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A. H. Belo Corp
Form 10-Q
July 28, 2015

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Form 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended: June 30, 2015

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

Commission file no. 1-33741

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of incorporation or organization)

38-3765318

(I.R.S. Employer Identification No.)

P. O. Box 224866, Dallas, Texas 75222-4866
(Address of principal executive offices, including zip code)

(214) 977-8200

(Registrant's telephone number, including area code)

Former name, former address and former fiscal year, if changed since last report.

None

Indicate by check mark whether registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate website, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer: Accelerated filer: Non-accelerated filer: Smaller reporting company:
(Do not check if a smaller reporting company)

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes No

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest possible date.

Class

Outstanding at
July 24, 2015

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Common Stock, \$.01 par value

21,680,077

Total Common Stock consists of 19,292,128 shares of Series A Common Stock and 2,387,949 shares of Series B Common Stock.

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PART I

Item 1. Financial Information

A. H. Belo Corporation and Subsidiaries

Condensed Consolidated Statements of Operations

In thousands, except share and per share amounts (unaudited)	Three Months Ended June 30,		Six Months Ended June 30,	
	2015	2014	2015	2014
Net Operating Revenue				
Advertising and marketing services	\$38,266	\$40,251	\$75,097	\$77,977
Circulation	20,816	21,227	41,854	42,239
Printing, distribution and other	7,594	7,783	15,161	13,437
Total net operating revenue	66,676	69,261	132,112	133,653
Operating Costs and Expense				
Employee compensation and benefits	25,105	25,722	52,608	53,886
Other production, distribution and operating costs	31,015	29,640	62,475	58,084
Newsprint, ink and other supplies	7,843	8,114	16,009	16,102
Depreciation	2,875	3,348	5,915	6,758
Amortization	373	30	746	60
Total operating costs and expense	67,211	66,854	137,753	134,890
Operating income (loss)	(535)	) 2,407	(5,641)	) (1,237)
Other Income (Expense), Net				
Gains on equity method investments, net	690	18,567	276	18,159
Other income (loss), net	(532)	) 141	(423)	) 258
Total other income (expense), net	158	18,708	(147)	) 18,417
Income (Loss) from Continuing Operations Before Income Taxes	(377)	) 21,115	(5,788)	) 17,180
Income tax provision (benefit)	317	1,428	(5,413)	) 2,319
Income (Loss) from Continuing Operations	(694)	) 19,687	(375)	) 14,861
Income from discontinued operations	—	2,146	—	3,123
Income (Loss) related to the divestiture of discontinued operations, net	2	153	(10)	) (25)
Tax expense from discontinued operations	—	30	—	46
Gain (Loss) from Discontinued Operations, Net	2	2,269	(10)	) 3,052
Net Income (Loss)	(692)	) 21,956	(385)	) 17,913
Net loss attributable to noncontrolling interests	(100)	) (24)	) (156)	) (30)
Net Income (Loss) Attributable to A. H. Belo Corporation	\$(592)	) \$21,980	\$(229)	) \$17,943
Per Share Basis				
Basic				
Continuing operations	\$(0.03)	) \$0.86	\$(0.01)	) \$0.64
Discontinued operations	—	0.10	—	