

Investor Day

October 4, 2012



A. H. BELO CORPORATION

Alison Engel

Senior Vice President and Chief Financial Officer



A. H. BELO CORPORATION

Safe Harbor Statement

Safe Harbor Statement: Statements in this presentation concerning A. H. Belo Corporation's (the "Company's") business outlook or future economic performance, anticipated profitability, revenues, expenses, dividends, capital expenditures, investments, impairments, pension plan contributions, real estate sales, share repurchases, future financings, and other financial and non-financial items that are not historical facts, are "forward-looking statements" as the term is defined under applicable federal securities laws. Forward-looking statements are subject to risks, uncertainties and other factors that could cause actual results to differ materially from those statements.

Such risks, uncertainties and factors include, but are not limited to, changes in capital market conditions and prospects, and other factors such as changes in advertising demand and newsprint prices; newspaper circulation trends and other circulation matters, including changes in readership methods, patterns and demography, and audits and related actions by the Audit Bureau of Circulations; challenges implementing increased subscription pricing and new pricing structures; challenges in achieving expense reduction goals, and on schedule, and the resulting potential effects on operations; technological changes; development of Internet commerce; industry cycles; changes in pricing or other actions by existing and new competitors and suppliers; labor relations; regulatory, tax and legal changes; adoption of new accounting standards or changes in existing accounting standards by the Financial Accounting Standards Board or other accounting standard-setting bodies or authorities; the effects of Company acquisitions, dispositions, co-owned ventures, and investments; pension plan matters; general economic conditions and changes in interest rates; significant armed conflict; and other factors beyond our control, as well as other risks described in the Company's Annual Report on Form 10-K for the year ended December 31, 2011 and other public disclosures and filings with the Securities and Exchange Commission.

Non-GAAP Measures: This presentation includes non-GAAP financial measures. The Company uses non-GAAP financial measures in internal analyses as supplemental measures of the Company's financial performance and to assist with performance comparisons to its peer group of companies, as well as capital spending and other investing decisions. Non-GAAP measures are also common alternative measures of performance used by investors, financial analysts and rating agencies to evaluate financial performance. Non-GAAP measures should not 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. Non-GAAP measures presented herein may not be comparable to similarly-titled measures of other companies. Reconciliations to the most directly comparable financial measures presented in accordance with GAAP are provided herein, in the Company's July 31, 2012 press release, and on the Company's website (ahbelo.com) under the Investor Relations section.

Circulation Measures: Circulation numbers contained in this presentation are Company estimates.

Today's Agenda

- Welcome / Overview of the Day
- Operating Strategy
- Financial Strategy
- Real Estate Strategy
- Break
- Questions and Answers
- Concluding Remarks

Welcome / Overview of the Day

Robert Dechard

Chairman of the Board, President and Chief Executive Officer



A. H. BELO CORPORATION

A. H. Belo's Management Committee

- Robert Decherd, Chairman, President and Chief Executive Officer
- Alison Engel, Senior Vice President / Chief Financial Officer and Treasurer
- Jim Moroney, Executive Vice President of A. H. Belo Corporation
Publisher and Chief Executive Officer of *The Dallas Morning News*
- Dan Blizzard, Senior Vice President and Secretary

A. H. Belo's Key Leaders

- Guy Kerr, Executive Vice President / Law and Government, Belo Corp.
- Howard Sutton, Publisher, President and Chief Executive Officer, *The Providence Journal*
- Ron Redfern, President and Chief Executive Officer, *The Press-Enterprise*
- Bob Mong, Editor, *The Dallas Morning News*
- Keven Willey, Vice President and Editorial Page Editor, *The Dallas Morning News*

A. H. Belo's Key Leaders

- Grant Moise, Vice President / Digital, *The Dallas Morning News*
- Dan Phelan, Chief Revenue Officer, *The Dallas Morning News*
- Mike O'Hara, Chief Information Officer, A. H. Belo Corporation
- David Gross, Vice President / Financial Planning and Strategic Analysis, A. H. Belo Corporation

Today's Goals

- Review our dynamic and forward-thinking operating strategy and performance
- Update you on the changes to and execution of our financial strategy
- Provide more detail on our real estate strategy and information on assets being marketed for sale; and
- Answer your questions

Context for Today's Discussion

- Our strong balance sheet and the Board's confidence in the Company's cash generation has allowed us to execute more fully on our financial strategy relating to returning capital to shareholders. The recently-announced special dividend and share repurchase authority, together with potential increases to dividends in the future, reflect this priority
- Our innovative operating strategy continues to focus on diversifying and stabilizing revenue streams, running cost-efficient operations and generating cash
- Our pension plans remain underfunded, primarily due to stubbornly low interest rates. However, proactive actions are underway to de-risk the pension plans further and make progress toward plan termination

Context for Today's Discussion

- Cash generation opportunities exist with our real estate portfolio, and the Company is committed to achieving real value for these assets in an improving commercial real estate market
- The entire newspaper industry remains in transition to a digital operating platform. It will take time for winning business models to become apparent, although progress is being made

Operating Strategy

Jim Moroney

Executive Vice President of A. H. Belo Corporation

Publisher and Chief Executive Officer of The Dallas Morning News

Howard Sutton

***Publisher, President and Chief Executive Officer of
The Providence Journal***

Ron Redfern

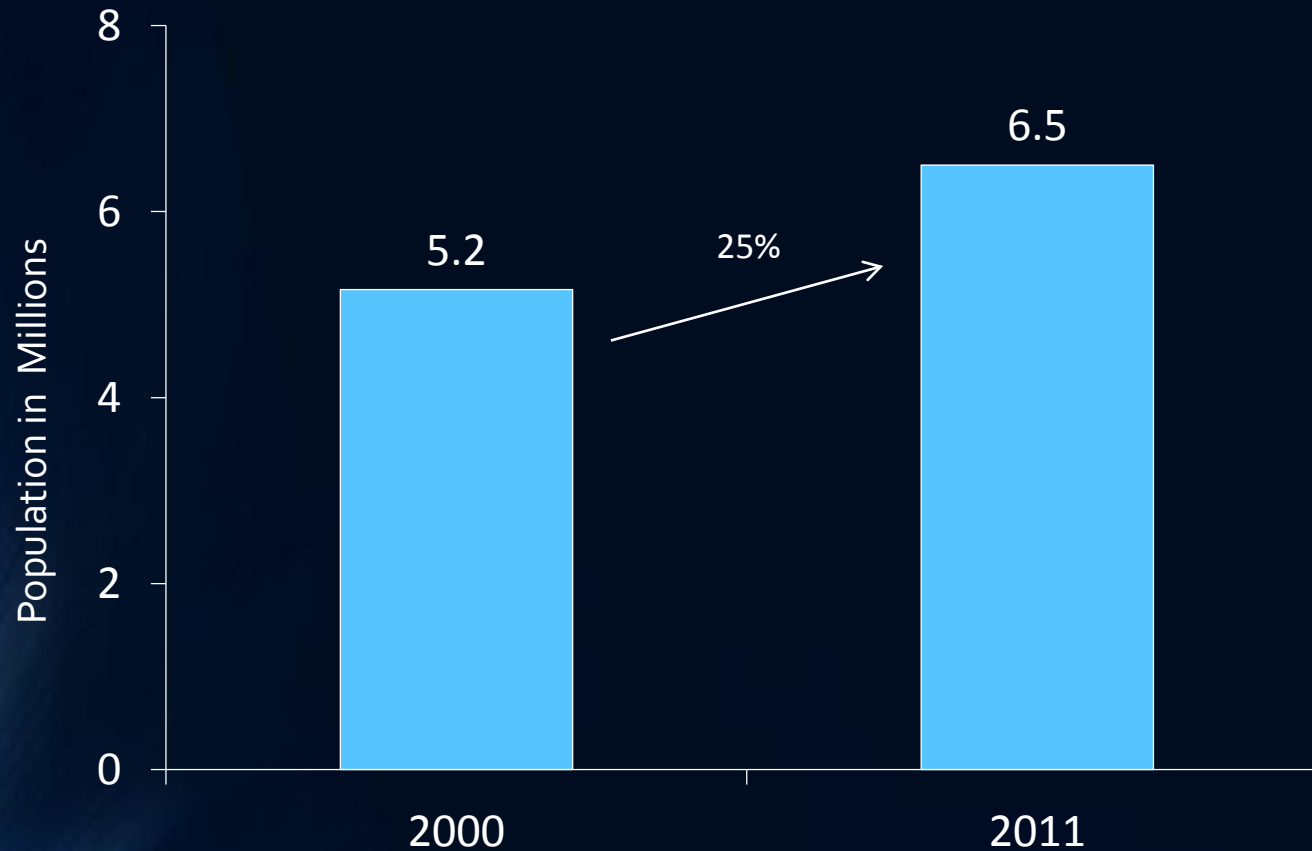
***Publisher, President and Chief Executive Officer of
The Press-Enterprise***



A. H. BELO CORPORATION

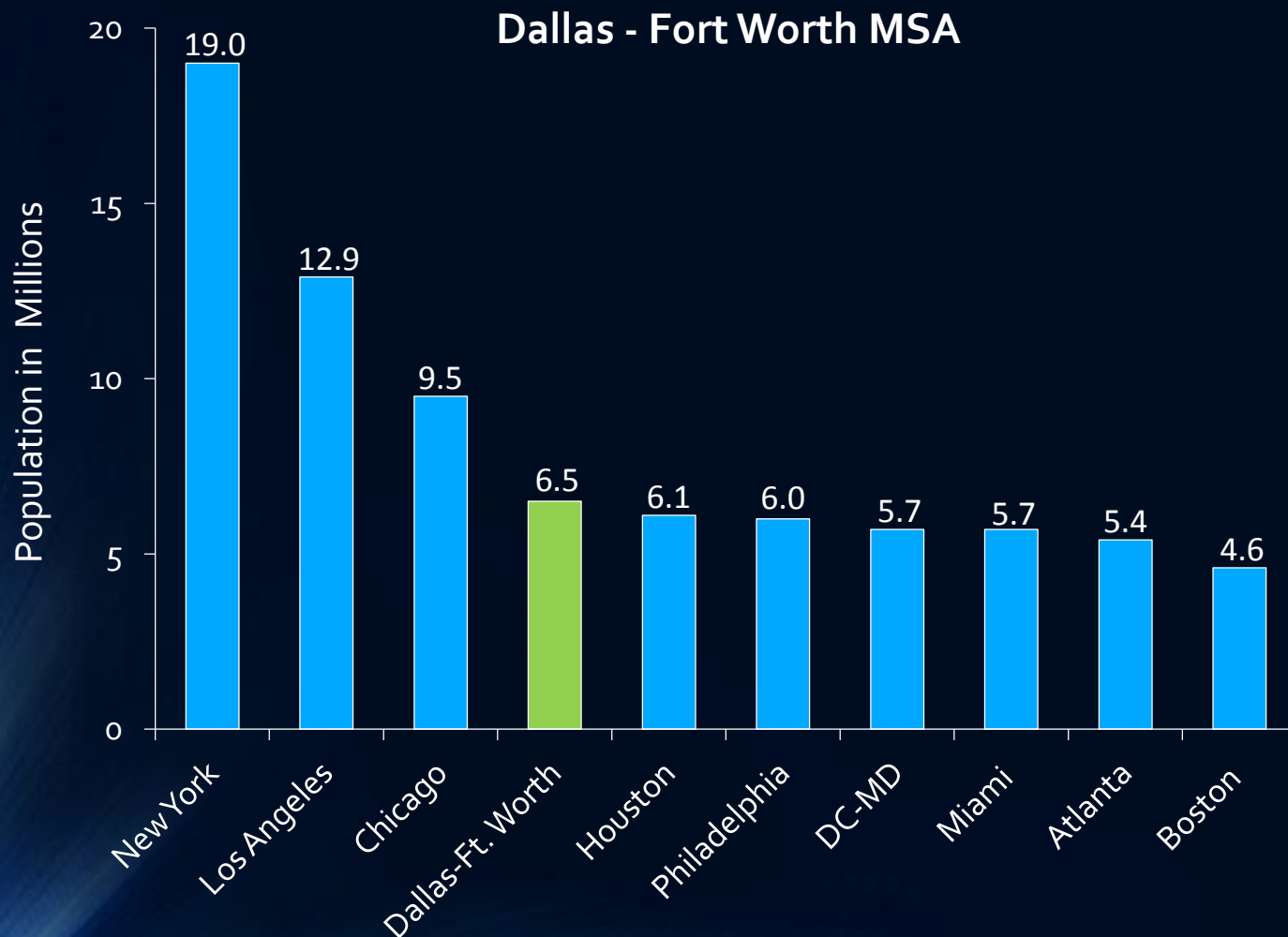
Market Overview

Dallas-Fort Worth Metropolitan Statistical Area (MSA)



Source: U. S. Department of Commerce

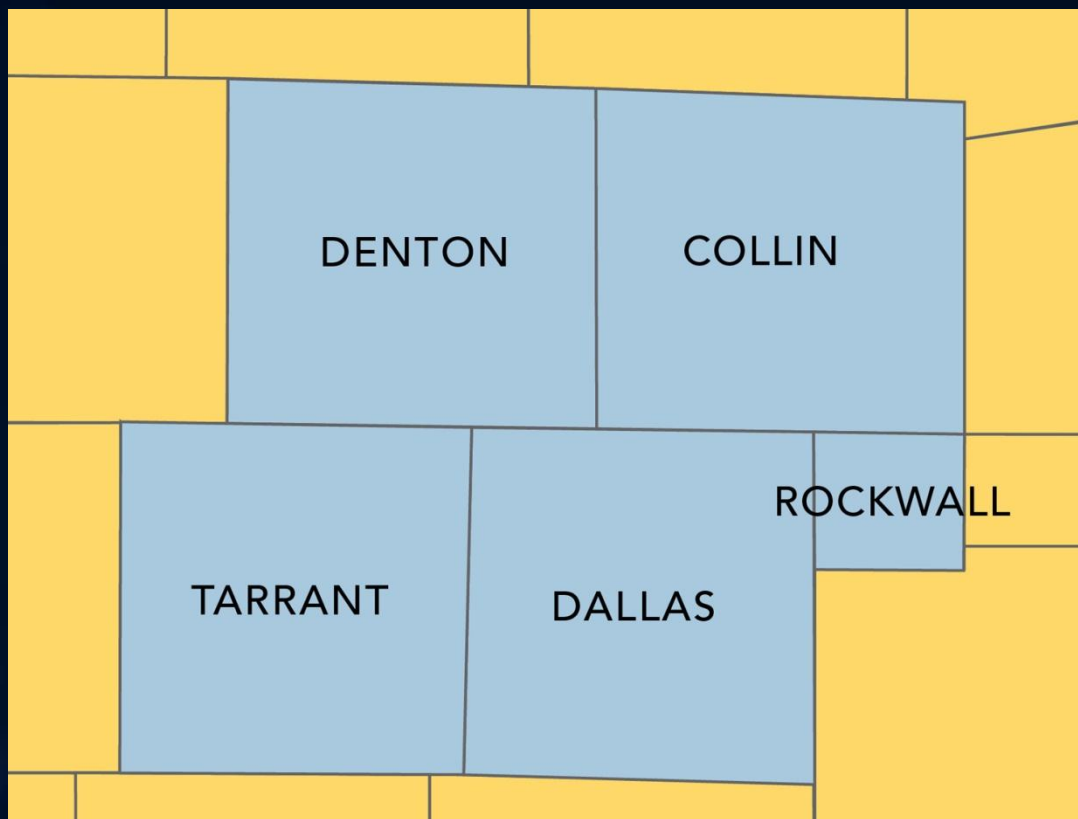
Market Overview



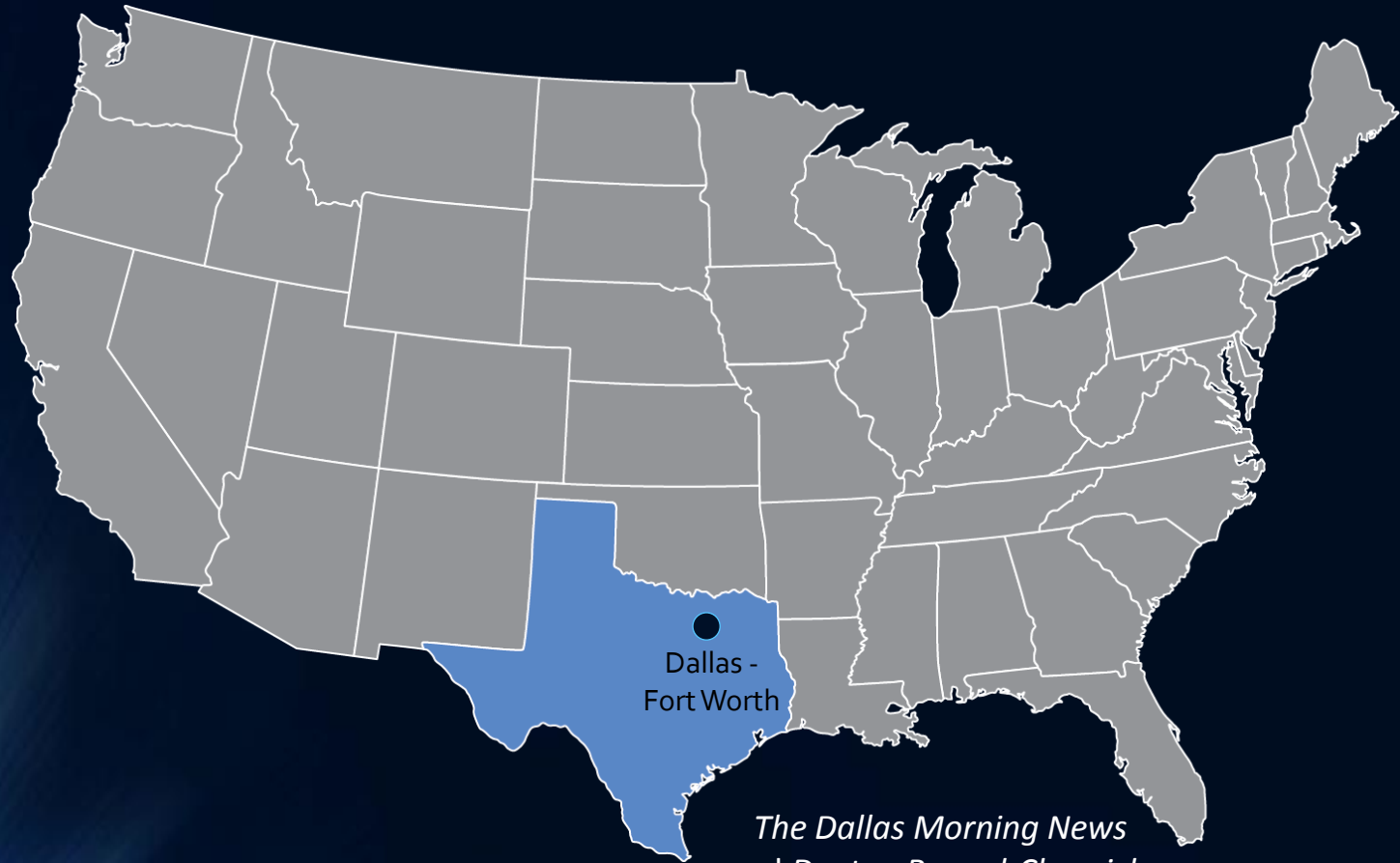
Source: Nielsen Claritas (2011)

