

**Emmis Communications Corporation**

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

**As of February 28, 2011**

**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                    | \$ | 330,994        |
| Plus: Letters of credit outstanding                        |    | 625            |
| Plus: Other  |    | 4              |
| Total Emmis Operating Company debt outstanding, as defined | \$ | <u>331,623</u> |

**Denominator:**

|  |    |               |
|--|----|---------------|
| Trailing twelve-months operating income from continuing operations   | \$ | 19,221        |
| Plus: Depreciation and amortization  |    | 9,392         |
| Plus: Noncash compensation   |    | 1,794         |
| Plus: Impairment loss  |    | 7,005         |
| Plus/Less: Loss/(Gain) on disposal of assets   |    | 3             |
| Less: Austin actual revenues   |    | (26,557)      |
| Plus: Austin actual operating expenses   |    | 16,604        |
| Plus/Less: Other reconciling items as defined in senior credit agreement, including cash distributions from Austin |    | 762           |
| Total pro forma EBITDA, as defined   | \$ | <u>28,224</u> |

Emmis Operating Company total leverage ratio 11.7

Requirement See Note A

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