

**Emmis Communications Corporation**  
**Computation of Company Leverage Ratios**  
**As of August 31, 2006**  
**Dollars in Thousands**

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

<b>Numerator:</b>	
Senior credit facility debt outstanding	\$ 150,000
Plus: Letters of credit outstanding	2,597
Plus: Other	76
Total Emmis Operating Company senior debt outstanding, as defined	<u>\$ 152,673</u>
<b>Denominator:</b>	
Trailing twelve-months operating income from continuing operations	\$ 26,886
Plus: Depreciation and amortization	15,544
Plus: Noncash compensation	7,876
Plus: Impairment loss and loss on disposal of assets	35,733
Plus: Television net revenues included in discontinued operations	117,986
Less: Television operating expenses included in discontinued operations	(89,784)
Plus: KKFR net revenues included in discontinued operations	-
Less: KKFR operating expenses included in discontinued operations	-
Plus: Pro forma net revenues from acquisitions	631
Less: Less pro forma station operating expenses from acquisitions	(485)
Less: Net revenues from dispositions	(94,238)
Plus: Station operating expenses from dispositions	62,468
Less: Austin actual revenues	(28,285)
Plus: Austin actual operating expenses	17,308
Plus/Less: Other reconciling items as defined in senior credit agreement, including cash distributions from Austin	7,970
Total pro forma EBITDA, as defined	<u>\$ 79,610</u>
Emmis Operating Company senior leverage ratio	<u>1.92</u>
Requirement	<u>5.00</u>

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

<b>Numerator:</b>	
Senior debt outstanding, as defined (see above)	\$ 152,673
Plus: Senior subordinated debt outstanding	375,000
Total Emmis Operating Company debt outstanding, as defined	<u>\$ 527,673</u>
<b>Denominator:</b>	
Total pro forma EBITDA, as defined (see above)	<u>\$ 79,610</u>
Emmis Operating Company total leverage ratio	<u>6.63</u>
Requirement	<u>7.00</u>

**Computation of Total Leverage Ratio**  
**Under the 6 7/8% Senior Subordinated Notes Indenture:**

<b>Numerator:</b>	
Emmis Operating Company debt outstanding, as defined (see above)	\$ 527,673
Plus: Other indebtedness	4,257
Total Emmis Operating Company debt outstanding, as defined	<u>\$ 531,930</u>
<b>Denominator:</b>	
Trailing twelve-months operating income from continuing operations	\$ 26,886
Plus: Depreciation and amortization	15,544
Plus: Noncash compensation	7,876
Plus: Impairment loss and loss on disposal of assets	35,733
Plus: Television net revenues included in discontinued operations	117,986
Less: Television operating expenses included in discontinued operations	(89,784)
Plus: WRDA net revenues included in discontinued operations	-
Less: WRDA operating expenses included in discontinued operations	-
Plus: Pro forma net revenues from acquisitions	631
Less: Less pro forma station operating expenses from acquisitions	(485)
Less: Net revenues from dispositions	(94,238)
Plus: Station operating expenses from dispositions	62,468
Plus: Losses on subsidiaries excluded from the indenture	5,811
Plus/Less: Other reconciling items, as defined in indenture	12,336
Total pro forma EBITDA, as defined	<u>\$ 100,764</u>
Emmis Operating Company total leverage ratio	<u>5.28</u>