Market Overview

Dallas - Fort Worth



A. H. Belo's Daily Newspapers

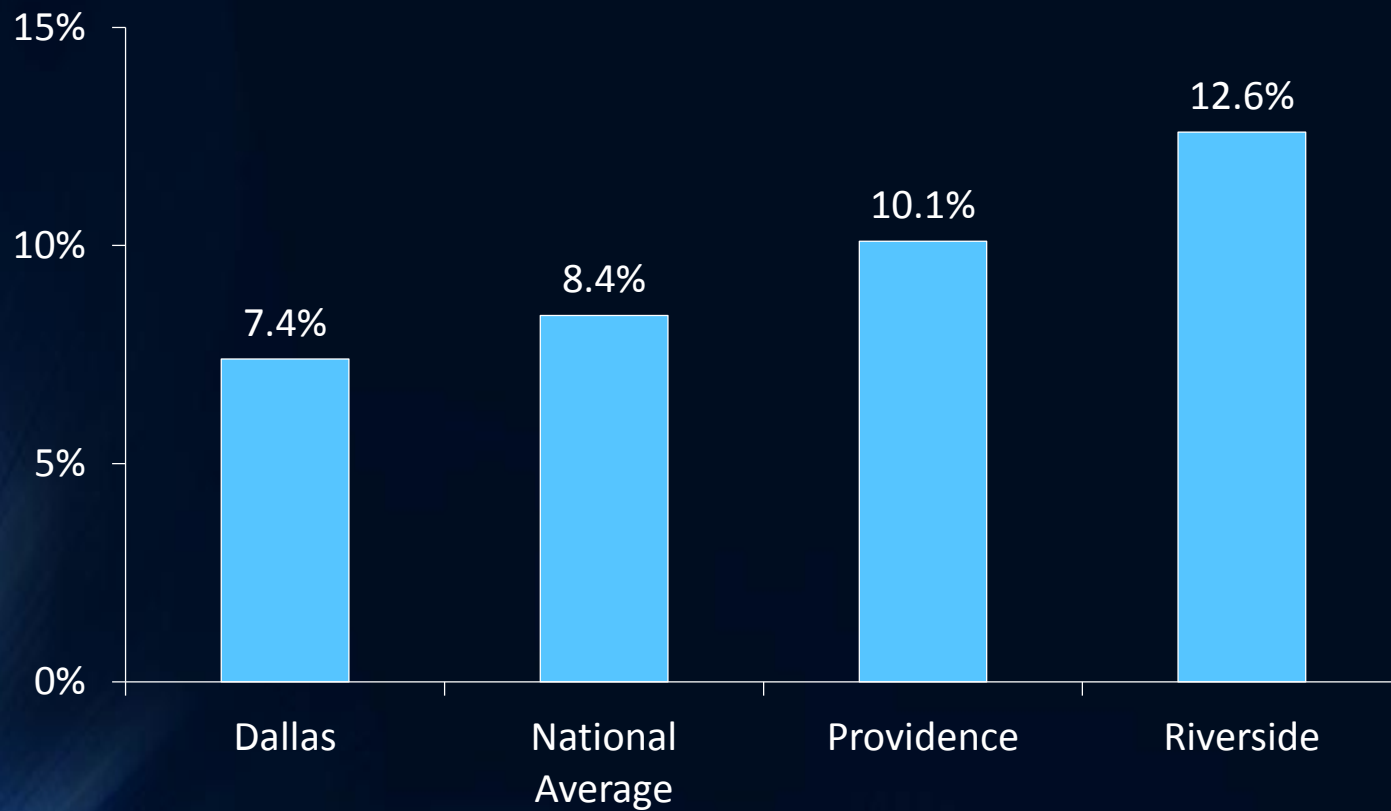


*The Dallas Morning News
and Denton Record-Chronicle*

Total average circulation
Mon-Fri = **405,000**

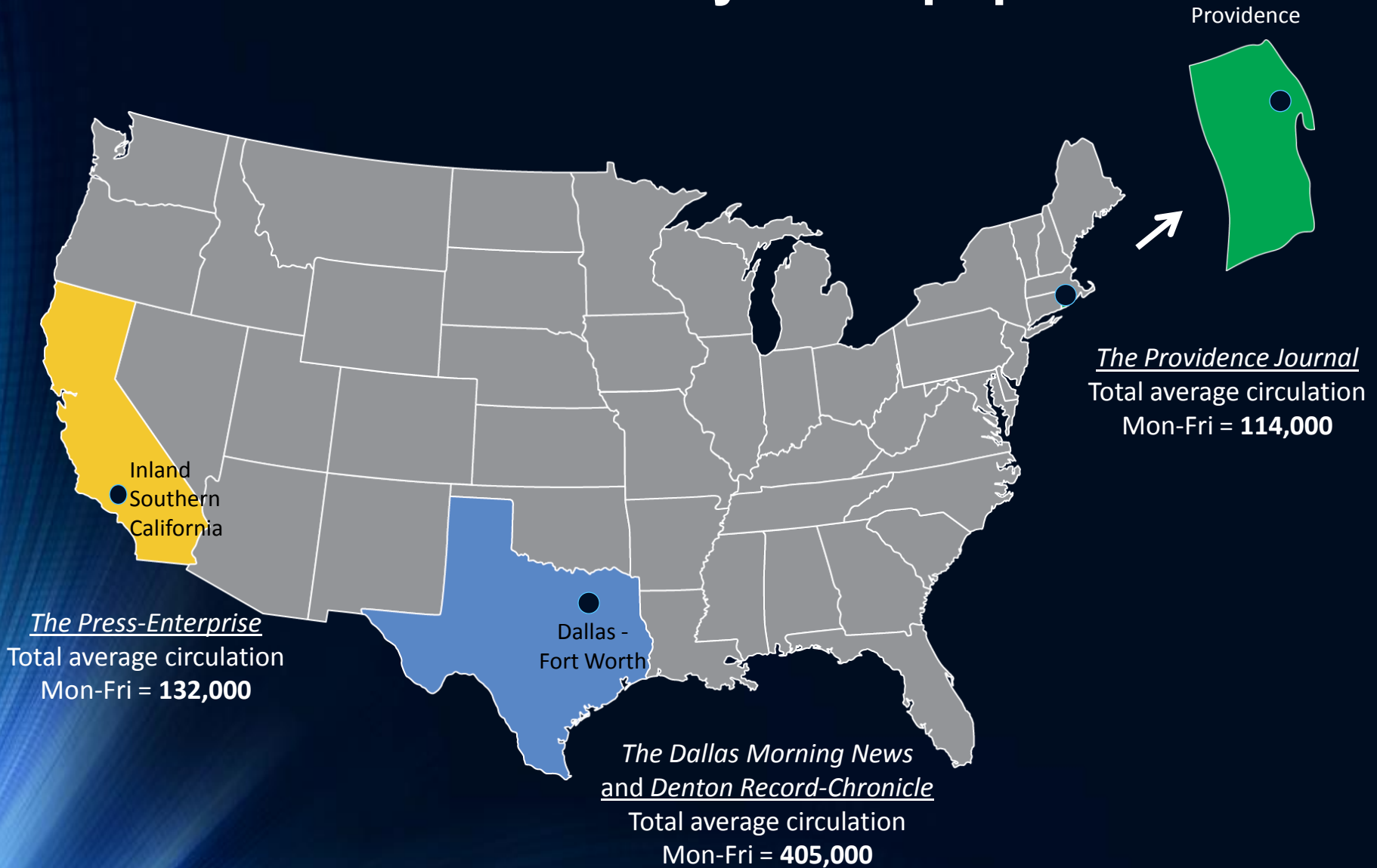
Market Overview

Unemployment Rates (unadjusted for seasonality)



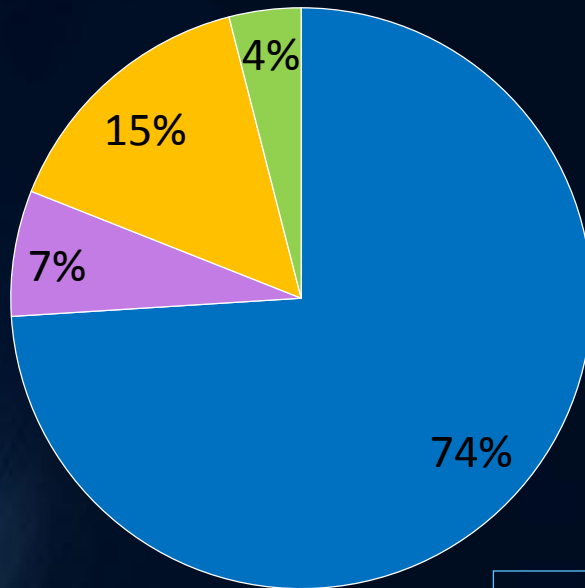
Source: U. S. Department of Labor (June 2012)

A. H. Belo's Daily Newspapers

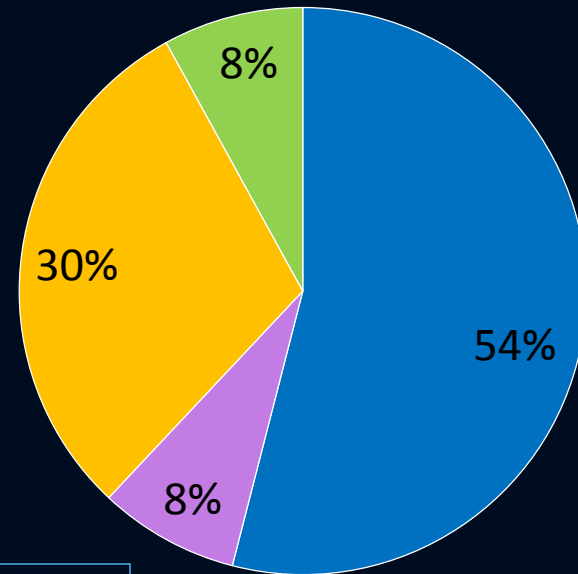


Diversifying Revenue Mix

2007 Revenue = \$739 million



2011 Revenue = \$462 million

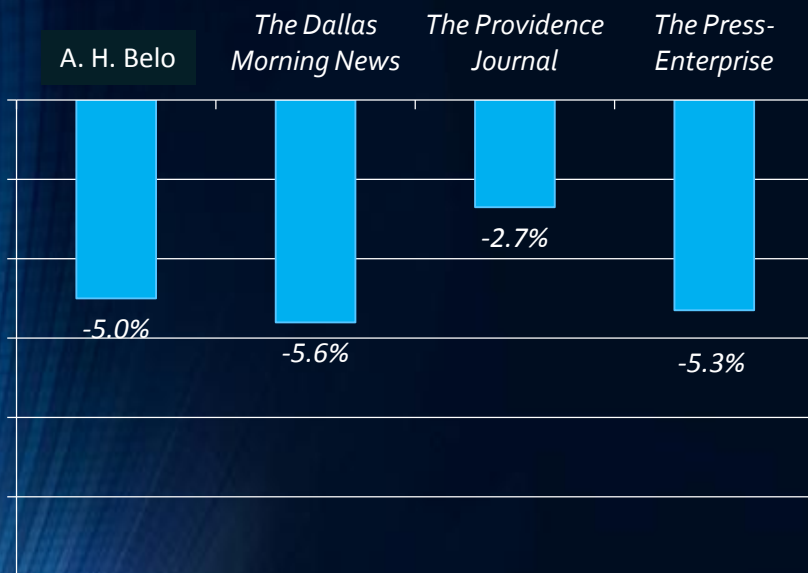


■ Print Advertising
■ Digital Advertising
■ Circulation
■ Printing and Distribution

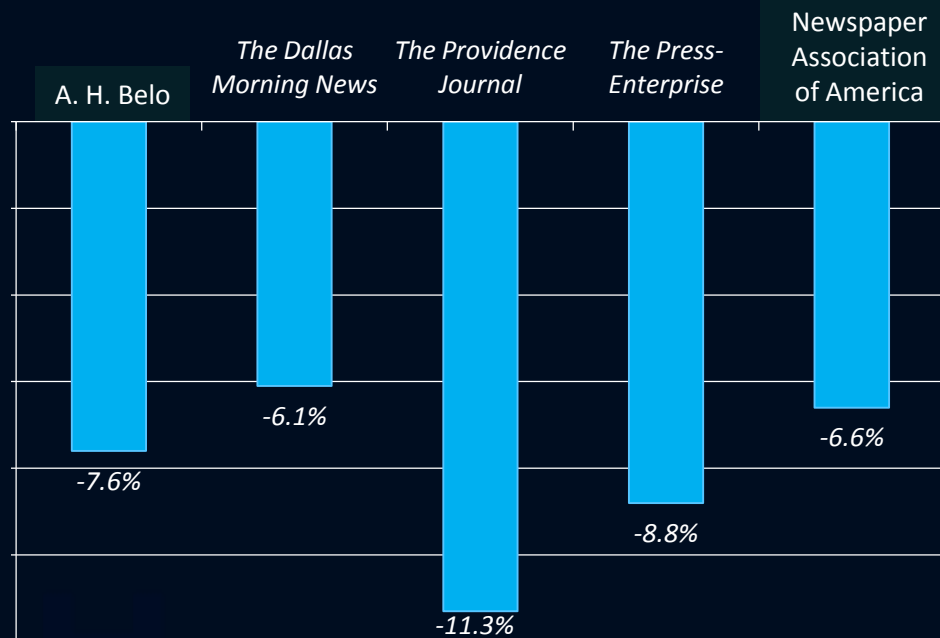
Revenue Performance

(Six months ended June 30, 2012 vs. six months ended June 30, 2011)

Total



Advertising



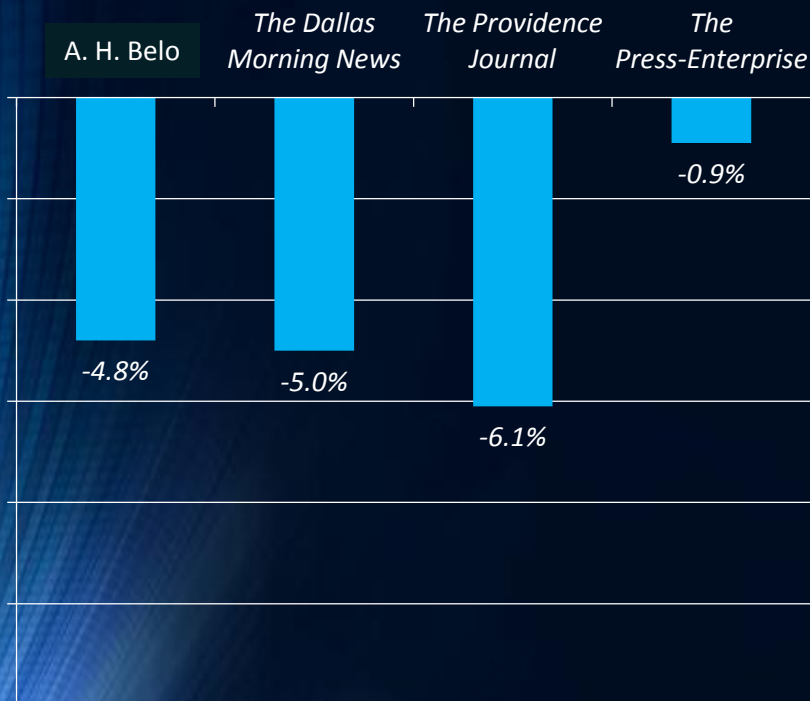
Note: *The Dallas Morning News'* total and advertising revenues exclude the impact of the discontinued niche publication *Quick*, a discontinued revenue allocation to digital and the Super Bowl in 2011

The Providence Journal's total revenue excludes the impact of transition from a carrier to a distributor circulation model

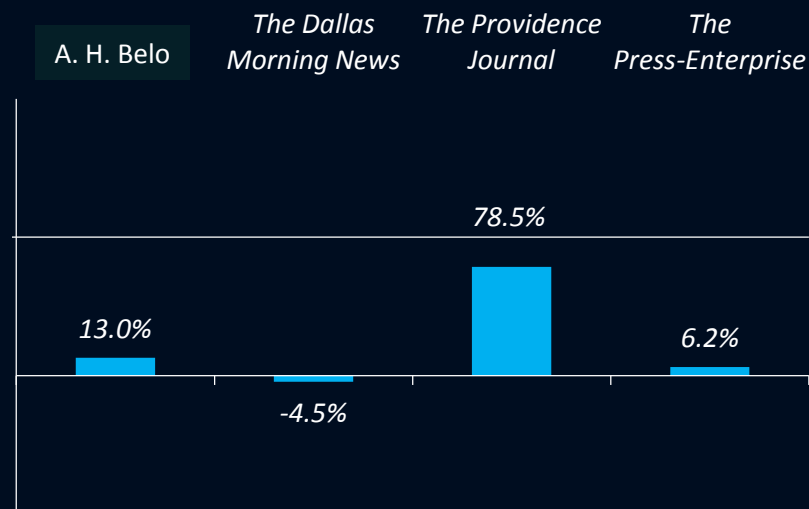
Revenue Performance

(Six months ended June 30, 2012 vs. six months ended June 30, 2011)

Circulation

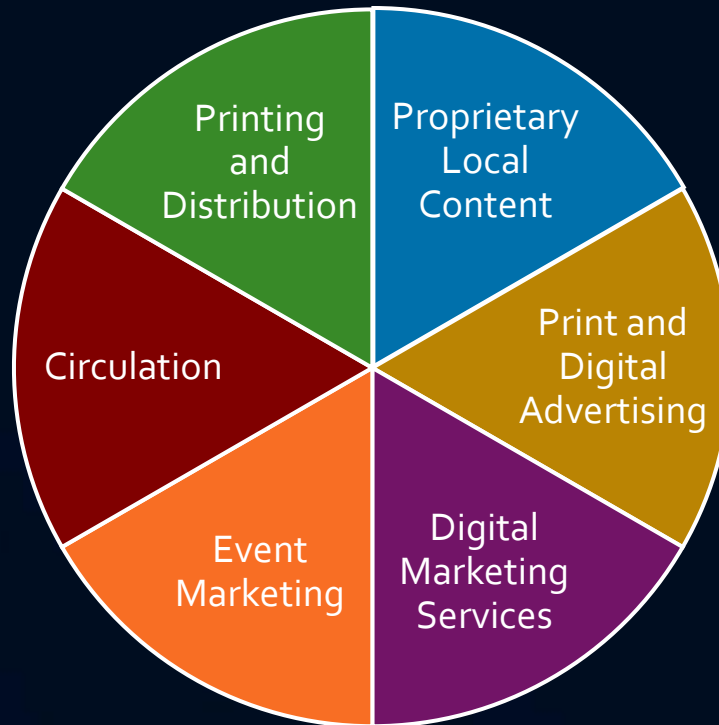


Printing and Distribution

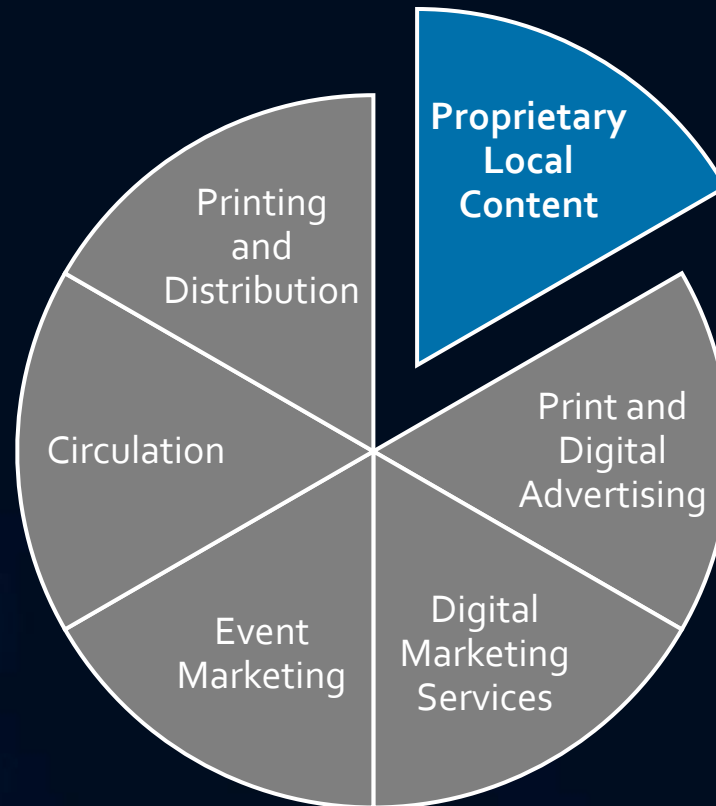


Note: *The Providence Journal's* circulation revenue excludes the impact of transition from a carrier to a distributor circulation model
The Dallas Morning News printing and distribution revenue excludes the impact of the discontinued niche publication *Quick*

