Table of Contents

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: **March 31, 2020**
OR
☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
Commission file no. **1-33741**

BELO + COMPANY

A. H. Belo Corporation

(Exact name of registrant as specified in its charter)

Texas	**38-3765318**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
P. O. Box 224866, Dallas, Texas 75222-4866	**(214) 977-7342**
(Address of principal executive offices, including zip code)	(Registrant's telephone number, including area code)

Former name, former address and former fiscal year, if changed since last report.
None

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol	Name of each exchange on which registered
Series A Common Stock, $.01 par value	AHC	New York Stock Exchange

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 every Interactive Data File required to be submitted 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 such files). Yes ☑ No ☐

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

Large accelerated filer: ☐	Accelerated filer: ☑	Non-accelerated filer: ☐	Smaller reporting company: ☑	Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

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

Shares of Common Stock outstanding at June 2, 2020: 21,410,423 shares (consisting of 18,941,340 shares of Series A Common Stock and 2,469,083 shares of Series B Common Stock).

RELIANCE ON SECURITIES AND EXCHANGE COMMISSION ORDER

A. H. Belo Corporation (the "Company") is filing its Quarterly Report on Form 10-Q for the quarter ended March 31, 2020 (the "Report") pursuant to the Securities and Exchange Commission (the "SEC") Order dated March 4, 2020 (Release No. 34-88318) under Section 36 of the Exchange Act Granting Exemptions from Specified Provisions of the Exchange Act and Certain Rules Thereunder, as superseded by SEC Order Modifying Exemptions from the Reporting and Proxy Delivery Requirements for Public Companies dated March 25, 2020 (Release No. 34-88465) (together, the "Order") to delay the filing of the Report due to circumstances related to the coronavirus pandemic ("COVID-19"). On May 8, 2020, the Company filed a Current Report on Form 8-K stating that it is relying on the Order to delay the filing of the Report by up to 45 days. As result of the global outbreak of the COVID-19 virus and out of an abundance of caution, members of the Company's newsroom and certain other employees, including financial reporting staff, began working remotely on or about March 10, 2020. On March 13, 2020, the Company's independent public accounting firm, Grant Thornton LLP ("Grant Thornton"), advised the Company that its professional staff engaged in the review of the Company's financial statements would no longer be present at the Company's facilities as a result of the COVID-19 virus. The Company has been working with its audit firm's personnel remotely since that time. The Company has been following the recommendations of local government and health authorities to minimize exposure risk for its employees, including the temporary closures of some of its offices and having employees work remotely. The Company's operations and business have experienced disruption due to the unprecedented conditions surrounding the COVID-19 pandemic that has spread throughout the United States and the world. The Company's business was abruptly and dramatically impacted by the COVID-19 pandemic as the Company's headquarters, printing operations, and marketing services offices are located in Texas counties that were under stay-at-home orders resulting in staffing and work-from-home challenges. Even as the stay-at-home orders were lifted in Texas, the Company's corporate offices have not re-opened and personnel have continued to work from home. These disruptions to the process of preparing the Company's financial statements as a result of the COVID-19 virus are causing the Company's Form 10-Q for the first quarter of 2020, which was due on May 11, 2020, to be delayed. Consequently, the Company was unable to timely file the Report without the extension provided for by the Order.

A. H. BELO CORPORATION

FORM 10-Q

TABLE OF CONTENTS

PART I

Item 1. Financial Information

A. H. Belo Corporation and Subsidiaries
Consolidated Statements of Operations

In thousands, except share and per share amounts (unaudited)	*Three Months Ended March 31,* 2020	2019
Net Operating Revenue:		
Advertising and marketing services	$ 19,327	$ 24,041
Circulation	16,414	17,273
Printing, distribution and other	4,602	5,275
Total net operating revenue	40,343	46,589
Operating Costs and Expense:		
Employee compensation and benefits	19,016	21,124
Other production, distribution and operating costs	20,992	22,184
Newsprint, ink and other supplies	3,271	4,747
Depreciation	1,765	2,386
Amortization	64	76
Gain on sale/disposal of assets, net	(5)	—
Total operating costs and expense	45,103	50,517
Operating loss	(4,760)	(3,928)
Other income, net	1,352	829
Loss Before Income Taxes	(3,408)	(3,099)
Income tax benefit	(1,787)	(964)
Net Loss	$ (1,621)	$ (2,135)
Per Share Basis		
Net loss		
Basic and diluted	$ (0.08)	$ (0.10)
Number of common shares used in the per share calculation:		
Basic and diluted	21,410,423	21,594,262

See the accompanying Notes to the Consolidated Financial Statements.

