

Dollars in Thousands

**Computation of Emmis Operating Company Pro Forma Total Leverage Ratio
Under the Credit Agreement dated June 10, 2014:**

	November 30, 2018 As Defined	Leverage Ratio
<u>Numerator:</u>		
Senior credit facility debt outstanding	\$ 28,000	
Plus: Letters of credit outstanding	-	
Less: Unrestricted cash and cash equivalents of the Borrower and its Domestic Subsidiaries, as defined	(7,243)	
Total Emmis Operating Company debt outstanding, November 30, 2018	<u>\$ 20,757</u>	
<u>Denominator:</u>		
Trailing twelve-months operating income from continuing operations	\$ 40,082	
Plus: Depreciation and amortization	3,273	
Plus: Noncash compensation	1,926	
Plus: Impairment loss	265	
Less: Gain on sale of radio and publishing assets, net of disposition costs	(31,761)	
Less: Gain on disposal of property and equipment	(25)	
Less: 49.9% of Austin radio EBITDA (Minority Interest)	(5,283)	
Less: 98.7FM LMA LTM EBITDA	(9,143)	
Less: LTM EBITDA of KPWR-FM in Los Angeles (sold August 1, 2017)	(454)	
Plus: LTM EBITDA losses of St. Louis radio stations (sold April 30, 2018)	26	
Plus: Pro forma adjustment for trailing twelve-months operating losses of entities disposed (if not already excluded above)	164	
Plus: LTM EBITDA losses of Digonex, Inc. (Excluded Subsidiary)	1,436	
Plus: LTM EBITDA losses of NextRadio/TagStation (Excluded Subsidiaries)	8,431	
Plus/Less: Other reconciling items as defined in credit agreement	(187)	
Consolidated EBITDA, as defined in the credit agreement	<u>\$ 8,750</u>	<u>2.4</u>
Requirement		<u>4.0</u>
