

Emmis Communications Corporation
Computation of Company Leverage Ratios
As of August 31, 2004
Dollars in Thousands

Computation of Senior Leverage Ratio
Under the Revolving Credit and Term Loan Agreement:

Numerator:

Senior credit facility debt outstanding	\$ 958,500
Plus: Letters of credit outstanding	2,672
Plus: Other	74
Total senior debt outstanding, as defined	<u>\$ 961,246</u>

Denominator:

Trailing twelve-months operating income	\$ 127,454
Plus: Depreciation and amortization	47,673
Plus: Noncash compensation	20,254
Plus: Impairment loss	12,400
Less: Austin actual revenues	(25,225)
Plus: Austin actual operating expenses	15,615
Plus/Less: Other reconciling items as defined in senior credit agreement, including cash distributions from Austin	2,172
Total pro forma EBITDA, as defined	<u>\$ 200,343</u>

Senior debt leverage ratio	<u>4.80</u>
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Computation of Total Leverage Ratio
Under the Revolving Credit and Term Loan Agreement:

Numerator:

Senior debt outstanding, as defined (see above)	\$ 961,246
Plus: Senior subordinated debt outstanding	375,000
Total Emmis Operating Company debt outstanding, as defined	<u>\$ 1,336,246</u>

Denominator:

Total pro forma EBITDA, as defined (see above)	<u>\$ 200,343</u>
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Emmis Operating Company total leverage ratio	<u>6.67</u>
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