A. H. Belo Corporation and Subsidiaries
Consolidated Statements of Comprehensive Income (Loss)

In thousands (unaudited)	*Three Months Ended March 31,* 2020	2019
Net Loss	$ (1,621)	$ (2,135)
Other Comprehensive Income (Loss), Net of Tax:		
Amortization of actuarial losses	219	63
Total other comprehensive income, net of tax	219	63
Total Comprehensive Loss	$ (1,402)	$ (2,072)

See the accompanying Notes to the Consolidated Financial Statements.

A. H. Belo Corporation and Subsidiaries
Consolidated Balance Sheets

In thousands, except share amounts (unaudited)	*March 31, 2020*	*December 31, 2019*
Assets		
Current assets:		
Cash and cash equivalents	$ 43,934	$ 48,626
Accounts receivable (net of allowance of $804 and $671 at March 31, 2020 and December 31, 2019, respectively)	14,946	18,441
Inventories	2,677	2,573
Prepaids and other current assets	9,249	5,164
Total current assets	70,806	74,804
Property, plant and equipment, at cost	344,046	343,893
Less accumulated depreciation	(327,205)	(325,440)
Property, plant and equipment, net	16,841	18,453
Operating lease right-of-use assets	22,483	21,371
Intangible assets, net	255	319
Deferred income taxes, net	36	50
Long-term note receivable	22,400	22,400
Other assets	3,631	3,648
Total assets	$ 136,452	$ 141,045
Liabilities and Shareholders' Equity		
Current liabilities:		
Accounts payable	$ 4,989	$ 6,103
Accrued compensation and benefits	5,295	7,407
Other accrued expense	6,222	5,930
Contract liabilities	14,283	12,098
Total current liabilities	30,789	31,538
Long-term pension liabilities	21,657	23,039
Long-term operating lease liabilities	23,694	23,120
Other post-employment benefits	1,339	1,347
Other liabilities	4,351	4,264
Total liabilities	81,830	83,308
Shareholders' equity:		
Preferred stock, $.01 par value; Authorized 2,000,000 shares; none issued	—	—
Common stock, $.01 par value; Authorized 125,000,000 shares		
Series A: issued 20,855,200 and 20,854,975 shares at March 31, 2020 and December 31, 2019, respectively	209	209
Series B: issued 2,469,083 and 2,469,308 shares at March 31, 2020 and December 31, 2019, respectively	24	24
Treasury stock, Series A, at cost; 1,913,860 shares held at March 31, 2020 and December 31, 2019	(13,443)	(13,443)
Additional paid-in capital	494,389	494,389
Accumulated other comprehensive loss	(32,075)	(32,294)
Accumulated deficit	(394,482)	(391,148)
Total shareholders' equity	54,622	57,737
Total liabilities and shareholders' equity	$ 136,452	$ 141,045

See the accompanying Notes to the Consolidated Financial Statements.

