

**Emmis Communications Corporation**  
**Computation of Company Leverage Ratios**  
**As of August 31, 2008**  
**Dollars in Thousands**

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

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**Numerator:**

Senior credit facility debt outstanding	\$ 436,503
Plus: Letters of credit outstanding	2,167
Plus: Other	65
Total Emmis Operating Company total debt outstanding, as defined	<u>\$ 438,735</u>

**Denominator:**

Trailing twelve-months operating income from continuing operations	\$ 20,332
Plus: Depreciation and amortization	15,313
Plus: Noncash compensation	7,134
Plus: Noncash contract termination fee	15,252
Plus: Impairment loss	21,225
Less: Gain on disposal of assets	(183)
Plus: Pro forma net revenues from acquisitions	311
Less: Less pro forma station operating expenses from acquisitions	(422)
Less: Austin actual revenues	(30,188)
Plus: Austin actual operating expenses	17,212
Plus/Less: Other reconciling items as defined in senior credit agreement, including cash distributions from Austin	8,476
Total pro forma EBITDA, as defined	<u>\$ 74,462</u>

Emmis Operating Company total leverage ratio	<u>5.89</u>
Requirement	<u>6.50</u>