Improving Revenue Performance in Dallas: Areas of Focus



Proprietary Local Content



Investing in Journalism

- Our investments in journalism allow us to:
 - Fund the creation of proprietary local content on a scale other local media companies cannot match
 - Attract and charge audiences for this content. In fact, we are the third highest-priced metro daily newspaper in the country
 - Build audiences that deliver our advertisers' current and potential customers
 - Create loyalty by strengthening the communities we serve



Leadership Team

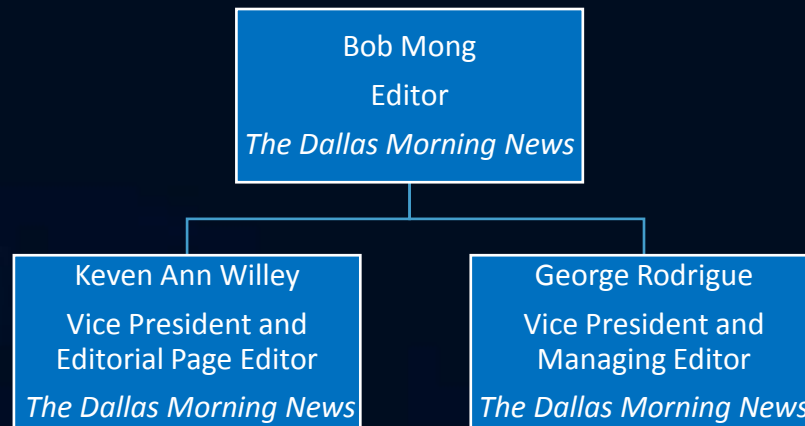


Bob Mong

Joined *The Dallas Morning News* in 1979

Editor of *The Dallas Morning News* since 2001

- During Bob's tenure in news leadership positions, *The Dallas Morning News* won nine Pulitzer Prizes

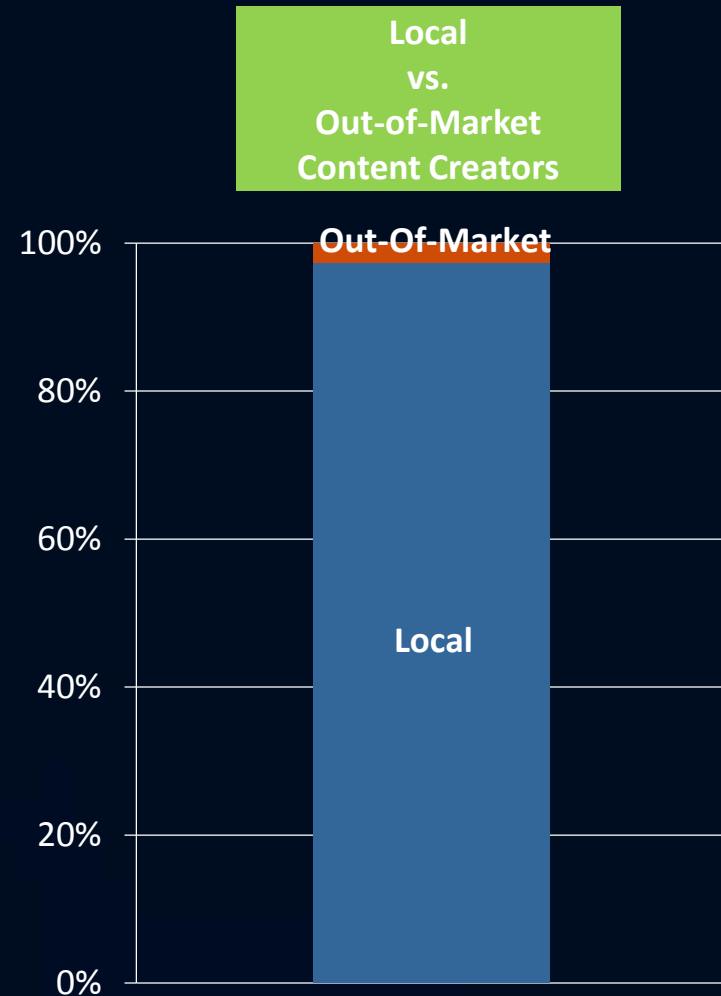
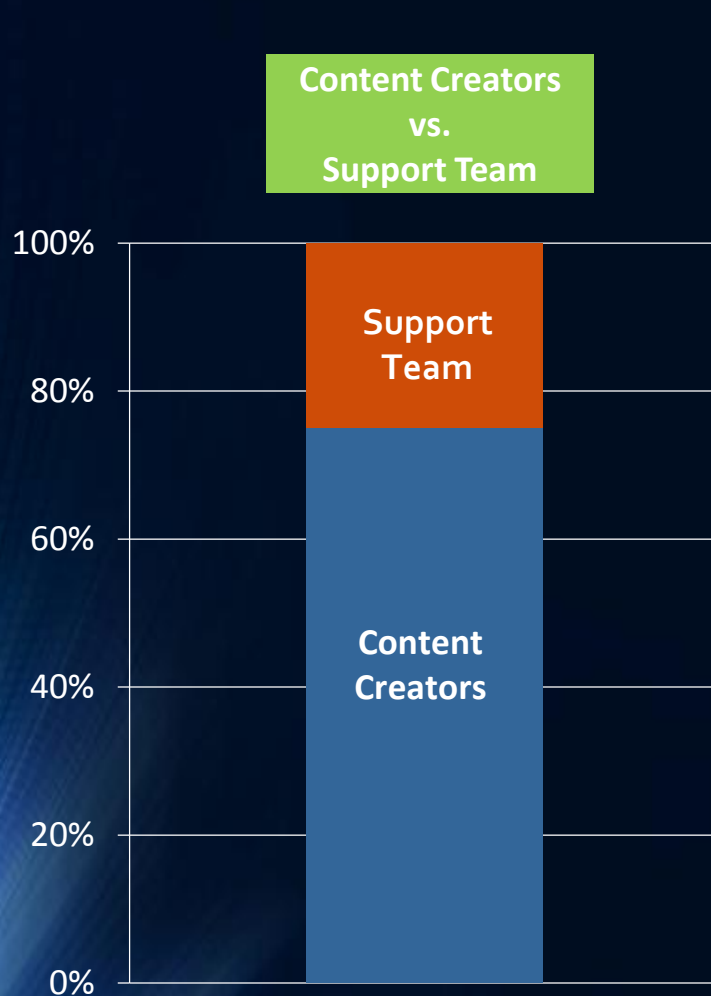


Newsroom Investment

- This year, *The Dallas Morning News* will invest approximately \$35 million into the newsroom
- Projected headcount expense is \$29 million (83% of total newsroom expense). There were approximately 341 employees in the newsroom on June 30, 2012
- Projected non-headcount expense is approximately \$6 million



Allocation of Newsroom Headcount



Note: Local is defined as North Texas market

Selected Newsroom Investments in 2012

- Hired Mitchell Schnurman, a highly respected business reporter and columnist in Dallas-Fort Worth, to improve the Business section of our newspaper and website
- Reached an agreement with the University of Texas at Arlington, or UTA, to hire an architecture critic who will split his or her time between writing for *The Dallas Morning News* and teaching at UTA



Dallasnews.com



David Duitch

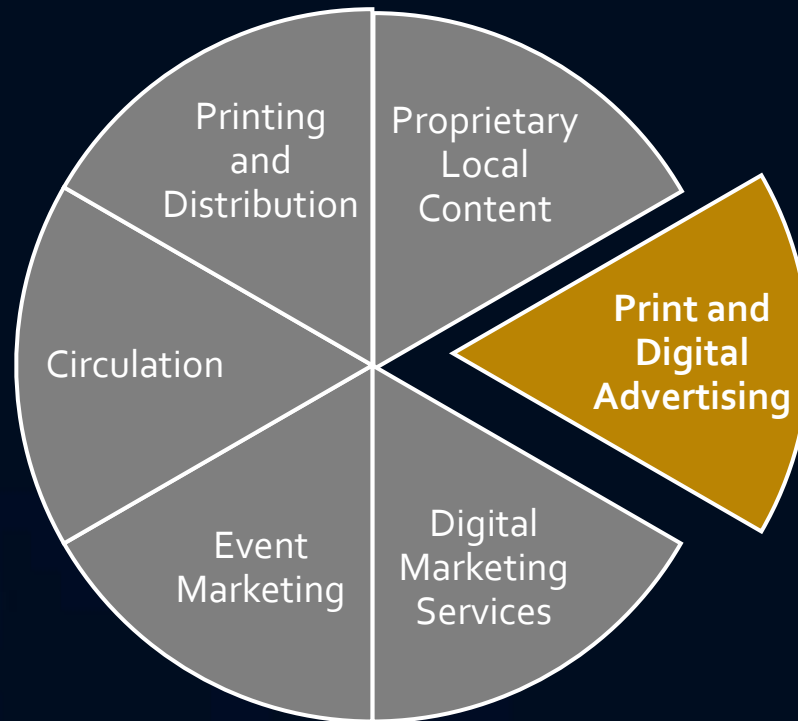
Editor of dallasnews.com

Joined *The Dallas Morning News* in July 2012

- Award-winning broadcast journalist with over 30 years of experience working in and leading local television newsrooms across the country
- Newsrooms under his leadership have won duPont, Peabody and Edward R. Murrow awards



Print and Digital Advertising



Advertising: New Chief Revenue Officer

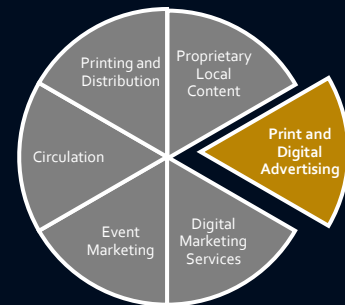


Dan Phelan

Chief Revenue Officer of *The Dallas Morning News*

Joined *The Dallas Morning News* in 2003

- In every year since 2005, his team has exceeded its annual revenue goal
- Led *The Dallas Morning News*' sales team to its first back-to-back monthly increases in advertising revenue since early 2006



Briefing and Other Publication Revenue



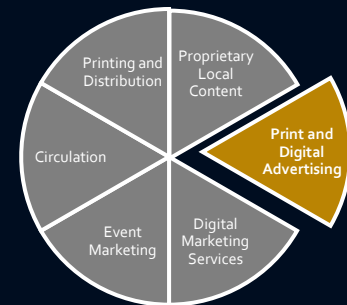
Print Products Overview



- Delivered to homes of non-subscribers in key zip codes
- Distributed to approximately 200,000 homes Wednesday through Saturday (for Sunday)



Briefing Revenue



Niche and Other Products Overview



- Spanish language newspaper delivered on Wednesday and Saturday (for Sunday)
- Distribution
 - Wednesday: 100,000
 - Sunday: 125,000



- Community newspaper
- Published on Friday
- 11 print editions are delivered to about 44 communities
- Circulation distribution volume
- Distribution with *The Dallas Morning News* and Briefing: 320,000+ households per week

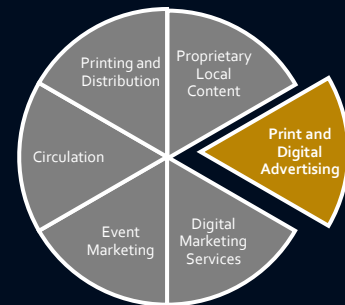


- Luxury Lifestyle magazine of North Texas, targets highly educated and affluent audience (annual household income over \$170,000) with average age of 46
- Distribution: 95,000 copies, ten times a year



Al Día

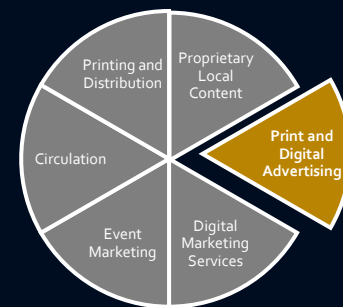
- Recognized as Newspaper of the Year by the Texas Associated Press Managing Editors in March 2012
- Hosted its fifth annual Copa *Al Día* soccer tournament bringing together over 12,000 members of the community and over 22 local and national sponsors
- *Al Día's* projected full year 2012 revenue is approximately \$8 million





neighborsgo

- *Neighborsgo* is the most-distributed weekly community newspaper in Texas
- Neighborsgo.com's projected full year 2012 revenue is approximately \$3 million



FDLuxe Re-Launch



FDLuxe

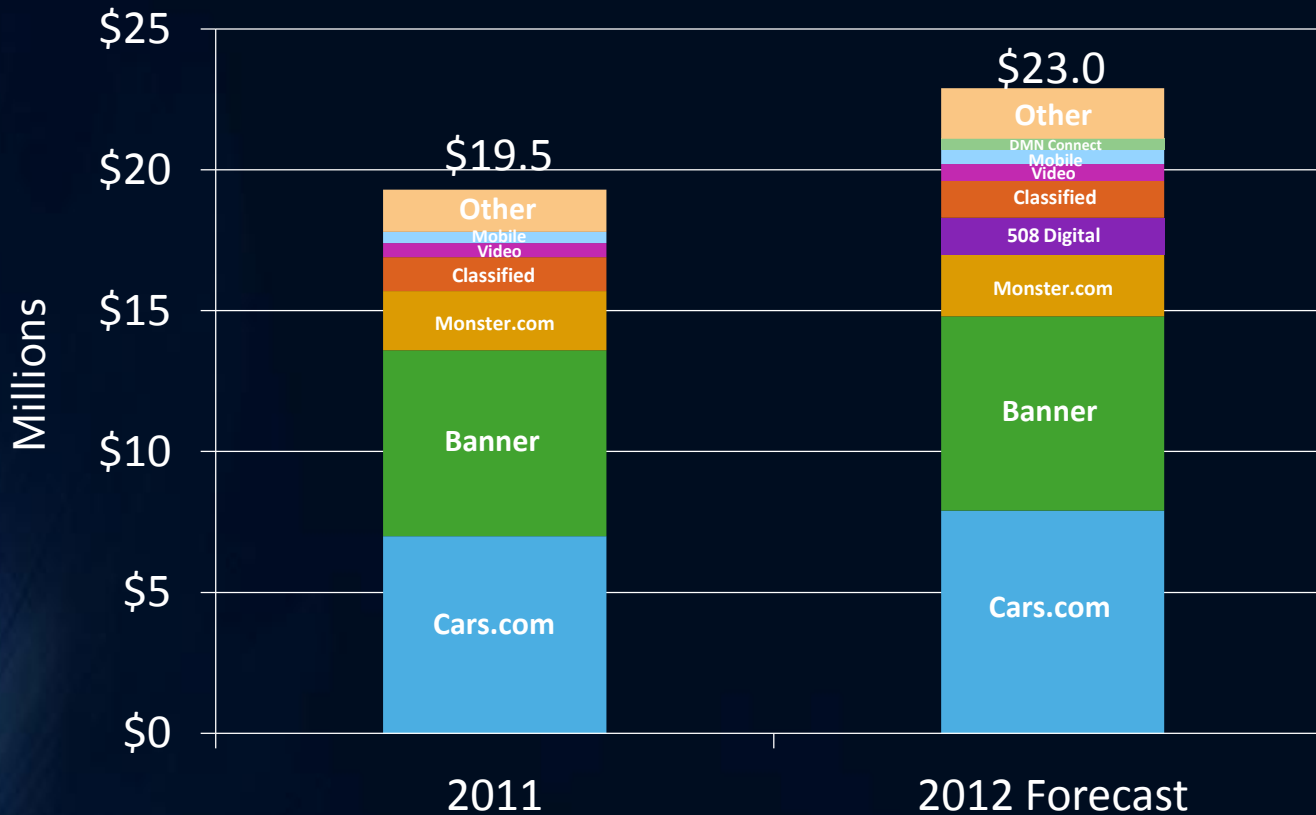
What
a swell
party
this
is...

- September 2012 issue
 - A record 154 pages
 - Revenue: \$0.3 million (+50% year-over-year)
- April through September 2012 issue revenue totaled approximately \$0.8 million (+29% year-over-year)

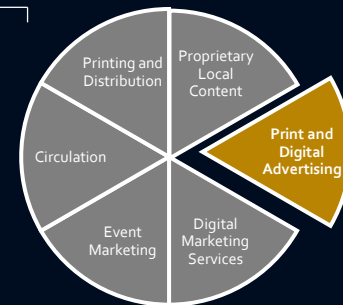
THE SEPTEMBER ISSUE

Digital Advertising Revenue

The Dallas Morning News



Note: *The Dallas Morning News* digital revenue excludes the impact of discontinued niche publication Quick, discontinued revenue allocation to digital and the Super Bowl in 2011
Banner is display advertising on dallasnews.com and yahoo.com



dallasnews.com: Monthly Averages

Actual
(year ended June 30, 2011)

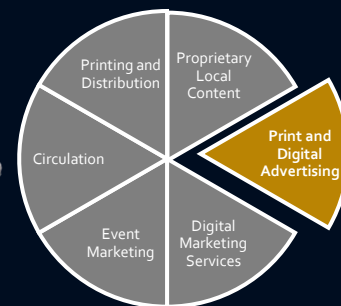
Actual
(year ended June 30, 2012)

- | | | |
|-------------------|---------------|---------------|
| • Unique visitors | • 4.8 million | • 3.7 million |
| • Page views | • 38 million | • 28 million |

Engagement
(approximate)

- | | | |
|----------------------------|--------|--------|
| • Frequency of use | • 2.1 | • 2.1 |
| • Session length (minutes) | • 18.0 | • 14.6 |
| • Minutes per user | • 37.1 | • 30.0 |

Re-designed GuideLive.com



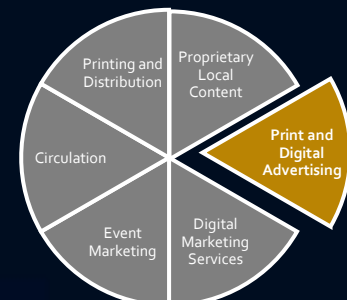


Wanderful Media

(fka ShopCo, LLC)



- Wanderful Media owns and operates the local shopping site Find n Save and is aggressively building a network of affiliate sites
- Wanderful's media investors
 - A. H. Belo Corporation
 - Advance Digital
 - Community Newspaper Holdings Inc.
 - Cox Media Group
 - Gannett Co., Inc.
 - GateHouse Media, Inc.
 - Hearst Corporation
 - Lee Enterprises, Inc.
 - MediaNews Group
 - The E. W. Scripps Company
 - The McClatchy Company
 - The Washington Post Company



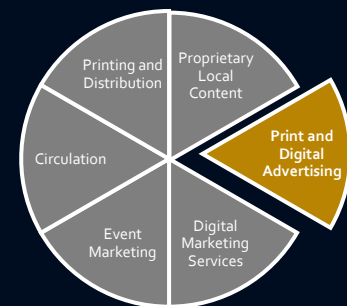


Wanderful Media

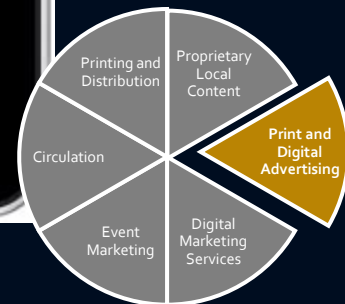
(fka ShopCo, LLC)