A. H. Belo Corporation and Subsidiaries
Consolidated Statements of Shareholders' Equity

	Three Months Ended March 31, 2020 and 2019								
	Common Stock				**Treasury Stock**				
In thousands, except share amounts (unaudited)	**Shares Series A**	**Shares Series B**	**Amount**	**Additional Paid-in Capital**	**Shares Series A**	**Amount**	**Accumulated Other Comprehensive Loss**	**Accumulated Deficit**	**Total**
Balance at December 31, 2018	20,854,728	2,469,555	$ 233	$ 494,389	(1,697,370)	$ (12,601)	$ (37,641)	$ (393,582)	$ 50,798
Net loss	—	—	—	—	—	—	—	(2,135)	(2,135)
Other comprehensive income	—	—	—	—	—	—	63	—	63
Shares repurchased	—	—	—	—	(83,529)	(340)	—	—	(340)
Conversion of Series B to Series A	11	(11)	—	—	—	—	—	—	—
Dividends declared ($0.08 per share)	—	—	—	—	—	—	—	(1,720)	(1,720)
Balance at March 31, 2019	20,854,739	2,469,544	$ 233	$ 494,389	(1,780,899)	$ (12,941)	$ (37,578)	$ (397,437)	$ 46,666
Balance at December 31, 2019	20,854,975	2,469,308	$ 233	$ 494,389	(1,913,860)	$ (13,443)	$ (32,294)	$ (391,148)	$ 57,737
Net loss	—	—	—	—	—	—	—	(1,621)	(1,621)
Other comprehensive income	—	—	—	—	—	—	219	—	219
Conversion of Series B to Series A	225	(225)	—	—	—	—	—	—	—
Dividends declared ($0.08 per share)	—	—	—	—	—	—	—	(1,713)	(1,713)
Balance at March 31, 2020	20,855,200	2,469,083	$ 233	$ 494,389	(1,913,860)	$ (13,443)	$ (32,075)	$ (394,482)	$ 54,622

See the accompanying Notes to the Consolidated Financial Statements.

A. H. Belo Corporation and Subsidiaries
Consolidated Statements of Cash Flows

In thousands (unaudited)	*Three Months Ended March 31,* 2020	2019
Operating Activities		
Net loss	$ (1,621)	$ (2,135)
Adjustments to reconcile net loss to net cash used for operating activities:		
Depreciation and amortization	1,829	2,462
Net periodic pension and other post-employment benefit	(1,154)	(818)
Bad debt expense	296	400
Deferred income taxes	14	(786)
Gain on sale/disposal of assets, net	(5)	—
Loss on investment related activity	18	—
Changes in working capital and other operating assets and liabilities, net of acquisitions:		
Accounts receivable	3,199	2,105
Inventories, prepaids and other current assets	(4,189)	(1,309)
Other assets	(1)	1,001
Accounts payable	(1,114)	(1,609)
Compensation and benefit obligations	(2,112)	(3,362)
Other accrued expenses	78	595
Contract liabilities	2,185	704
Other post-employment benefits	(17)	(14)
Net cash used for operating activities	(2,594)	(2,766)
Investing Activities		
Purchases of assets	(390)	(180)
Sales of assets	5	—
Net cash used for investing activities	(385)	(180)
Financing Activities		
Dividends paid	(1,713)	(1,726)
Shares repurchased	—	(340)
Net cash used for financing activities	(1,713)	(2,066)
Net decrease in cash and cash equivalents	(4,692)	(5,012)
Cash and cash equivalents, beginning of period	48,626	55,313
Cash and cash equivalents, end of period	$ 43,934	$ 50,301
Supplemental Disclosures		
Income tax paid, net (refund)	$ 5	$ 9
Noncash investing and financing activities:		
Dividends payable	1,713	1,723

See the accompanying Notes to the Consolidated Financial Statements.

Note 1: Basis of Presentation and Recently Issued Accounting Standards

Description of Business. A. H. Belo Corporation and subsidiaries are referred to collectively herein as "A. H. Belo" or the "Company." The Company, headquartered in Dallas, Texas, is the leading local news and information publishing company in Texas. The Company has commercial printing, distribution and direct mail capabilities, as well as a presence in emerging media and digital marketing. While focusing on extending the Company's media platforms, A. H. Belo delivers news and information in innovative ways to a broad range of audiences with diverse interests and lifestyles.

The Company publishes *The Dallas Morning News* (www.dallasnews.com), Texas' leading newspaper and winner of nine Pulitzer Prizes, and various niche publications targeting specific audiences. Its newspaper operations also provide commercial printing and distribution services to several large national newspapers. In addition, the Company has the capabilities of a full-service strategy, creative and media agency that focuses on strategic and digital marketing, and data intelligence that provide a measurable return on investment to its clients.

