

**Emmis Communications Corporation**

**Computation of Company Leverage Ratio under Second Amendment to credit facility**

**As of August 31, 2010**

**Dollars in Thousands**

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

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**Numerator:**

Senior credit facility debt outstanding	\$	343,456
Plus: Letters of credit outstanding		625
Plus: Other		12
Total Emmis Operating Company debt outstanding, as defined	\$	<u>344,093</u>

**Denominator:**

Trailing twelve-months operating income from continuing operations	\$	18,311
Plus: Depreciation and amortization		9,691
Plus: Noncash compensation		2,444
Plus: Impairment loss		-
Plus/Less: Loss/(Gain) on disposal of assets		21
Less: Austin actual revenues		(24,732)
Plus: Austin actual operating expenses		15,890
Plus/Less: Other reconciling items as defined in senior credit agreement, including cash distributions from Austin		4,568
Total pro forma EBITDA, as defined	\$	<u>26,193</u>

Emmis Operating Company total leverage ratio 13.1

Requirement See Note A

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