



A. H. Belo Corporation (NYSE: AHC)

January 6, 2011

Robert Decherd

Good morning everyone. I'm going to move fairly quickly today, so we can spend more time on the most timely part of today's conversation – Q&A.

Safe Harbor Statement

Statements in this communication concerning A. H. Belo Corporation's (the "Company's") business outlook or future economic performance, anticipated profitability, revenues, expenses, capital expenditures, investments, impairments, pension plan contributions, real estate sales, 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 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 competitors and suppliers; 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, 2009, and other public disclosures and filings with the Securities and Exchange Commission.

During our discussion, Ali, Jim and I will make forward-looking statements and discuss non-GAAP measures. In addition to the safe harbor statement that you see on the screen, information about these forward-looking statements and non-GAAP measures is available in our press releases and publicly-available filings with the SEC. All of these items can be found on our Web site, ahbelo.com, under the Investor Relations section.

A. H. Belo Corporation's Newspapers

Newspaper	Location	Revenue for Nine Months Ended September 30, 2010
<i>The Dallas Morning News</i> Winner of 9 Pulitzer Prizes	Dallas-Fort Worth (Texas)	\$229M (64% of revenue)
<i>The Providence Journal</i> Winner of 4 Pulitzer Prizes	Providence (Rhode Island)	\$73M (21% of revenue)
<i>The Press-Enterprise</i> Winner of 1 Pulitzer Prize	Inland Empire (California)	\$54M (15% of revenue)
TOTAL		\$356M (100% of revenue)

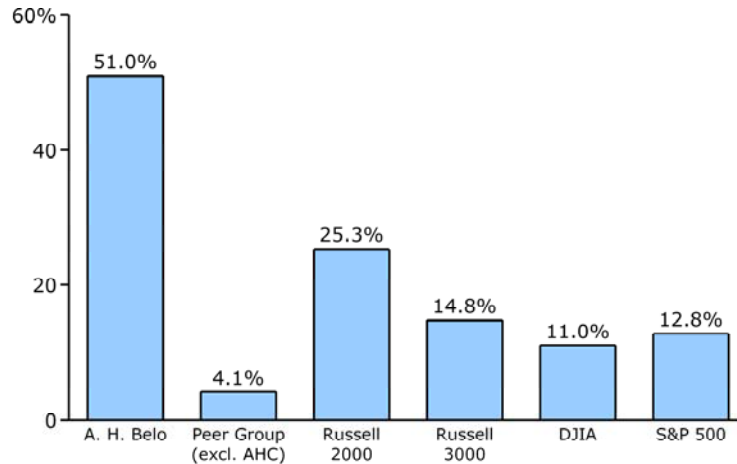
Note: *The Dallas Morning News* includes the *Denton Record-Chronicle*
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A. H. Belo Corporation owns three daily metropolitan newspapers: *The Dallas Morning News*, Texas' leading newspaper and winner of nine Pulitzer Prizes; *The Providence Journal*, the newspaper of record for Rhode Island, the oldest continuously-published daily newspaper in the U.S., and winner of four Pulitzer Prizes; and *The Press-Enterprise*, serving Southern California's Inland Empire region and winner of one Pulitzer Prize. *The Dallas Morning News* generates nearly two-thirds of A. H. Belo's total revenue. A. H. Belo also owns real estate in Dallas, Providence and the Inland Empire.

A. H. Belo's Stock Performance in 2010

Change in stock price
(2010)



Note: Peer Group performance is the average of the changes in stock price for each of A. H. Belo's peers
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In 2010, A. H. Belo's stock price increased from \$5.76 per share to \$8.70, or 51 percent. We outperformed all peers individually and collectively and outperformed the major indices you see on the screen – both of which we have done since mid-2008.

Those of you who have followed the Company over the years know that A. H. Belo was spun off from Belo Corp. in February 2008 – nearly three years ago – and became a pure-play newspaper company.

By September 2008, the severest economic downturn since the Great Depression was at full force, leading to the Dow's low in March 2009. During the nine months ended September 30, 2009, A. H. Belo's advertising revenue dropped 28.5 percent compared to the same period in 2008, and...

A. H. Belo's Performance in 2009 and 2010

Metric	Q3 YTD 2009
Adjusted EBITDA	\$13.0M
Operating cash flow	\$15.9M
Free cash flow (operating cash flow minus CAPEX)	\$8.1M
Cash and cash equivalents	\$10.8M

Note: Adjusted EBITDA is calculated by adding back impairment and pension expenses recorded to EBITDA
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...the Company's Adjusted EBITDA, operating cash flow, free cash flow and cash and cash equivalents were at these levels. Adjusted EBITDA is calculated by adding back impairment and pension expense recorded to EBITDA. By September 30, 2009, we had also suspended dividends to preserve cash.