COVID-19 Pandemic. Currently, the rapid spread of coronavirus (COVID-19) globally has resulted in increased travel restrictions, and disruption and shutdown of businesses. The Company has experienced, and may continue to experience, impacts from quarantines, market downturns and changes in customer behavior related to the pandemic and impacts on its workforce if the spread of the virus widens and becomes of longer duration. The Company has been following the recommendations of local government and health authorities to minimize exposure risk for employees, including the temporary closure of some of the Company's offices and having employees work remotely. Employees, including financial reporting staff, have been working remotely since on or about March 10, 2020. Even as the stay-at-home orders were lifted in Texas, the Company's corporate offices have not re-opened and personnel have continued to work from home. If the virus were to affect a significant number of the workforce employed in printing operations, the Company may experience delays or be unable to produce, print and deliver its publications and other third-party print publications on a timely basis. In addition, one or more printing customers, distribution partners, service providers or suppliers may experience financial distress, file for bankruptcy protection, go out of business, or suffer disruptions in its business due to the coronavirus outbreak. The extent to which the coronavirus impacts the Company's results will depend on future developments, which are highly uncertain and will include emerging information concerning the severity and length of the coronavirus pandemic and the actions taken by governments and private businesses to contain the coronavirus. The coronavirus is likely to have an adverse impact on the Company's business, results of operations and financial condition at least for the near term.

The full impact of COVID-19 is not yet known and is rapidly evolving. The outbreak and any preventative or protective actions that the Company has taken and may continue to take, or may be imposed on the Company by governmental intervention, in respect of this virus may result in a period of disruption to the Company's financial reporting capabilities, its printing operations, and its operations generally. COVID-19 is impacting, and may continue to impact, the Company's customers, distribution partners, advertisers, production facilities, and third parties, and could result in a loss of advertising revenue or supply chain disruption.

Basis of Presentation. The interim consolidated financial statements included herein are unaudited; however, they include adjustments of a normal recurring nature which, in the Company's opinion, are necessary to present fairly the interim consolidated financial information as of and for the periods indicated. All intercompany balances and transactions have been eliminated in consolidation. These financial statements should be read in conjunction with the consolidated financial statements and notes thereto included in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2019. All dollar amounts presented herein, except share and per share amounts, are in thousands, unless the context indicates otherwise.

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America ("GAAP") requires management to make estimates and assumptions that affect (i) the reported amounts of assets and liabilities, (ii) the disclosure of contingent assets and liabilities known to exist as of the date the financial statements are published, and (iii) the reported amount of net operating revenues and expenses recognized during the periods presented. Adjustments made with respect to the use of estimates often relate to improved information not previously available. Uncertainties with respect to such estimates and assumptions are inherent in the preparation of financial statements; accordingly, actual results could differ from these estimates.

The COVID-19 pandemic has caused increased uncertainty in management's estimates and assumptions affecting these interim consolidated financial statements. Areas where significant estimates are used include pension and other post-employment benefit obligation assumptions, income taxes, leases, self-insured liabilities, and long-lived assets impairment review.

Recently Adopted Accounting Pronouncements.

In August 2018, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2018-15 – *Intangibles – Goodwill and Other – Internal-Use Software (Subtopic 350-40): Customer's Accounting for Implementation Costs Incurred in a Cloud Computing Arrangement That is a Service Contract*. This update clarifies the accounting for implementation costs incurred in a cloud computing arrangement, or hosting arrangement, that is a service contract. Costs for implementation activities incurred during the application development stage will be capitalized depending on the nature of the costs, while costs incurred during the preliminary project and post implementation stages will be expensed as the activities are performed. The capitalized implementation costs will be expensed over the term of the hosting arrangement. The guidance is effective for fiscal years beginning after December 15, 2019, and interim periods within those fiscal years. The Company adopted ASU 2018-15 prospectively as of January 1, 2020, and it did not have a material impact on the Company's consolidated financial statements.

