

Emmis Communications Corporation

Computation of Company Leverage Ratio under Second Amendment to credit facility

As of August 31, 2009

Dollars in Thousands

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

Numerator:

Senior credit facility debt outstanding	\$	346,104
Plus: Letters of credit outstanding		1,765
Plus: Other		41
Total Emmis Operating Company debt outstanding, as defined	\$	<u>347,910</u>

Denominator:

Trailing twelve-months operating income from continuing operations	\$	(532,439)
Plus: Depreciation and amortization		12,491
Plus: Noncash compensation		3,149
Plus: Impairment loss		547,779
Less: Gain on disposal of assets		(141)
Less: Austin actual revenues		(24,636)
Plus: Austin actual operating expenses		16,437
Plus/Less: Other reconciling items as defined in senior credit agreement, including cash distributions from Austin		7,495
Total pro forma EBITDA, as defined	\$	<u>30,135</u>

Emmis Operating Company total leverage ratio 11.5

Requirement See Note A

Note A > Total Leverage Ratio, as defined, is not applicable during the Suspension Period, as defined.