

Emmis Communications Corporation

Computation of Company Leverage Ratio under Second Amendment to credit facility

As of November 30, 2010

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	\$	344,613
Plus: Letters of credit outstanding		625
Plus: Other		10
Total Emmis Operating Company debt outstanding, as defined	\$	<u>345,248</u>

Denominator:

Trailing twelve-months operating income from continuing operations	\$	20,803
Plus: Depreciation and amortization		9,554
Plus: Noncash compensation		1,994
Plus: Impairment loss		-
Plus/Less: Loss/(Gain) on disposal of assets		15
Less: Austin actual revenues		(25,605)
Plus: Austin actual operating expenses		16,405
Plus/Less: Other reconciling items as defined in senior credit agreement, including cash distributions from Austin		3,156
Total pro forma EBITDA, as defined	\$	<u>26,322</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.