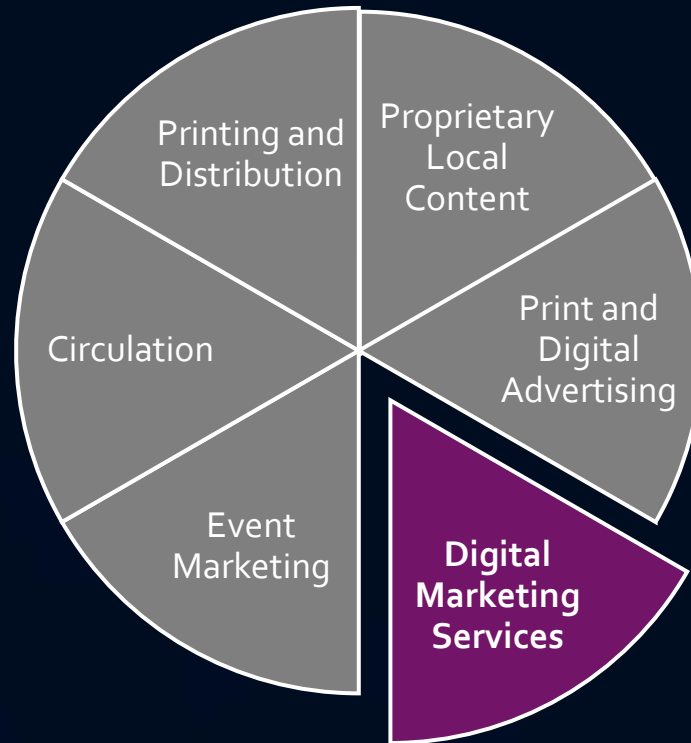
- New Chief Executive Officer: Ben T. Smith IV
 - Founder and former CEO of local business directory MerchantCircle
 - Founder and CEO of professional network Spoke Software
 - Venture partner at Accelater Ventures
- Wanderful Media's goal is to ultimately provide advertisers with 50 million unique visitors who are engaged in an exciting shopping experience



Discovery Shopping

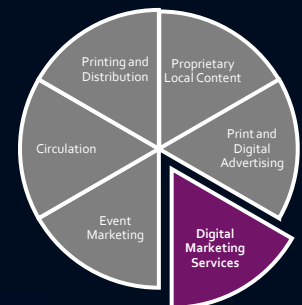


Digital Marketing Services



508 Digital

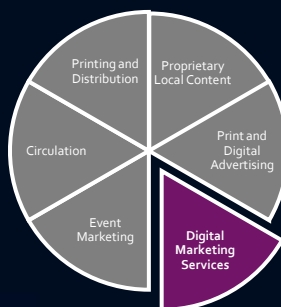
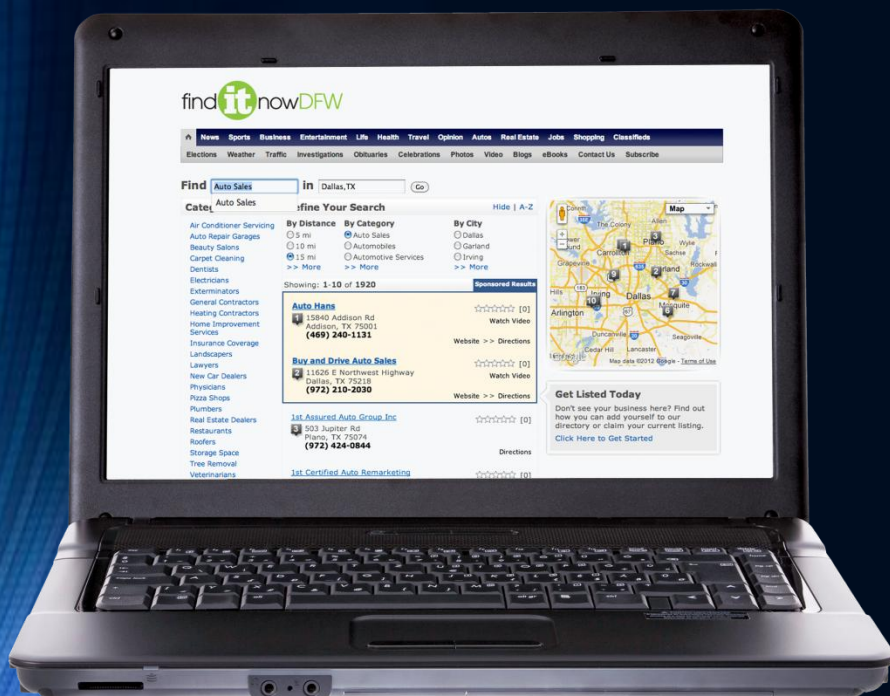
- The small and medium-size business (SMB) Market in Dallas-Fort Worth
 - 225,000 small and medium businesses in the DFW market
- Partnered with LocalEdge, a Hearst Media Services Company to resell suite of digital marketing solutions to small and medium businesses
- Typical package includes:
 - Online and print directories
 - Video
 - Search engine marketing (SEM)
 - Search engine optimization (SEO)
 - Mobile advertising and email marketing
 - Website development and maintenance
 - Advertising analytics and online reputation management services



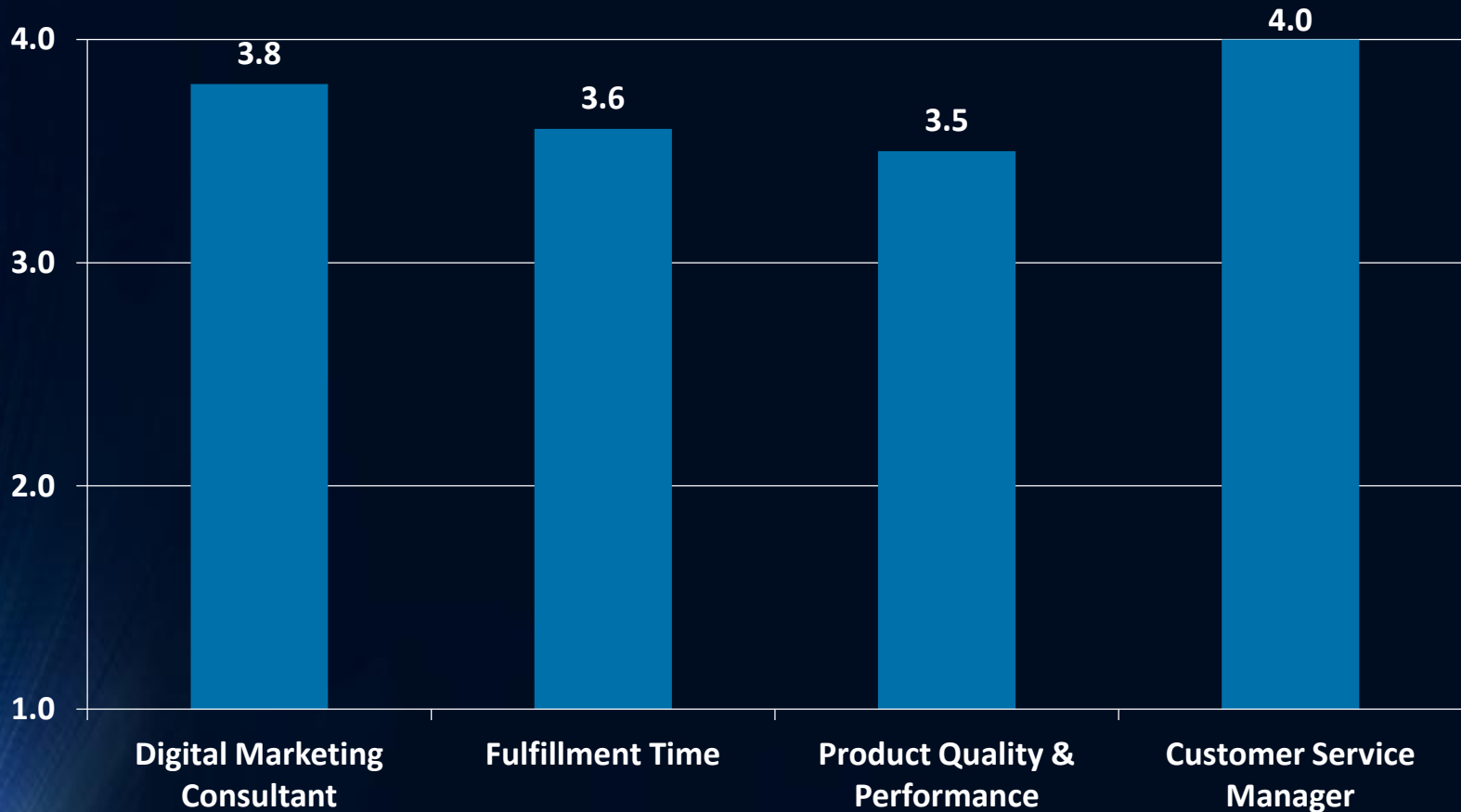
508 Digital

dallasnews.com

Print Edition

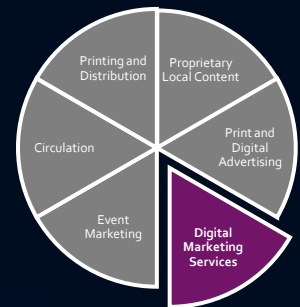


Results from Customer Satisfaction Survey



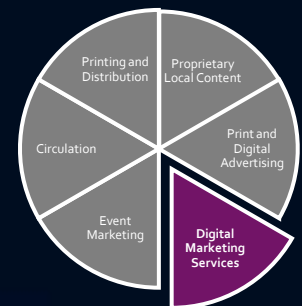
Note: Results are from the collective survey of current accounts as of September 18, 2012

- 4 – Exceeds Expectations
- 3 – Met Expectations
- 2 – Below Expectations
- 1 – Unsatisfactory



508 Digital Financial Update

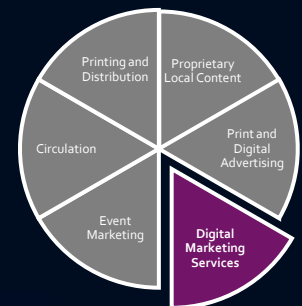
- 2012 Forecast
 - Revenue: \$1.0-1.3 million
 - Operating investment: (\$3.5-4.0 million)
- 2013 Revenue: \$8.0-10.0 million
- Cash flow positive: late 2013 / early 2014
- Recoup investment: late 2015 / early 2016



Speakeasy



- A. H. Belo is the majority owner. Slingshot, LLC (a Dallas-based advertising agency) is the minority owner
- Owen Hannay, Slingshot's Founder, is the CEO of Speakeasy
- *Advertising Age* ranked Slingshot as one of the best places to work in 2011 and 2012
- Mike Orren, founder of *Pegasus News* (which *The Dallas Morning News* recently acquired), is Speakeasy's President



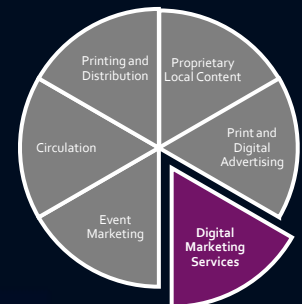
Speakeasy Partner Strengths

The Dallas Morning News

- Existing advertiser relationships
- Dedicated sales team
- Proprietary local content (breadth and depth)

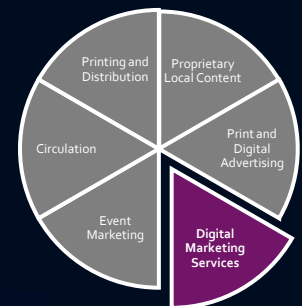
Slingshot

- Agency management expertise
- Existing advertiser relationships



Speakeasy Products and Services

- Connector \$1,995 per month
 - Optimization, setup and management of social networks
 - Engagements on selected social networks
 - Blog setup, hosting and blog post
 - Basic reputation management
 - 508 Digital basic service dashboard
 - Dedicated account manager
- Maven: \$2,995 per month
 - All of the above
 - Promotion or contest
 - Search provided management
- Innovator: \$ 5,995 per month
 - All of the above
 - Competitive analysis
 - Website audit
 - Data mining



Event Marketing



Events: CrowdSource

➤ Created to drive new revenue

- Strategic partnerships / investments
- Create events within key verticals
 - Financial
 - Cultural/Arts/Food and Drink
 - Education/Self-Improvement/Health Care
 - Eco-Friendly



MetroCooking Dallas

MetroCooking DALLAS

The Metropolitan Cooking & Entertaining Show

Presented by **The Dallas Morning News**

Dallas Launch Event - September 22-23, 2012
Dallas Convention Center

*Two-day consumer entertainment show
featuring celebrity chefs, workshops, and
dozens of vendors with samples and goods*

Attendance: 8,000 (est)
Ticket Revenue: \$400,000 (est)
Local Sponsors: Weir's Furniture / Kroger






One Day University

Coming to Dallas March 2013





800-300-3438
[LOGIN](#)
[CREATE ACCOUNT](#)

ONE DAY UNIVERSITY:
GO BACK TO COLLEGE FOR JUST ONE DAY

[JOIN OUR EMAIL LIST](#)
 [JOIN](#)

REGISTER NOW
\$199.00
Please [log in](#) to register or click here to [create an account](#)

One Day University: Providence - - With The Providence Journal
October 20, 2012

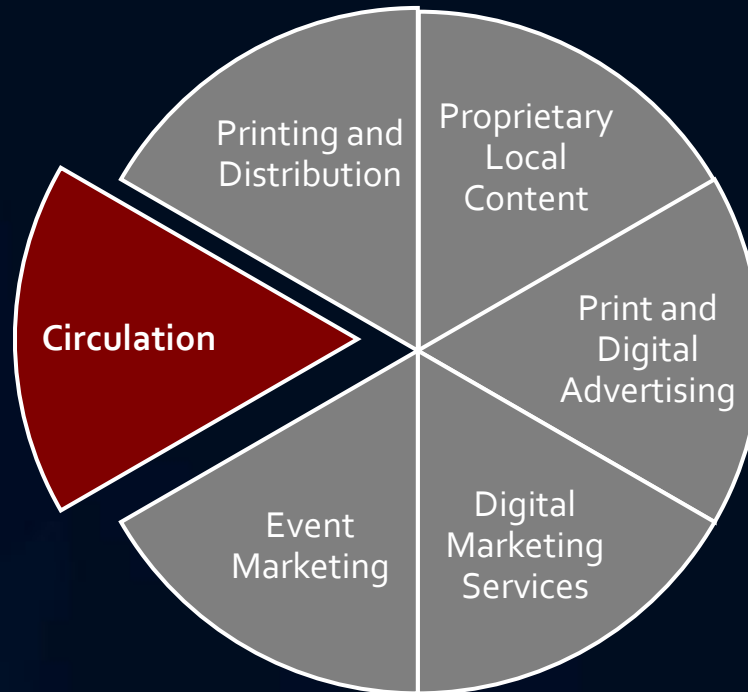

Providence Journal Online Readers:
Use coupon code **J89** to pay just **\$89**

MORE EVENTS
National Constitution Center 4 Class Fall Series USE CODE CC149 for series discount
2012-09-08
George Gershwin, American Music, and His Remarkable Masterpiece
2012-09-08
Five Books Every Book Lover Should Read
2012-09-29
Ten Films That Changed America
2012-10-06

We've gathered the best professors from greatest universities in New England to create the most stimulating day of college available anywhere!

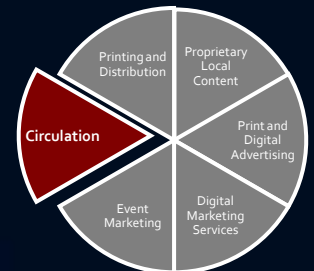


Circulation



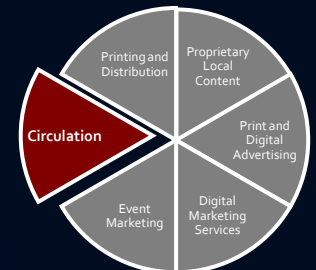
Subscriber Content Overview

- Subscriber Content is original and proprietary content generated by *The Dallas Morning News*' award-winning newsroom
- Subscriber Content is exclusive to *The Dallas Morning News*
- Subscriber Content is available in our print newspaper, in our eEditions, on dallasnews.com, and on our tablet and smartphone applications

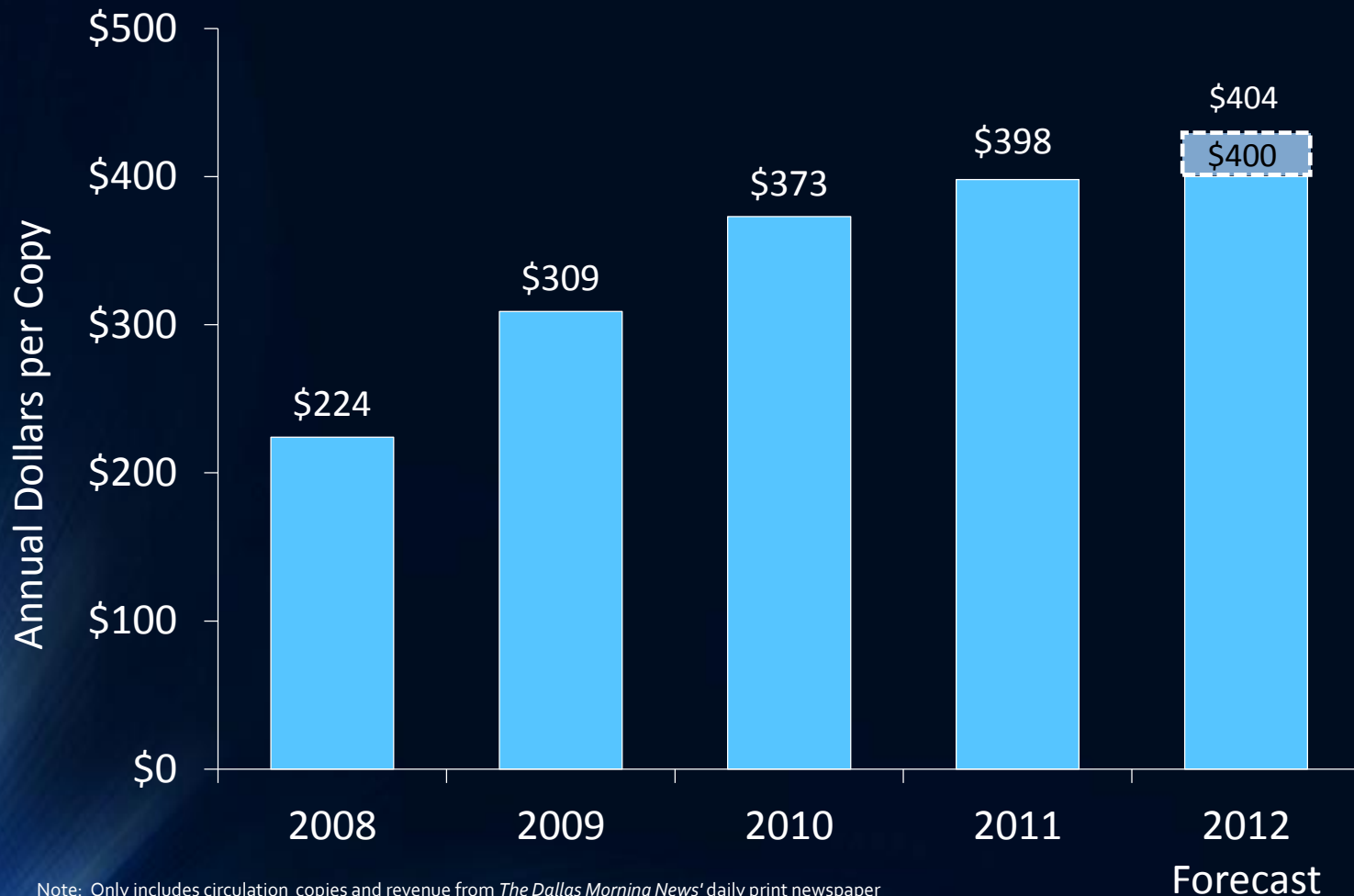


The Dallas Morning News Pricing

	<u>Single Copy – Daily</u>	<u>Single Copy – Sunday</u>	<u>7 Day Home Delivery</u>
2007 <i>(end of year)</i>	\$0.50	\$1.50	\$18.00
2011 <i>(May 2011)</i>	\$1.00	\$3.00	\$33.95
2012 <i>(Present)</i>	\$1.00	\$3.00	\$36.95 <i>(new subscribers)</i>



The Dallas Morning News Circulation Revenue per Copy



Note: Only includes circulation copies and revenue from *The Dallas Morning News*' daily print newspaper
The *Denton Record-Chronicle*, digital replicas (eEdition and newspapers in education) and third-party/verified are not included

Bloodhound Marketing Campaign

SCRATCHING THE SURFACE. WORKS FOR LOTTERY TICKETS AND BUG BITES.