New Accounting Pronouncements. The FASB issued the following accounting pronouncements and guidance, which may be applicable to the Company but have not yet become effective.

In June 2016, the FASB issued ASU 2016-13 – *Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments.* This update requires financial assets measured at amortized cost basis to be presented at the net amount expected to be collected. The measurement of expected credit losses is based on relevant information about past events, including historical experience, current conditions, and reasonable and supportable forecasts that affect the collectibility of the reported amount. Since June 2016, the FASB issued clarifying updates to the new standard including changing the effective date for smaller reporting companies. The guidance will be effective for fiscal years beginning after December 15, 2022, and interim periods within those fiscal years. Early adoption is permitted. The Company is currently evaluating the requirements of this update and has not yet determined its impact on the Company's consolidated financial statements.

In August 2018, the FASB issued ASU 2018-14 – *Compensation – Retirement Benefits – Defined Benefit Plans – General (Subtopic 715-20): Disclosure Framework – Changes to the Disclosure Requirements for Defined Benefit Plans.* This update modifies the annual disclosure requirements for employers that sponsor defined benefit pension or other postretirement plans by removing disclosures that are no longer considered cost beneficial, clarifying the specific requirements of disclosures and adding disclosure requirements identified as relevant. The guidance will be effective for fiscal years ending after December 15, 2020. Early adoption is permitted. The Company will adopt this standard retrospectively as of its fiscal year ending December 31, 2020, but does not expect a material impact on the Company's consolidated financial statements and related disclosures.

In December 2019, the FASB issued ASU 2019-12 – *Income Taxes (Topic 740): Simplifying the Accounting for Income Taxes*. ASU 2019-12 removes specific exceptions to the general principles in Topic 740 in order to reduce the complexity of its application. ASU 2019-12 also improves consistency and simplifies existing guidance by clarifying and amending certain specific areas of Topic 740. The guidance will be effective for fiscal years beginning after December 15, 2020, and interim periods within those fiscal years. Early adoption is permitted. The Company is currently evaluating the requirements of this update and has not yet determined its impact on the Company's consolidated financial statements.

Note 2: Segment Reporting

Based on the Company's structure and organizational chart, the Company's chief operating decision-maker (the "CODM") is its Chief Executive Officer, Robert W. Decherd.

In the third quarter of 2019, in conjunction with a strategic change to move to a single decision-making reporting structure and based on how the Company's CODM makes decisions about allocating resources and assessing performance, the Company determined it has one reportable segment. Historical financial information by segment has been recast and reported as one segment. See Note 4 – Revenue for disaggregated revenue by source.

Note 3: Acquisitions

In April 2019, the Company completed the acquisition of certain assets of Cubic, Inc. for a cash purchase price of $2,356, net of $213 cash acquired. Transaction costs related to the purchase were a component of other production, distribution and operating costs in the Consolidated Statements of Operations and totaled $92, of which $0 and $23 were incurred in the three months ended March 31, 2020 and 2019, respectively.

The new entity Cubic Creative, Inc. ("Cubic Creative") is located in Tulsa, Oklahoma. This acquisition added creative strategy services, which complement service offerings currently available to A. H. Belo clients. The expected benefit from providing these additional services was attributed to goodwill, all of which is expected to be deductible for tax purposes.

The table below sets forth the finalized allocation of the purchase price.

		Estimated Fair Value
Working capital, net of acquired cash	$	228
Property, plant and equipment		25
Other intangible assets - customer relationships		510
Goodwill		1,593
Total	$	2,356

Operating results of the business acquired have been included in the Consolidated Statements of Operations from the acquisition date forward. Pro forma results of the Company, assuming the acquisition had occurred at the beginning of each period presented, would not be materially different from the results reported. The fair value of the assets acquired would be classified as Level III assets (unobservable inputs) in the fair value hierarchy. In the third quarter of 2019, in conjunction with the Company's organizational changes, the Company conducted an impairment review of goodwill and long-lived assets. As a result, the Company's goodwill was fully impaired in the third quarter of 2019. As of January 1, 2020, Cubic Creative's operations were fully incorporated into *The Dallas Morning News.*

