 29,105                          | 27,617             |
| Other  | 6,659                           | 6,151              |
| Total net operating revenues                       | <u>160,187</u>                  | <u>175,713</u>     |
| <b>Operating Costs and Expenses</b>                |                                 |                    |
| Salaries, wages and employee benefits              | 74,265                          | 75,299             |
| Other production, distribution and operating costs | 60,966                          | 60,899             |
| Newsprint, ink and other supplies                  | 22,969                          | 26,668             |
| Depreciation                                       | 12,241                          | 11,360             |
| Amortization                                       | 1,625                           | 1,625              |
| Total operating costs and expenses                 | <u>172,066</u>                  | <u>175,851</u>     |
| Loss from operations                               | (11,879)                        | (138)              |
| <b>Other income and expense</b>                    |                                 |                    |
| Interest expense                                   | (3,066)                         | (8,744)            |
| Other income (expense), net                        | 957                             | 174                |
| Total other income and expense                     | <u>(2,109)</u>                  | <u>(8,570)</u>     |
| <b>Earnings</b>                                    |                                 |                    |
| Loss before income taxes                           | (13,988)                        | (8,708)            |
| Income tax (benefit) expense                       | (5,270)                         | 688                |
| Net loss   | <u>\$ (8,718)</u>               | <u>\$ (9,396)</u>  |
| <b>Net loss per share</b>                          |                                 |                    |
| Basic and Diluted                                  | \$ (.43)                        | \$ (.46)           |
| <b>Average shares outstanding</b>                  |                                 |                    |
| Basic and Diluted                                  | 20,473                          | 20,452             |
| <b>Cash dividends declared per share</b>           | <u>\$ 0.25</u>                  | <u>\$ -</u>        |

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

| <i>In thousands</i>                         | March 31,<br>2008<br><i>(unaudited)</i> | December 31,<br>2007 |
|---|---|----------------------|
| <b>Assets</b>                               |   |                      |
| Current assets                              |   |                      |
| Cash and temporary cash investments         | \$ 25,386                               | \$ 6,874             |
| Accounts receivable, net                    | 75,888                                  | 90,792               |
| Other current assets                        | 37,250                                  | 24,353               |
| Total current assets                        | <u>138,524</u>                          | <u>122,019</u>       |
| Property, plant and equipment, net          | 282,704                                 | 307,788              |
| Intangible assets, net                      | 158,468                                 | 160,093              |
| Other assets                                | 42,394                                  | 29,810               |
| Total assets                                | <u>\$ 622,090</u>                       | <u>\$ 619,710</u>    |
| <b>Liabilities and Shareholders' Equity</b> |   |                      |
| Current liabilities                         |   |                      |
| Accounts payable                            | \$ 33,811                               | \$ 25,384            |
| Accrued expenses                            | 29,660                                  | 32,550               |
| Other current liabilities                   | 33,674                                  | 62,468               |
| Total current liabilities                   | <u>97,145</u>                           | <u>120,402</u>       |
| Notes payable to Belo Corp.                 | -                                       | 378,916              |
| Deferred income taxes                       | 26,809                                  | 19,189               |
| Other liabilities                           | 16,553                                  | 14,263               |
| Total shareholders' equity                  | <u>481,583</u>                          | <u>86,940</u>        |
| Total liabilities and shareholders' equity  | <u>\$ 622,090</u>                       | <u>\$ 619,710</u>    |

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

| <i>In thousands (unaudited)</i> | Three months ended |                   |
|---------------------------------|--------------------|-------------------|
|                                 | March 31,          |                   |
|                                 | 2008               | 2007              |
| Consolidated EBITDA (1)         | \$ 2,944           | \$ 13,021         |
| Depreciation and Amortization   | (13,866)           | (12,985)          |
| Interest Expense                | (3,066)            | (8,744)           |
| Income Tax (Expense) Benefit    | 5,270              | (688)             |
| Net Loss                        | <u>\$ (8,718)</u>  | <u>\$ (9,396)</u> |

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

| <i>In thousands (unaudited)</i> | Three months ended |                   |
|---------------------------------|--------------------|-------------------|
|                                 | March 31,          |                   |
|                                 | 2008               | 2007              |
| Newspaper EBITDA (1)            | \$ 14,429          | \$ 24,666         |
| Corporate expenses              | (12,442)           | (11,819)          |
| Other income (expense), net     | 957                | 174               |
| Depreciation and Amortization   | (13,866)           | (12,985)          |
| Interest Expense                | (3,066)            | (8,744)           |
| Income Tax (Expense) Benefit    | 5,270              | (688)             |
| Net Loss                        | <u>\$ (8,718)</u>  | <u>\$ (9,396)</u> |

Note 1: The Company defines Consolidated EBITDA as net earnings before interest expense, income taxes, depreciation and amortization and Newspaper EBITDA as net earnings before corporate expenses, interest expense, income taxes, 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.