The training to dig deeper. The freedom to follow a trail past a few sound bites. Untethered to the 6 o'clock airtime. Unbound by the typical 90-second TV news story. Tracking a lead, providing critical perspective, and hunting down and flushing out the story from beginning to end takes a certain nose. Actually, it takes lots of noses. It takes MORE searching, MORE unearthing, MORE surrounding, and MORE trapping the ANSWERS and not letting them go. Which can only come from the NEWSROOM that's three times larger than any other in the area.

MORE Reporters. MORE Reporting.



The Dallas Morning News
dallasnews.com

JOURNALISM THAT TAKES YOU WAY BEYOND THE NEXT COMMERCIAL BREAK.

In TV news, that hook that keeps you tuned in is called a "leaser." With us, that thing that keeps you clued in is called "journalism." It's the "who, what, when, and where?" as well as the "how and why and what happens next?" And our definition of journalism requires pouncing on a story. With MORE pouncers, MORE sniffers, MORE trackers and MORE hunters. Unleashed from the NEWSROOM that's three times larger than any other in the area.

MORE Reporters. MORE Reporting.



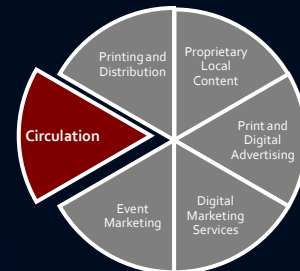
The Dallas Morning News
dallasnews.com

Bloodhound Marketing Campaign



Pricing Study

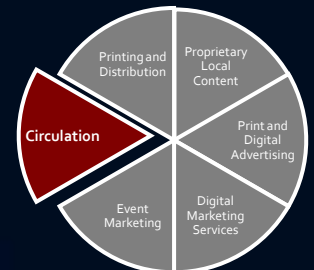
- Today, there is risk to raising the 7-day home delivery rate significantly above \$36.95 per month
- However, there are immediate opportunities to raise the net effective rate by more precisely segmenting home delivery subscribers and their willingness and ability to pay
- Improving our customer segmentation should also enable *The Dallas Morning News* to profitably expand its audience
- The core 7-day home delivery customer with access to our proprietary content on dallasnews.com and our eEdition, tablet apps and smartphone apps, is unlikely to trade down to a digital-only product or digital-only product bundle – even at low digital price points
- *The Dallas Morning News* continues to monitor and evaluate the results of other emerging business models in the newspaper industry



The Providence Journal **Subscriber Content Strategy**

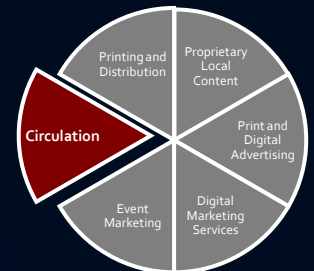
Howard Sutton

***Publisher, President and Chief Executive Officer of
The Providence Journal***

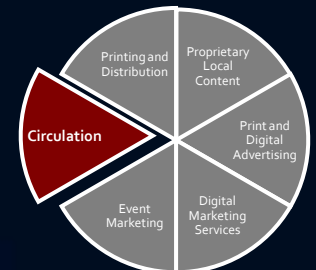


The Providence Journal Subscriber Content Strategy

- Subscriber Content is original and proprietary content generated by *The Providence Journal* Company's award-winning newsroom
- Subscriber Content is exclusive to *The Providence Journal* Company
- Subscriber Content is available in *The Providence Journal* newspaper, and our eEdition
- Providencejournal.com is a free website with breaking news, sports, lifestyle and multimedia content and access to our eEdition



Digital Products



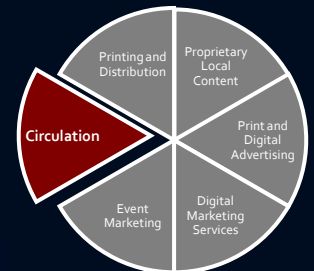
The Providence Journal Subscription Options (selected examples)

Subscription Option	Delivery Days	eEdition Web	eEdition iPad	Weekly Rate
7-Day Bundle*	Sun-Sat	√	√	\$8.00
4-Day Hybrid*	Thus-Sun	√	√	\$8.00
4-Day Print-Only	Thus-Sun			\$6.00
Sunday Hybrid*	Sun	√	√	\$5.00
Sunday Print-Only	Sun			\$3.00
Weekend Hybrid*	Sat-Sun	√	√	\$6.00
Weekend Print-Only	Sat-Sun			\$4.00
Digital-Only*		√	√	\$4.00
iPad-Only thru Apple iTunes			√	\$15.99 monthly

*eEdition and eEdition for iPad gives subscriber access 7-days a week.

The Providence Journal's Subscriber Content Goals

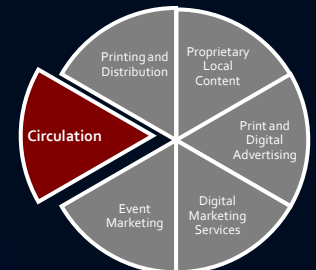
- Stabilize print circulation
- Increase value for subscribers by launching the eEdition and other value-added products
- Maintain a vibrant online community



The Press-Enterprise **Subscriber Content Strategy**

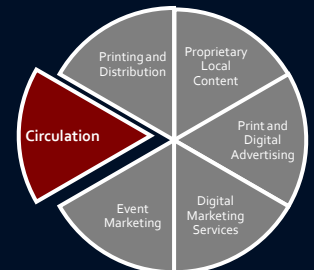
Ron Redfern

***Publisher, President and Chief Executive Officer of
The Press-Enterprise***

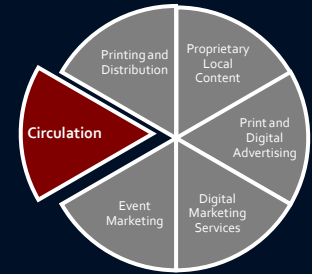


The Press-Enterprise Subscriber Content Strategy

- Subscriber Content is original and proprietary content generated by *The Press-Enterprise's* award-winning newsroom
- Subscriber Content is exclusive to *The Press-Enterprise*
- Subscriber Content is available in our print newspaper, in our eEditions, on pe.com, and on our tablet and smartphone applications



Mather Segmentation Initiative

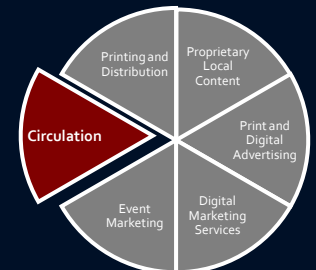


- Segmentation analysis uses metrics, including:
 - Age
 - Educational level
 - Household income
 - Presence of children
 - Acquisition channel
 - Acquisition cost
- Using these metrics and others, Mather determined price elasticities and developed renewal price points for each census block group (10-12 households) in our circulation footprint. There are thirty-five distinctive price points for each block group

Digital Products Leveraging the Capabilities of Press+

PRESS+

The screenshot shows the homepage of The Press-Enterprise website. The main headline is "TEMECULA: City celebrates \$2.76 million budget surplus" with a photo of the city's main building. Other headlines include "MENIFEE: Steve Kennedy named school superintendent", "LAKE ELSINORE: Field of Screams opens Friday, Sept. 28", "MURRIETA: Third lane opens along I-215", "PERRIS: Injured Russian skydiver remains on life support", "FRENCH VALLEY: Trial for Hells Angels member begins", "MURRIETA: Containment of Temprano Fire pushed to Tuesday", "FRENCH VALLEY: Woman was on phone when fatally injured", "WILDOMAR: Defendants thought victim was a 'snitch', prosecutor says". The website also features a "SCHOOLS FIRST" advertisement for a 2010 Hyundai Elantra GLS for \$12,599 and a "Temecula Health & Wellness Fair" advertisement.



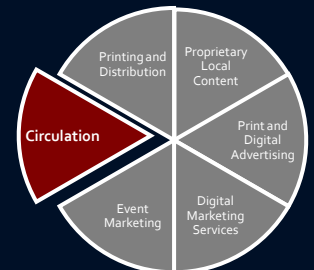
The Press-Enterprise's Subscriber Content Goals and Next Steps

Goals

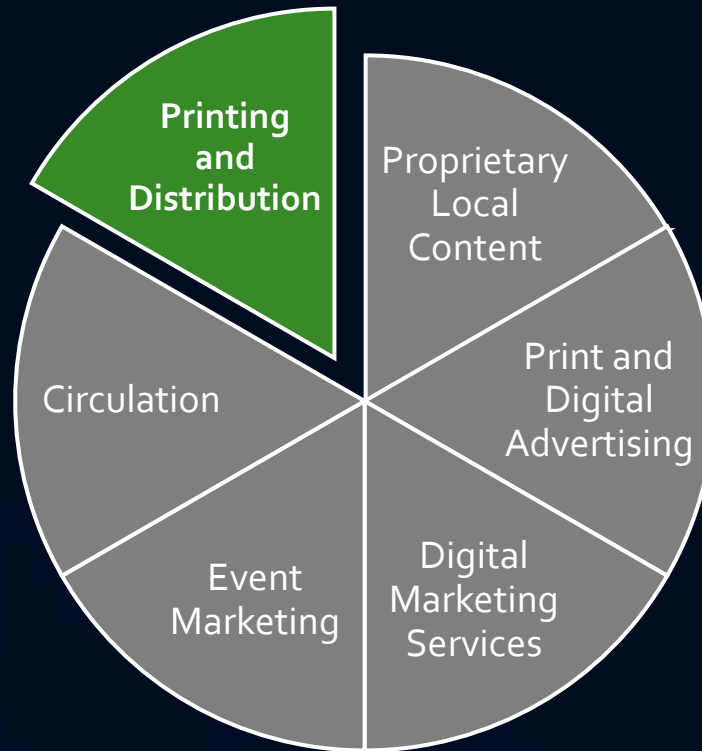
- Monetize digital audiences
- Increase average revenue per user
- Increase print and digital subscription revenues
- Increase digital advertising revenue

Next Steps

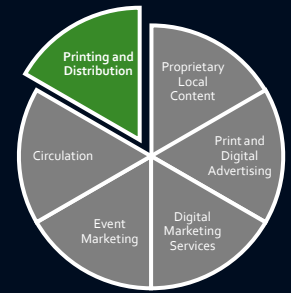
- Continue to refine segmentation analysis and renewal price point tactics
- Launch the **Press+** metered model by January



Printing and Distribution



Printing and Distribution



- *The Dallas Morning News* picked up several modest printing and distribution contracts over the past eighteen months
- *The Dallas Morning News* is the regional printer for most national publications like *USA Today*, *The Wall Street Journal*, and *The New York Times*

Operating Strategy Key Takeaways

The Dallas Morning News

- Operating in one of the most vibrant cities in the country, Dallas-Fort Worth
- Investing approximately \$35 million into journalism this year – most of which will fund the creation of proprietary local content
- Diversifying and stabilizing revenues
 - Print and digital advertising
 - Digital marketing services
 - Event marketing
 - Circulation
 - Printing and distribution
- Creating proprietary local content and charging a premium for this content
- There is a strong team on the field developing and launching new products and services

Financial Strategy

Robert Dechard

Chairman of the Board, President and Chief Executive Officer

Alison Engel

Senior Vice President and Chief Financial Officer



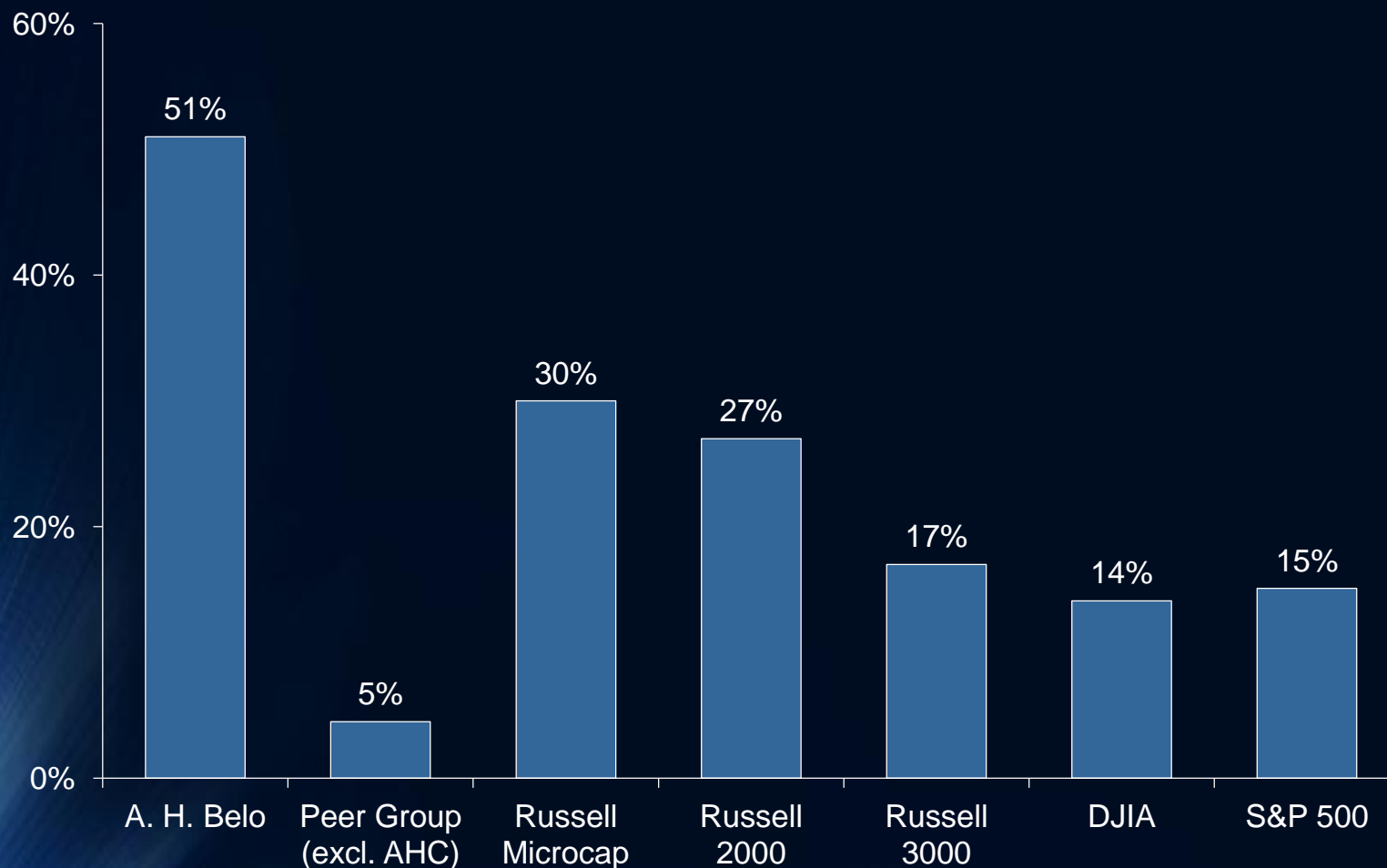
A. H. BELO CORPORATION

Financial Principles

- Maintain or grow Adjusted EBITDA during transition to a digital environment
- Consistently generate net income
- Consistently generate enough cash to meet the Company's business re-investment needs (both operating and capital) and cover required cash contributions to the two A. H. Belo pension plans
- While achieving these goals, maintain A. H. Belo's competitive advantage (i.e., local content and scale within the markets where we operate)
- Consistently return cash to shareholders through dividends or share repurchases – a goal that has not changed since the Company's spin-off in 2008

Total Shareholder Returns in 2010

A. H. Belo vs. Benchmarks

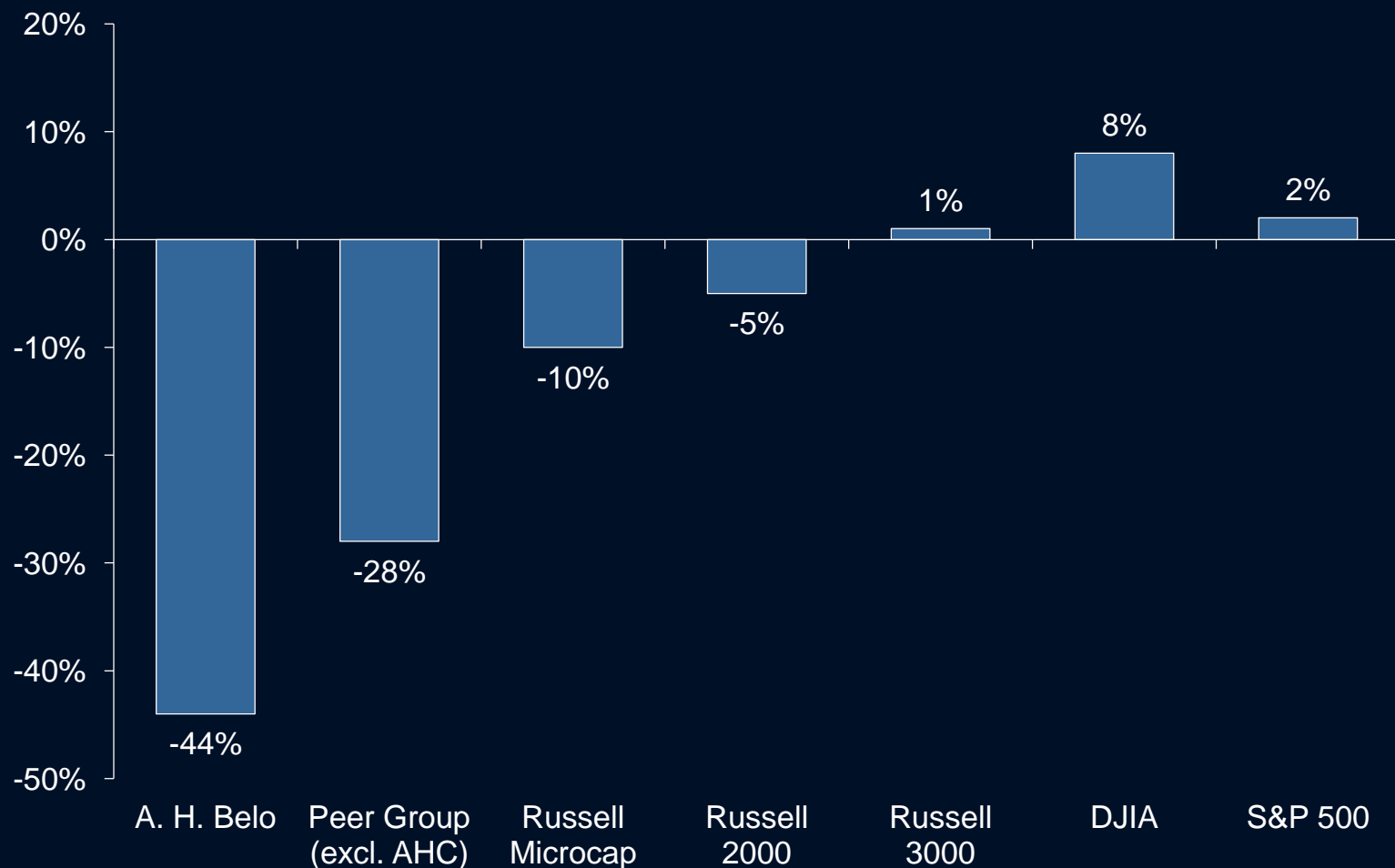


Source: Thomson Reuters

Note: Total shareholder return (TSR) figures include re-invested dividends; Peer Group performance is the average of the changes in stock price for each of A. H. Belo's peers; Peer group includes Media General (MEG)