Now, let's look at the nine months ended September 30, 2010...

A. H. Belo's Performance in 2009 and 2010

Metric	Q3 YTD 2009	Q3 YTD 2010
Adjusted EBITDA	\$13.0M	\$41.0M (+215%)
Operating cash flow	\$15.9M	\$53.8M (+238%)
Free cash flow (operating cash flow minus CAPEX)	\$8.1M	\$47.3 (+484%)
Cash and cash equivalents	\$10.8M	\$81.3 (+653%)

Note: Adjusted EBITDA is calculated by adding back impairment and pension expenses recorded to EBITDA

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...when A. H. Belo generated Adjusted EBITDA of \$41.0 million – an increase of 215 percent compared to the same period a year earlier. Operating and free cash flows were \$53.8 million and \$47.3 million, respectively, increases of 238 percent and 484 percent. The Company ended the third quarter of 2010 with \$81.3 million of cash and cash equivalents and no borrowings outstanding under its bank credit facility. We added \$21.3 million of cash and cash equivalents to the balance sheet during the quarter, strengthening our ability to maintain and enhance the quality of local content our newspapers produce and make decisions in the long-term interests of the Company, its shareholders and its employees. A prime example is the Board's decision to make an additional contribution totaling \$30 million to the Company's two pension plans. The additional contribution not only improves the financial condition of the pension plans, but will put to work a reasonable percentage of the cash on our balance sheet that presently earns only de minimus returns in overnight money market funds.

Underlying A. H. Belo's improving financial performance in 2009 and 2010 were two key components...

Key Components to A. H. Belo's Improving Financial Performance

Expense Reductions: Driven by operational improvements

Revenue Initiatives: Designed to moderate the impact of decreasing advertising revenues

...dramatic expense reductions and investments in revenue initiatives.

In 2009, total consolidated operating expenses, excluding non-cash impairment charges, were reduced by more than \$150 million or 22 percent compared to 2008. A large portion of this expense reduction came as a result of operational improvements, which in turn, enabled us to lower headcount from approximately 3,300 to 2,500 – a decrease of 24 percent. We lowered salaries for most employees, cancelled most non-sales bonuses and suspended the Company's 401(k) match.

Almost simultaneously, we implemented a consumer revenue strategy and pursued third party printing and distribution contracts that were designed to moderate the impact of decreasing advertising revenues.

The Dallas Morning News and *The Providence Journal* developed and implemented consumer revenue strategies that raised home delivery prices. In 2009 ...

The Dallas Morning News: Circulation Pricing Strategy

In 2009, *The Dallas Morning News* increased its 7-day home delivery price from \$21 to \$30 per month (+43%)

- 2009 circulation revenue: +10.6%
- 2010 anticipated circulation revenue: +4%

In 2011, *The Morning News* has increased its 7-day home delivery price to \$33.95 per month

The Morning News raised its 7-day home delivery price from \$21 to \$30 per month, a 43 percent increase. *The Morning News*' circulation revenue rose to \$88.6 million in 2009, an increase of 10.6 percent compared to 2008. *The Morning News* anticipates circulation revenue of approximately \$92 million for the full-year 2010, a 4 percent increase compared to 2009. And in 2011, *The Morning News* has increased its 7-day home delivery price to \$33.95 per month.

Over the next three months, *The Dallas Morning News* will roll out several new digital platforms that bolster its ability to engage readers with relevant, local customized content and advertising.

The Dallas Morning News: First Quarter 2011 Digital Initiatives



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The Morning News will re-launch its flagship Web site, dallasnews.com, with a greatly-improved design and streamlined navigation...

The Dallas Morning News: First Quarter 2011 Digital Initiatives

New
iPhone App



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...release a new iPhone app...