Total Shareholder Returns in 2011

A. H. Belo vs. Benchmarks



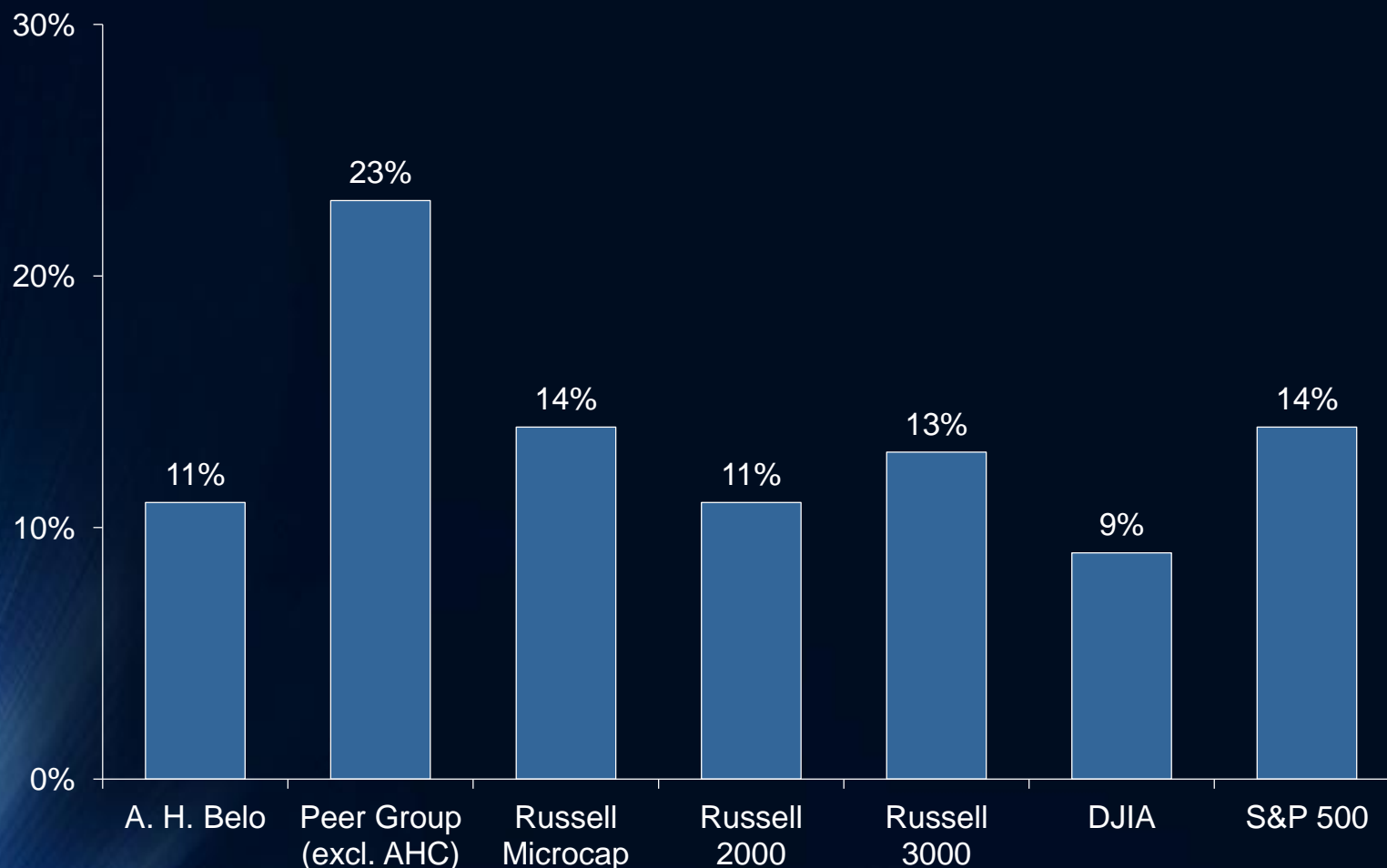
Source: Thomson Reuters

Note: Total shareholder return (TSR) figures include re-invested dividends; Peer Group performance is the average of the changes in stock price for each of A. H. Belo's peers; Peer group includes Media General (MEG)

Total Shareholder Returns in 2012 YTD (Jan-Aug)

A. H. Belo vs. Benchmarks

(pro forma with fourth quarter dividends)

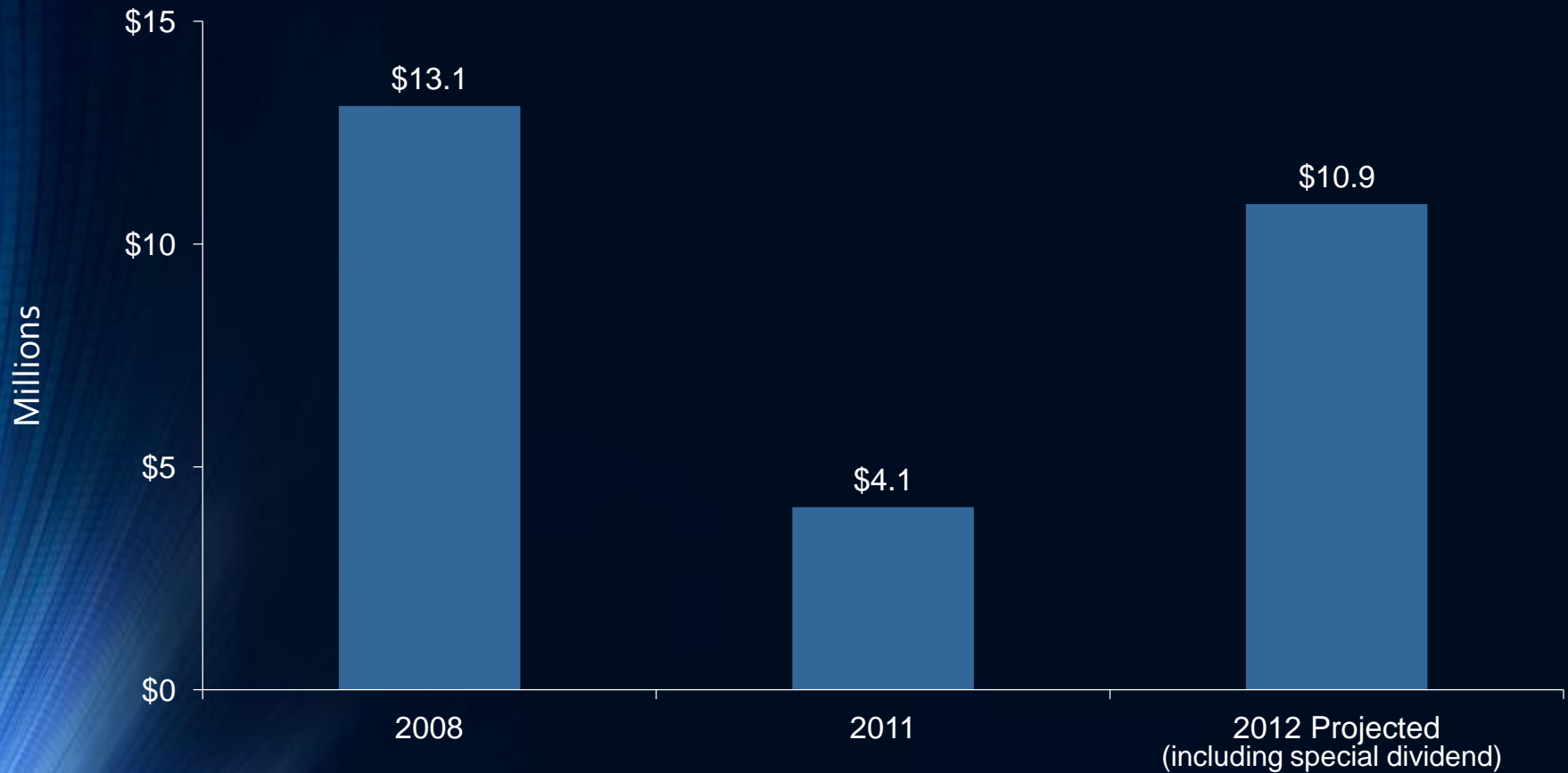


Source: Thomson Reuters

Note: Total shareholder return (TSR) figures include re-invested dividends; Peer Group performance is the average of the changes in stock price for each of A. H. Belo's peers; Peer group excludes Media General (MEG)

Payouts to Shareholders

- Since A. H. Belo's spinoff in 2008, almost \$28.1 million has been returned to shareholders



Note: Includes dividends paid on restricted stock units (RSUs)

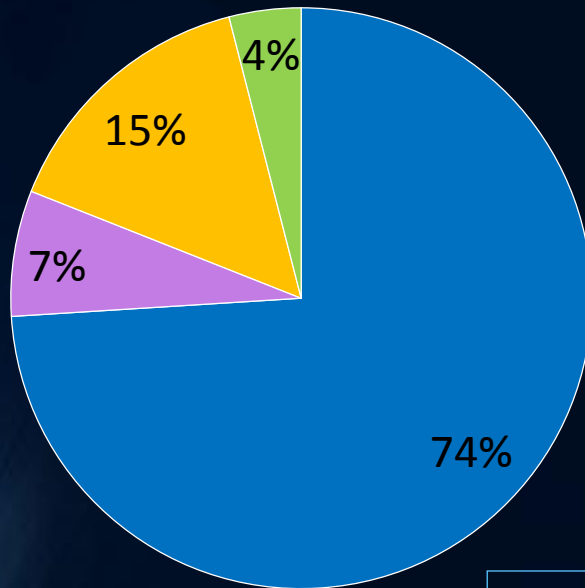
Tangible Tactics

**Diversify and
Stabilize
Revenue**

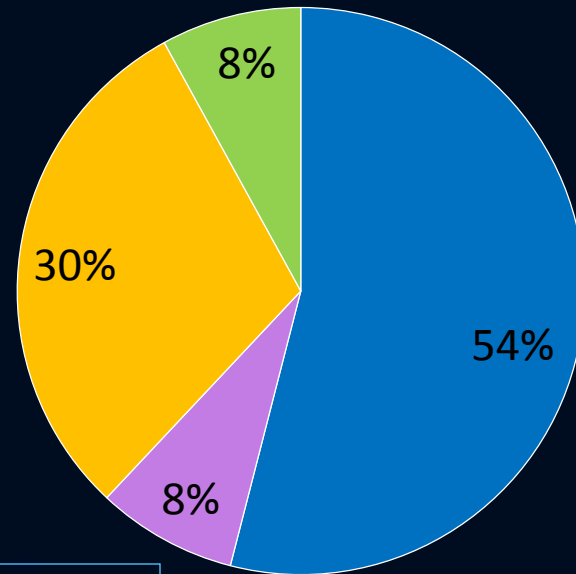
**Manage
Expenses**

Diversifying Revenue Mix

2007 Revenue = \$739 million

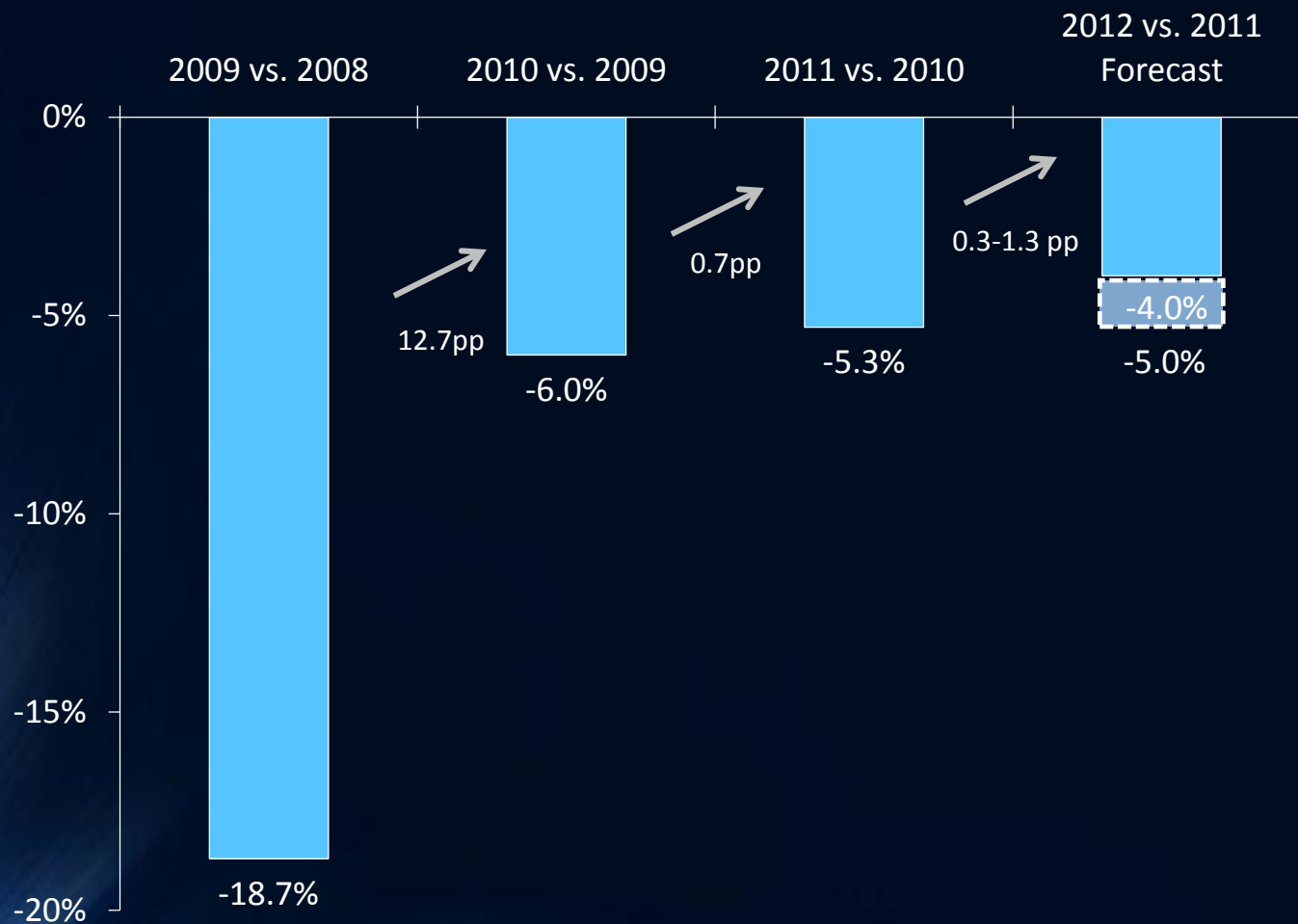


2011 Revenue = \$462 million



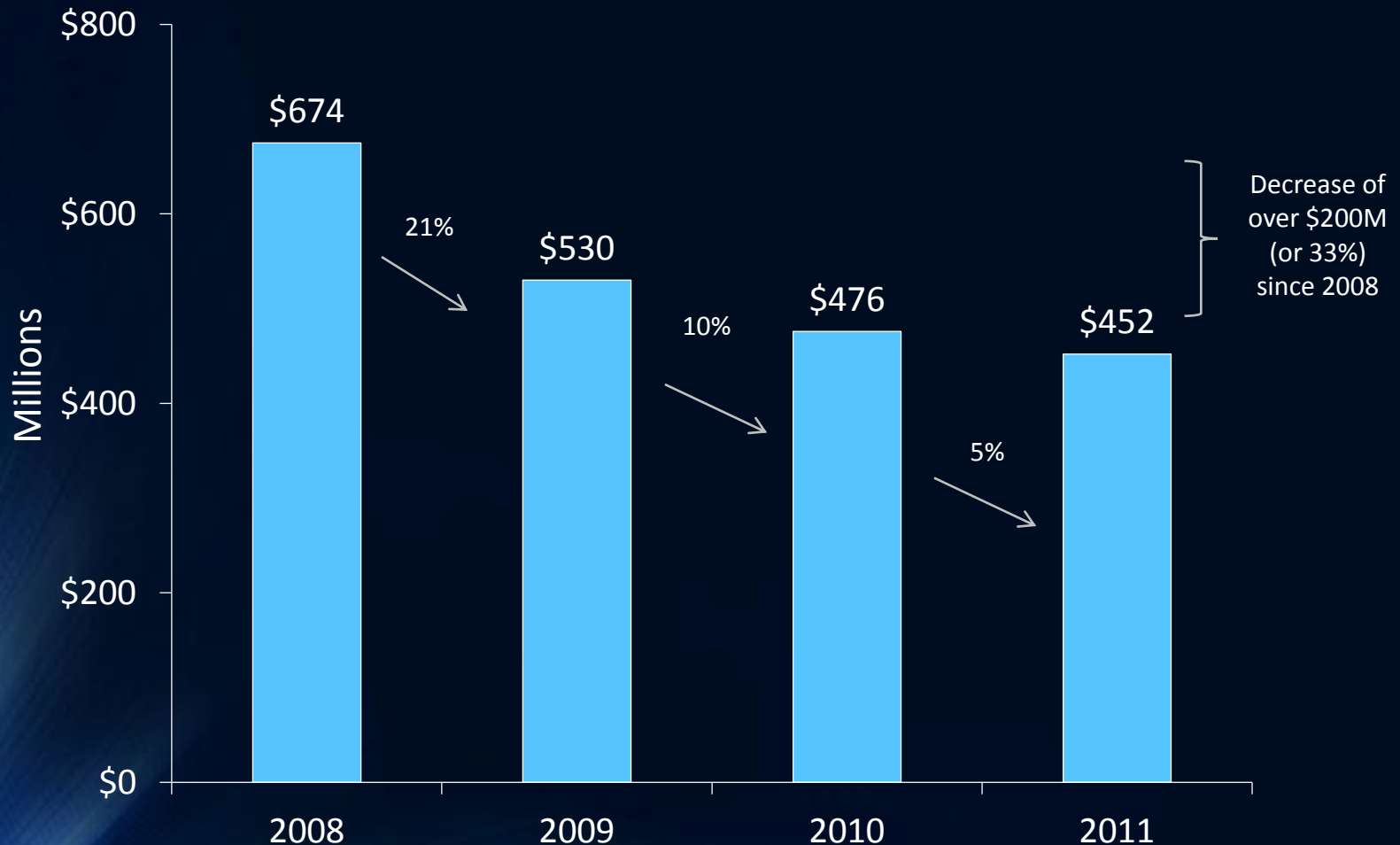
- Print Advertising
- Digital Advertising
- Circulation
- Printing and Distribution

Slowing Revenue Declines

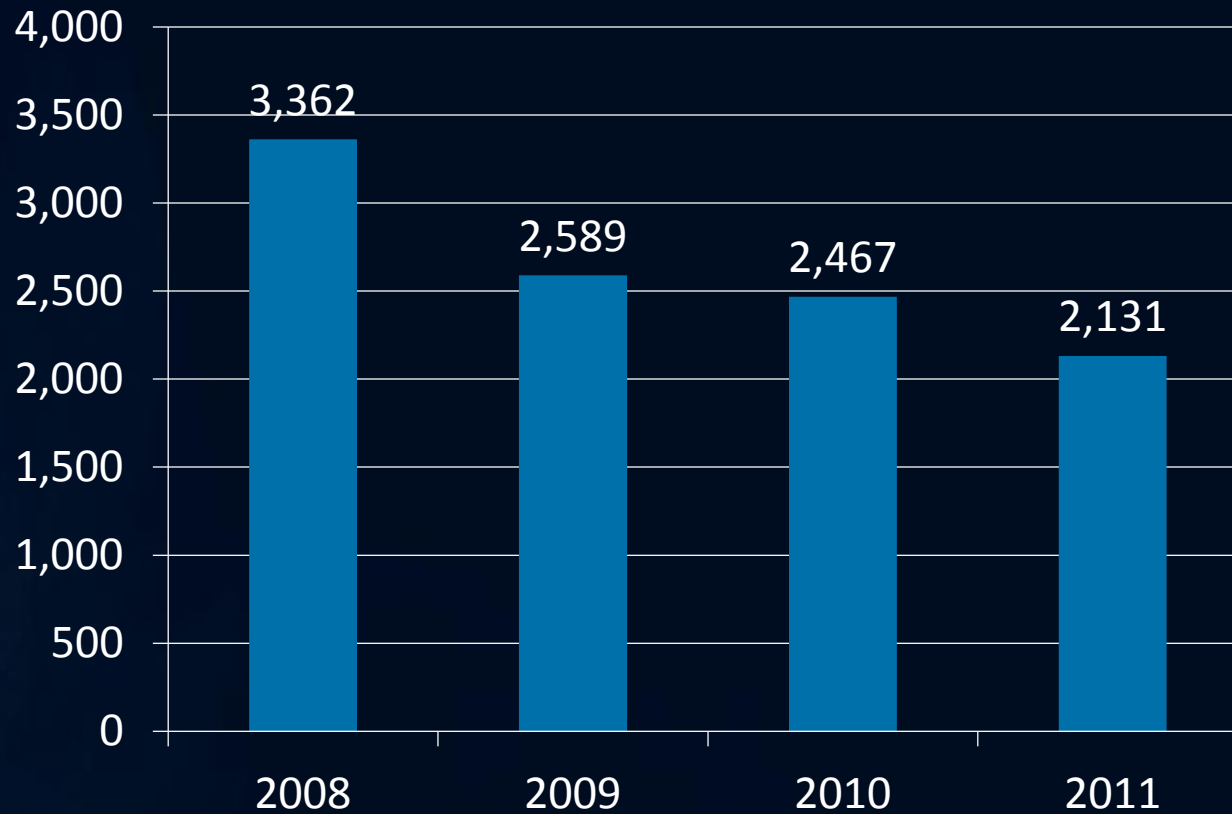


Expense Reduction and Containment

(excluding pension and impairment expenses)



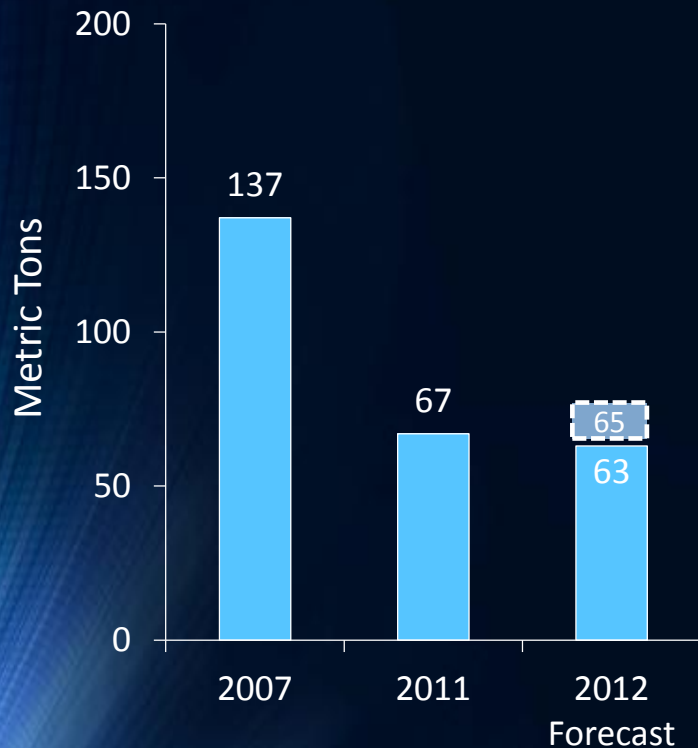
Headcount



Note: As of December 2011

Newsprint

Newsprint Consumption

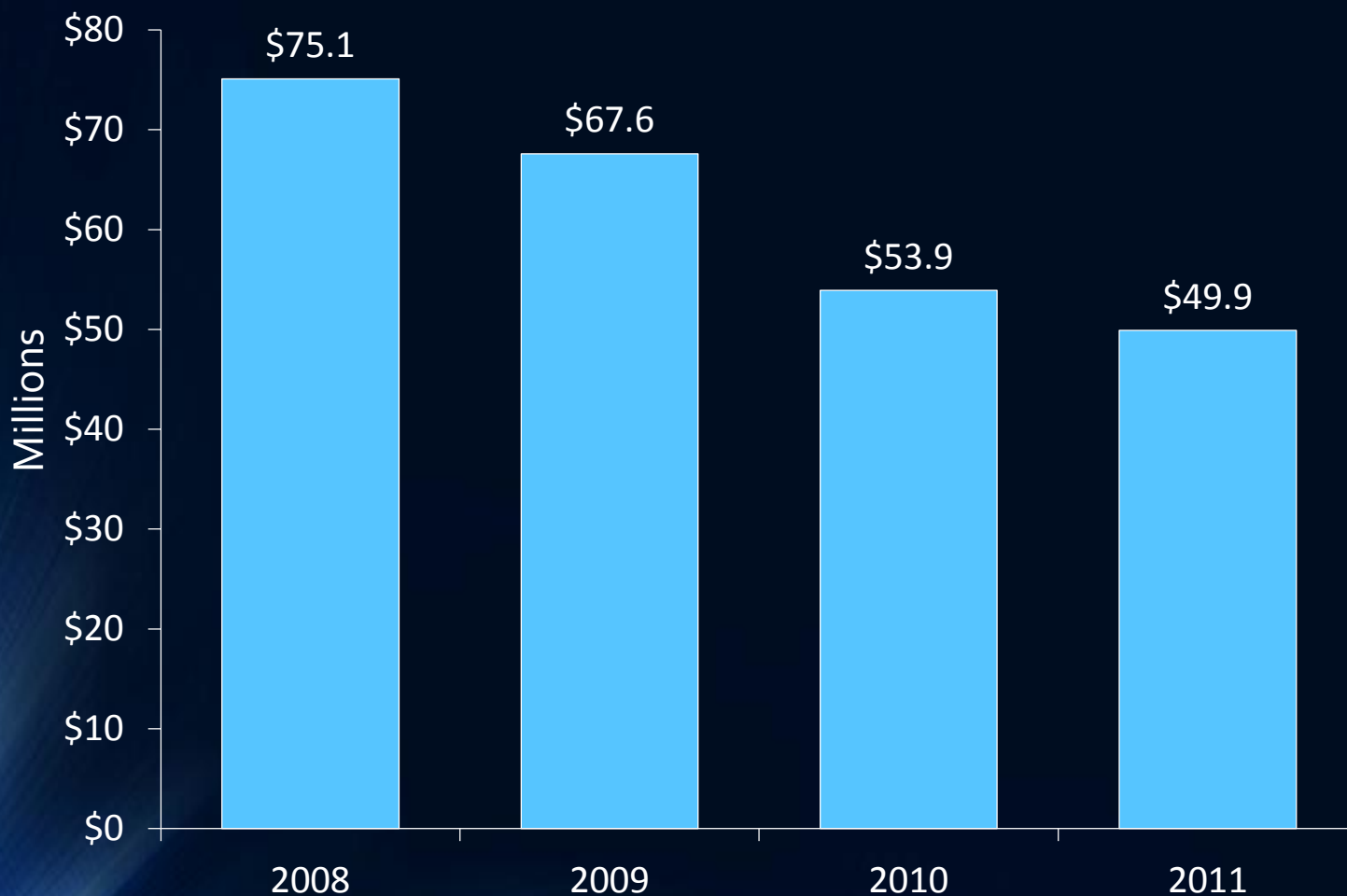


Newsprint Expense



Corporate and Technology Expenses

(excluding pension and impairment expenses)



Improving Adjusted EBITDA



Reconciliation of Adjusted EBITDA to Net Income (in millions)

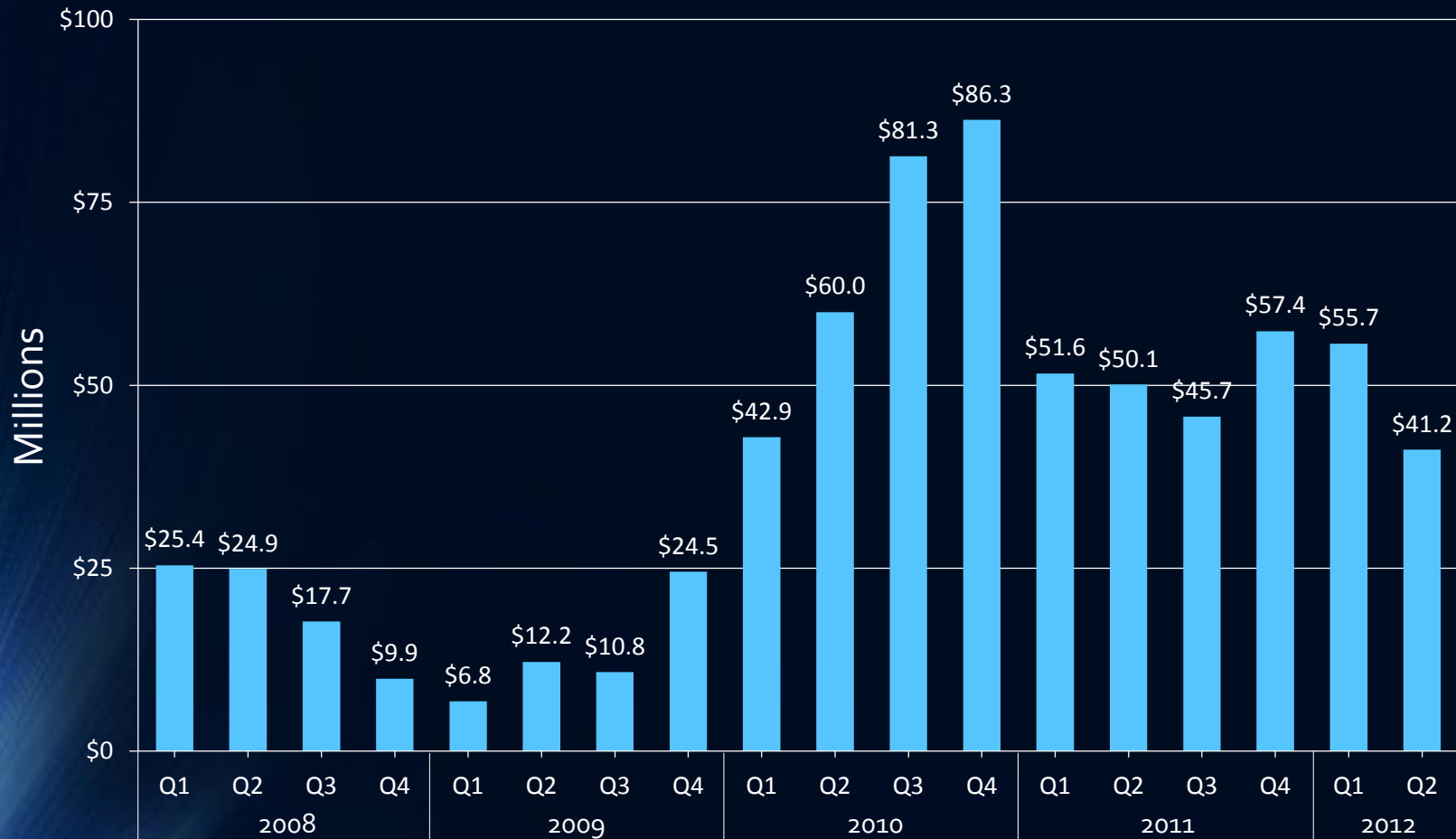
	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Net (loss) income	\$ (49.5)	\$ (107.9)	\$ (124.2)	\$ (10.9)
Addback:				
Depreciation and amortization	53.3	45.4	38.1	35.7
Interest expense	4.0	1.4	0.8	0.6
Income tax expense	<u>(15.9)</u>	<u>(12.5)</u>	<u>(7.6)</u>	<u>5.0</u>
EBITDA	<u>(8.1)</u>	<u>(73.6)</u>	<u>(92.9)</u>	<u>30.4</u>
Addback:				
Pension expense	5.8	-	146.0	8.2
Impairments	18.7	106.4	3.4	6.5
Net investment related losses	<u>-</u>	<u>-</u>	<u>-</u>	<u>2.6</u>
Adjusted EBITDA	<u>\$ 16.4</u>	<u>\$ 32.8</u>	<u>\$ 56.5</u>	<u>\$ 47.7</u>

Cash and EBITDA Reconciliation

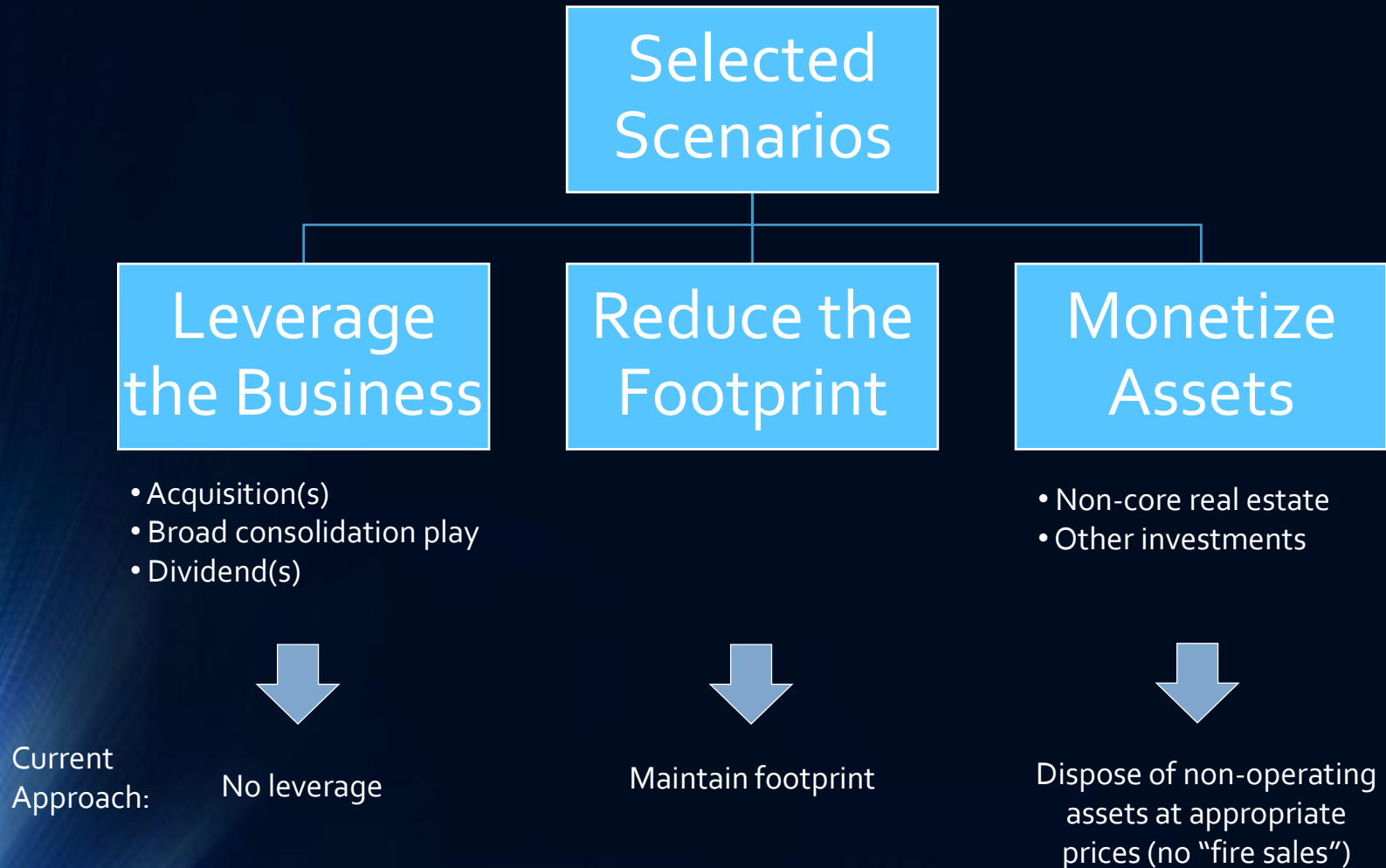
2012 Projected Ending Cash Balance	\$42.0	-	\$45.0
2012 Special Dividend	(5.5)	-	(5.5)
2013 Planned EBITDA	37.0	-	41.0
2013 Capital Expenditures	(8.0)	-	(10.0)
2013 Pension and PTS Payments	(27.0)	-	(27.0)
2013 Dividends (@ \$0.24 / year)	<u>(5.5)</u>	-	<u>(5.5)</u>
2013 Projected Ending Cash Balance	<u>\$33.0</u>	-	<u>\$38.0</u>

Note: In millions, except per share dividend amounts

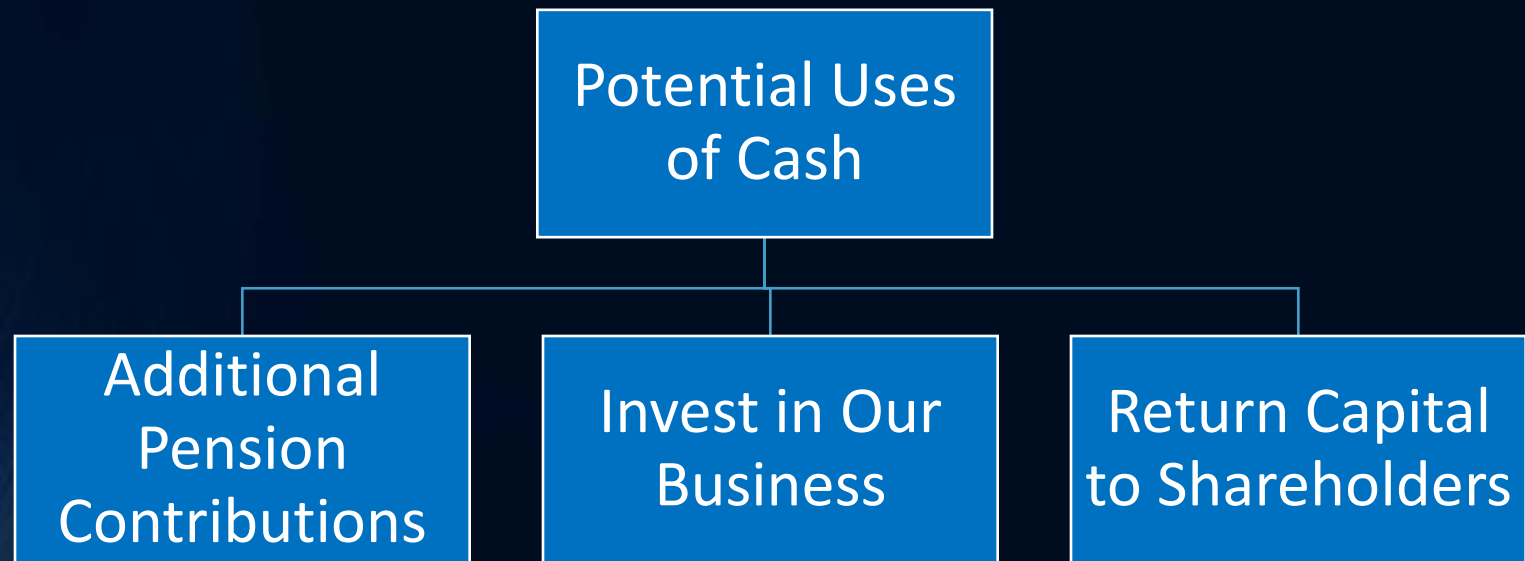
Cash and Cash Equivalents (at end of quarter)