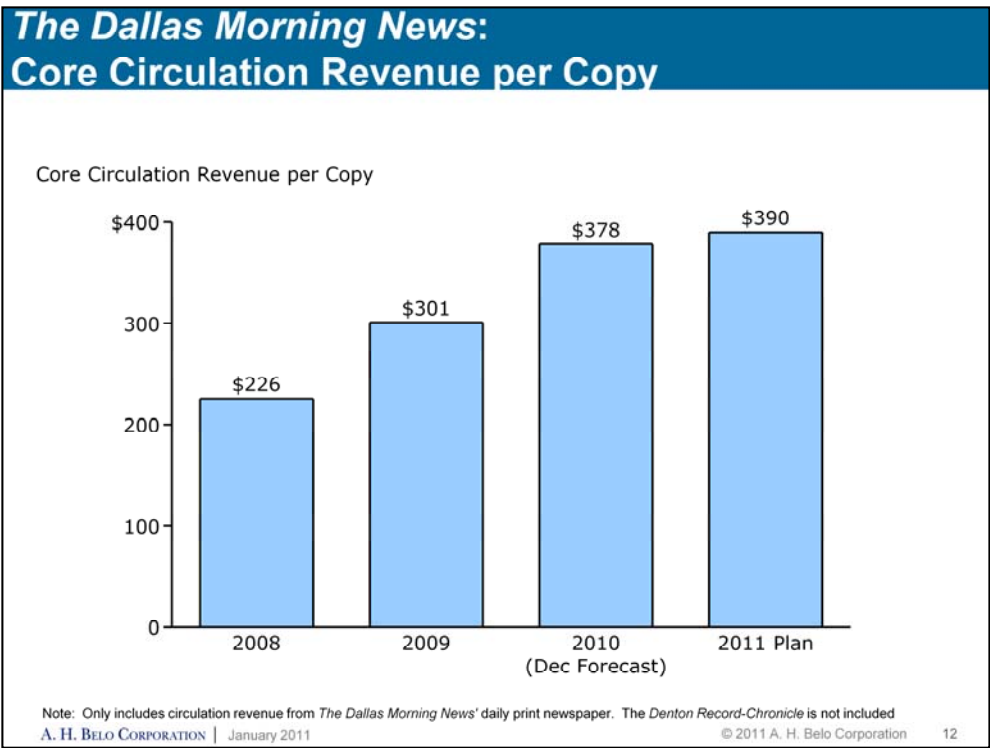
The Dallas Morning News: First Quarter 2011 Digital Initiatives

New iPhone App	First iPad App
	
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...and release its first iPad app.

These moves are the next major step in *The Morning News*' consumer revenue strategy. Beginning in mid-February, *The Morning News* will provide home delivery subscribers with access to all of the high-quality local content available on dallasnews.com, the eEdition, and *The Morning News*' iPhone and iPad applications. Other readers will pay \$9.99 per month for access to this unduplicated local content on dallasnews.com or one of the other digital platforms. For \$16.95 per month, readers can access all of *The Morning News*' digital platforms. Breaking news, wire stories, classified content and other commercial content will remain free. Our internal modeling suggests these digital initiatives will generate a modest increase in consumer revenue within 6 to 12 months. And, the digital platforms will enable *The Morning News* to establish follow-on consumer relationships as adoption rates and usage patterns become clear.

A. H. Belo's steadfast commitment to producing superior, unduplicated local content enables *The Dallas Morning News*' to extend its consumer revenue initiatives to digital platforms. Among metropolitan daily newspapers, *The Morning News* operates one of the largest newsrooms in the country and has one of the deepest relationships with its core audience – evidenced by...



...the increases in circulation revenue per copy since 2008 and projected increases through 2011.

Let me touch briefly on our fourth quarter and full-year 2010 performance.

Fourth Quarter/Full-Year 2010

Metric	Fourth Quarter 2010	Full-Year 2010
Revenue	\$130M (+/-)	\$485M (+/-)
CAPEX	\$3 to \$3.5M	\$9 to \$10M

Revenue generation was encouraging. When we report fourth quarter financial results, we anticipate total revenue of approximately \$130 million, a decrease of only 4 percent compared to 2009. We also anticipate full-year 2010 revenue of approximately \$485 million, a decrease of only 6 percent compared to 2009. Fourth quarter capital spending should be in the \$3 to \$3.5 million range, bringing full-year 2010 capital spending into the \$9 to \$10 million range. In the fourth quarter of 2010, the Company also received a \$3.1 million dividend from Classified Ventures, owner of Cars.com and Apartments.com.

2011 Outlook

Metric	Full-Year 2011
Revenue	Flat to 2010
CAPEX	Approximately \$13M

While it is not our practice to provide guidance, our current thinking about 2011 is that 2010's positive momentum could continue and, together with improvements in sales force effectiveness, could result in revenue being flat year-over-year. We expect 2011 capital spending will be approximately \$13 million.

While great progress has been made over the past twelve months, our Board and Management Committee know that more hard work lies ahead. We must and will remain focused on maximizing cash from operations and monetizing real estate at appropriate prices – just as we did in 2010 when we generated almost \$10 million of cash from our real estate dispositions. By doing so, we maintain more flexibility to respond to strategic, financial and operational opportunities that arise.

Before moving to Q&A, I want to let you know that the Company plans to hold an Investor Day on the day we release earnings for the first quarter of 2011. The event will take place in New York City, during the first week of May. I hope you can join us then.

Q&A

It's time to move onto Q&A.