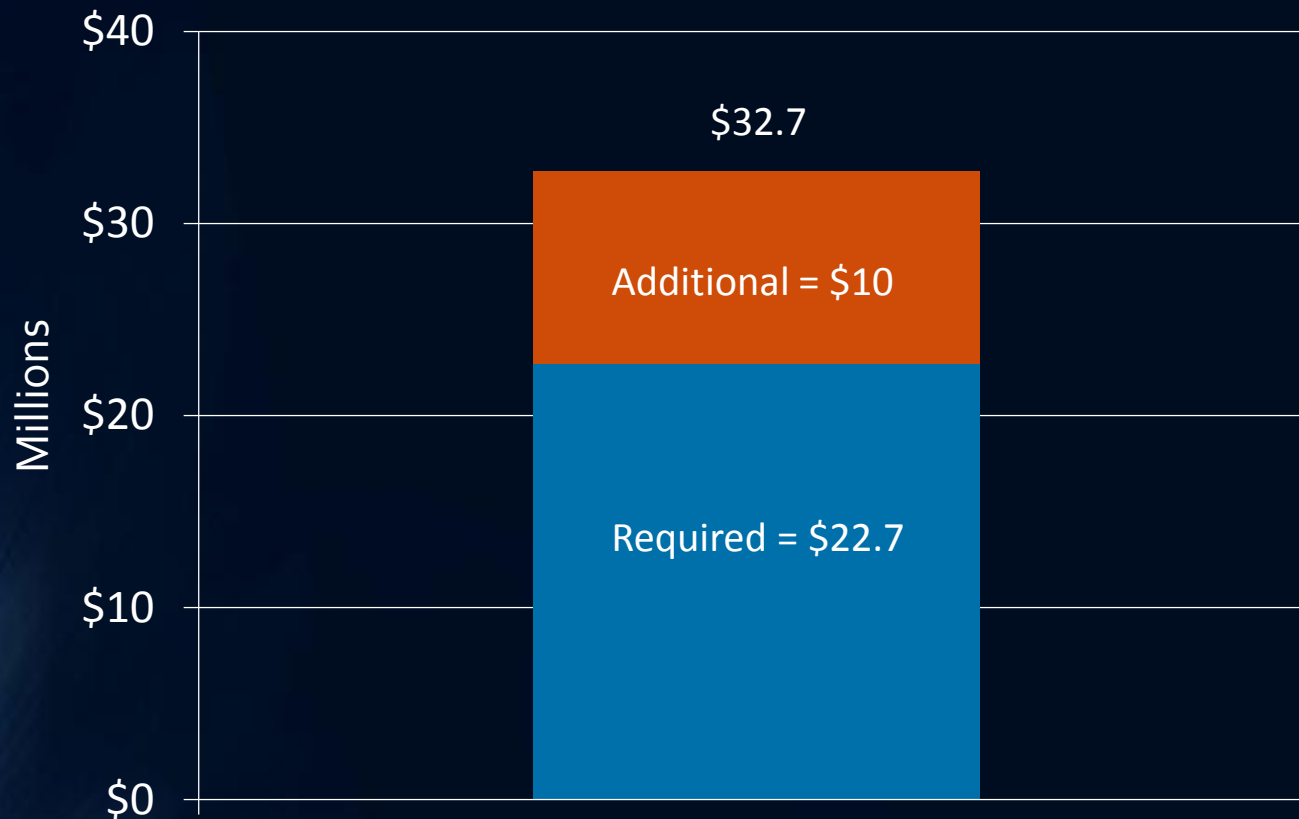
Balance Sheet Scenarios



Framework for Potential Uses of Cash



Defined Benefit Plans: Estimated Cash Contributions in 2012



Pension Funding Relief

- MAP-21, the Moving Ahead for Progress in the 21st Century Act, which was signed into law by President Obama on July 6, 2012
- Provides funding relief by allowing interest rates to be averaged over longer periods of time, resulting in lower liabilities being calculated for funding purposes
- Changes in law representing pension funding deferral, not true relief. Interest rate changes impact funding only
- We have elected funding relief to allow a greater opportunity to de-risk the plans through buy outs

Pension Plan De-risking

Present Value of Benefits

Participants

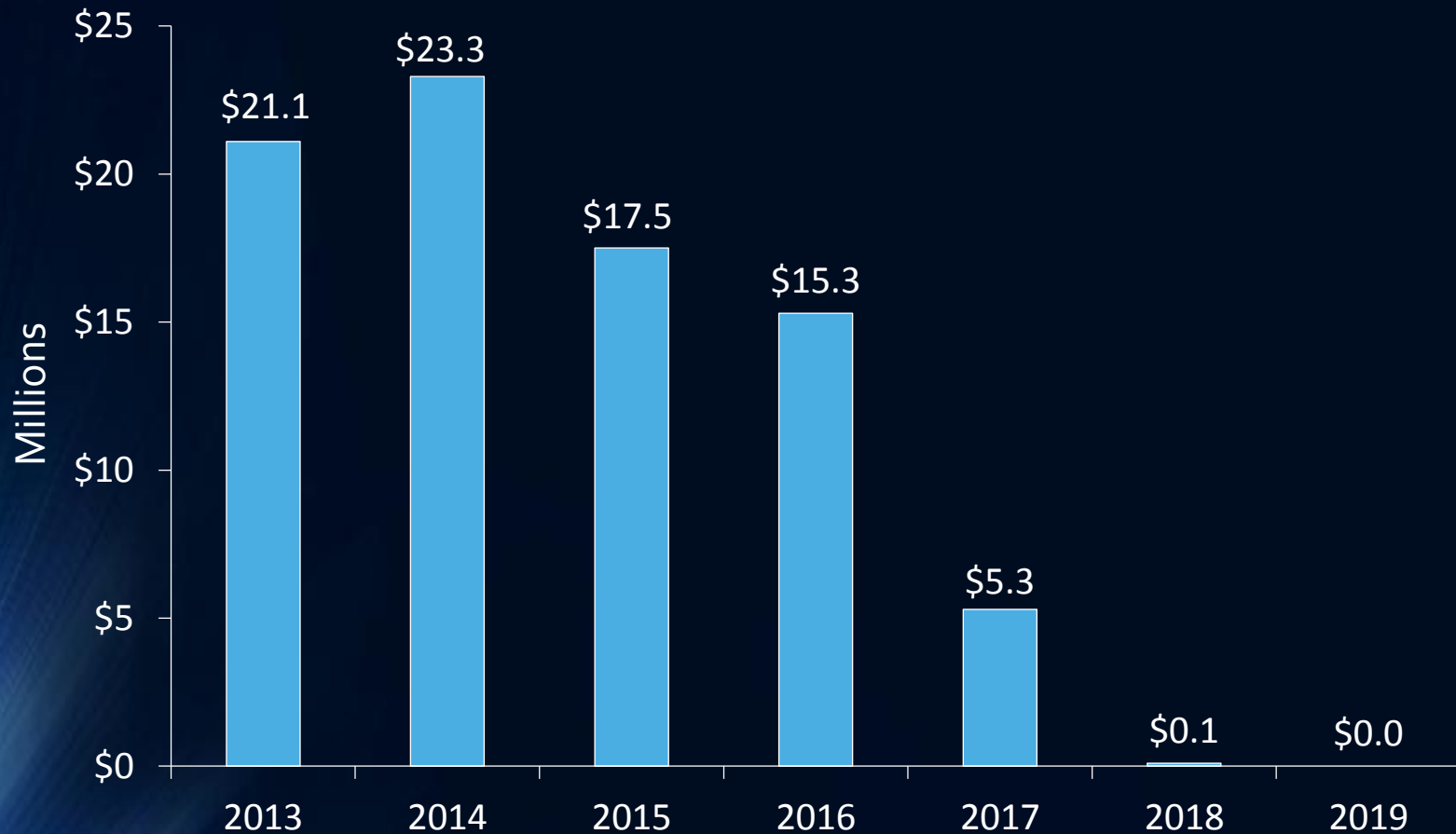
\$0 - \$30,000

1,506

If all eligible participants received distributions:

- Plan assets would be reduced by \$20 million
- Plan liabilities would be reduced by \$24 million

Defined Benefit Plans: Projected Cash Contributions



Defined Benefit Plans: Sensitivity Table

Discount Rate	Accounting Unfunded Amount as of 12/31/11 (in millions)
3.50%	\$187
3.75%	\$171
4.19%	\$145
4.75%	\$117
5.33%	\$91

Investments



- Dividend paying
- Potential high valuation



- New CEO
- Innovative products for national and local advertisers



- Growing, diversifying through acquisitions
- Proven business model



Sawbuck

- Innovative products (e.g. HomeSnap)
- Reliable investment partners

Real Estate Strategy

Dan Blizzard

Senior Vice President and Secretary



A. H. BELO CORPORATION

Topics to Cover

- Recap of 2011-2012 (YTD) real estate transactions
- Estimated market value of non-core real estate
- Potential monetization strategies for non-core real estate
- Our philosophy for monetizing non-core real estate
- Potential pre-tax proceeds from the sale of non-core real estate
- Listing of non-core real estate assets
 - Riverside
 - Providence
 - Dallas
 - Denton

Recap of 2011-2012 Real Estate Transactions

(January 2011 Through September 2012)

<u>Property</u>	<u>Location</u>	<u>Net Proceeds</u>	<u>Net Book Gain</u>
Hemet News Bureau	California	\$1,000,000	\$115,000
Lewisville News Bureau	Texas	\$240,000	\$225,000
Garland News Bureau	Texas	\$225,000	\$225,000
Former Executive's Home	California	<u>\$2,400,000</u>	<u>\$15,000</u>
		\$3,865,000	\$580,000

Estimated Market Value of Non-Core Real Estate

October 2012

<u>Location</u>	<u>Estimated Market Value *</u>
Riverside	\$ 30,200,000
Providence	\$ 18,850,000
Dallas	\$ 21,200,000
Denton	<u>\$ 2,250,000</u>
	\$ 72,500,000

** Actual values may vary*

Potential Monetization Strategies for Non-Core Real Estate

- Outright Sales
- Sale-Leasebacks
- Lease-to-Purchase
- Development Partnerships

Our Philosophy for Monetizing Non-Core Real Estate Assets

- Be patient
- Don't chase "fire sale" prices
- Only deal with prospective buyers who can close on transactions
- Avoid prospective buyers who want to "tie-up" assets
- Avoid prospective buyers who want to re-trade transactions

Potential Pre-Tax Proceeds From the Sale of Non-Core Real Estate

Estimated Market Value	\$72,500,000
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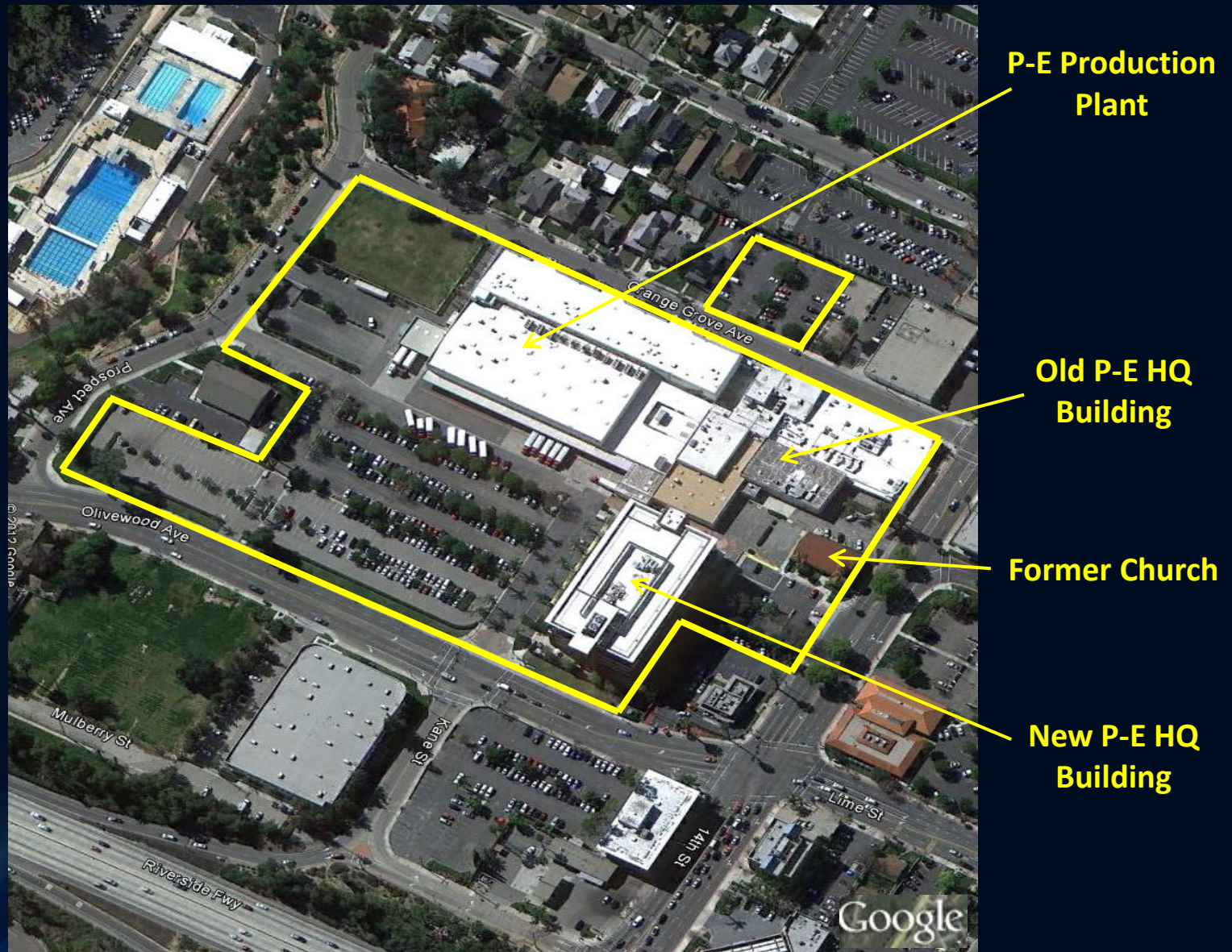
Potential Pre-Tax Proceeds	\$68,150,000
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*Notes: Timing 1-3 years
Assumes 6% closing costs*

The Press-Enterprise Building



The Press-Enterprise Downtown Riverside Campus



Riverside Non-Core Real Estate

<u>Property</u>	<u>Estimated Market Value</u>	<u>Status</u>
New Press-Enterprise Building and Former Church	\$ 30,000,000	For sale or sale-leaseback
Vacant Banning News Bureau	<u>\$ 200,000</u>	For sale
	\$ 30,200,000	

The Providence Journal Building



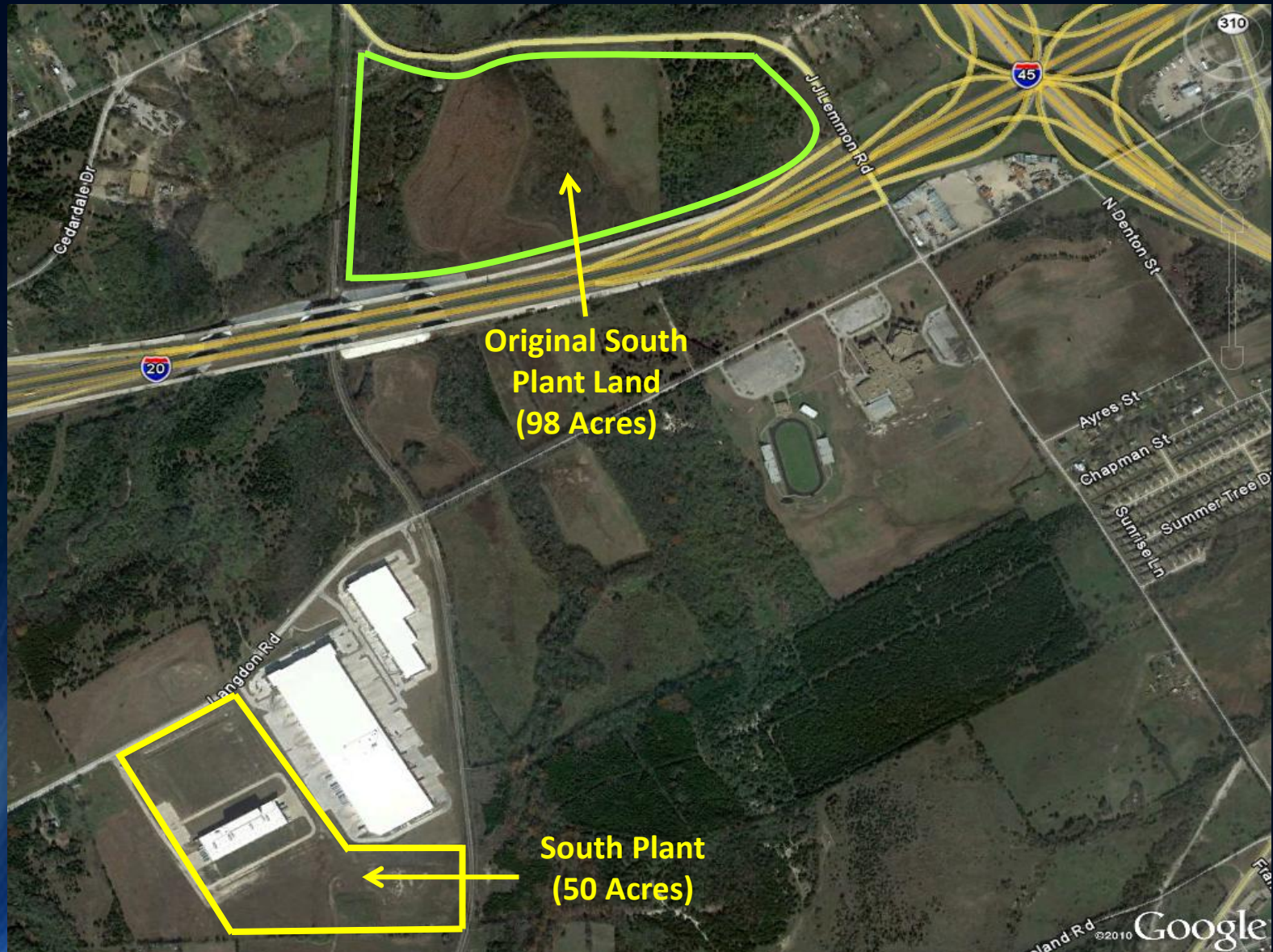
The Providence Journal Downtown Properties



Providence Non-Core Real Estate

<u>Property</u>	<u>Estimated Market Value</u>	<u>Status</u>
Providence Journal Building	\$ 10,000,000	Pursuing sale-leaseback
Fountain Street Employee Parking Lot	\$ 2,500,000	For sale
Eddy Street Employee Parking Lot	\$ 2,000,000	For sale
Mathewson Street Employee Parking Lot	\$ 350,000	For sale
Vacant Inserting Facility	<u>\$ 4,000,000</u>	For sale
	\$ 18,850,000	

South Plant and Original South Plant Land



Dallas Non-Core Real Estate

<u>Property</u>	<u>Estimated Market Value</u>	<u>Status</u>
Vacant South Plant Collating Facility	\$ 10,000,000	Partnering with developer to sell or lease property
Original South Plant Land	\$ 2,300,000	Under long-term contract with developer
Commerce Street Public Parking Lot	\$ 3,900,000	For sale
Jackson/Lamar Street Public Parking Lot	\$ 2,600,000	For sale
Market/Wood Street Public Parking Lot	<u>\$ 2,400,000</u>	Will market for sale after the above two parking lots are sold
	\$ 21,200,000	

Denton Non-Core Real Estate

<u>Property</u>	<u>Estimated Market Value</u>	<u>Status</u>
Denton Record-Chronicle Building	\$ 2,250,000	Considering options

Closing Statement

- This presentation illustrates the significant value opportunity that lies within our non-core real estate assets
- We are taking a very strategic approach to unlocking value over time
- While the timing and proceeds from a particular real estate disposition are hard to predict, we are hopeful that attractive disposition opportunities will continue to materialize

Break



A. H. BELO CORPORATION

Questions and Answers



A. H. BELO CORPORATION

Concluding Remarks

Robert Decherd

Chairman of the Board, President and Chief Executive Officer



A. H. BELO CORPORATION

Financial Principles

- Maintain or grow Adjusted EBITDA during transition to a digital environment
- Consistently generate net income
- Consistently generate enough cash to meet the Company's business re-investment needs (both operating and capital) and cover required cash contributions to the A. H. Belo pension plans
- While achieving these goals, maintain A. H. Belo's competitive advantage (i.e., local content and scale within the markets where we operate)
- Consistently return cash to shareholders through dividends

Improving Adjusted EBITDA



Note: RE = real estate

Investor Day

October 4, 2012



A. H. BELO CORPORATION