Note 4: Revenue

Revenue Recognition

Revenue is recognized when obligations under the terms of a contract with our customer are satisfied. This occurs when control of the promised goods or services is transferred to our customers, in an amount that reflects the consideration we expect to be entitled to in exchange for those goods or services, typically at contract price or determined by stand-alone selling price. The Company has an estimated allowance for credits, refunds and similar obligations. Sales tax collected concurrent with revenue-producing activities are excluded from revenue.

Accounts receivable are reported net of a valuation reserve that represents an estimate of amounts considered uncollectible. The Company estimates the allowance for doubtful accounts based on historical write-off experience and the Company's knowledge of the customers' ability to pay amounts due. Accounts are written-off after all collection efforts fail; generally, after one year has expired. Expense for such uncollectible amounts is included in other production, distribution and operating costs. Credit terms are customary.

The table below sets forth revenue disaggregated by revenue source. Due to the third quarter 2019 change to a single decision-making reporting structure (see Note 2 – Segment Reporting), the Company determined that disaggregating revenue by print and digital products best aligned with the new Company structure. The 2019 amounts were recast for comparative purposes.

	Three Months Ended March 31,			
	2020		2019	
			(Recast)	
Advertising and Marketing Services				
Print advertising	$	12,799	$	15,303
Digital advertising and marketing services		6,528		8,738
Total	$	19,327	$	24,041
Circulation				
Print circulation	$	15,017	$	16,184
Digital circulation		1,397		1,089
Total	$	16,414	$	17,273
Printing, Distribution and Other	$	4,602	$	5,275
Total Revenue	**$**	**40,343**	**$**	**46,589**

Advertising and Marketing Services

Print advertising revenue represents sales of advertising space within the Company's core and niche newspapers, as well as preprinted advertisements inserted into the Company's core newspapers and niche publications or distributed to non-subscribers through the mail.

Digital advertising and marketing services revenue consists of strategic marketing management, consulting, creative services, targeted and multi-channel (programmatic) advertising placed on third-party websites, digital sales of banner, classified and native advertisements on the Company's news and entertainment-related websites and mobile apps, social media management, search optimization, direct mail and the sale of promotional materials. The Company's auto sales division offered targeted advertising to auto dealerships primarily in the North Texas region desiring to advertise their inventory on the *cars.com* platform through September 30, 2019.

Advertising and marketing services revenue is primarily recognized at a point in time when the ad or service is complete and delivered, based on the customers' contract price. Barter advertising transactions are recognized at estimated fair value based on the negotiated contract price and the range of prices for similar advertising from customers unrelated to the barter transaction. The Company expenses barter costs as incurred, which is independent from the timing of revenue recognition. In addition, certain digital advertising revenue related to website access is recognized over time, based on the customers' monthly rate. The Company typically extends credit to advertising and marketing services customers, although for certain advertising campaigns the customer may pay in advance.

For ads placed on certain third-party websites, the Company must evaluate whether it is acting as the principal, where revenue is reported on a gross basis, or acting as the agent, where revenue is reported on a net basis. Generally, the Company reports advertising revenue for ads placed on third-party websites on a net basis, meaning the amount recorded to revenue is the amount billed to the customer net of amounts paid to the publisher of the third-party website. The Company is acting as the agent because the publisher controls the advertising inventory.

Circulation

Print circulation revenue is generated primarily by selling home delivery subscriptions and from single copy sales to non-subscribers. Home delivery revenue is recognized over the subscription period based on the days of actual delivery over the total subscription days and single copy revenue is recognized at a point in time when the paper is purchased. Revenue is directly reduced for any non-payment for the grace period of home delivery subscriptions where the Company recorded revenue for newspapers delivered after a subscription expired.

Digital circulation revenue is generated by digital-only subscriptions and is recognized over the subscription period based on daily or monthly access to the content in the subscription period.

Payment of circulation fees is typically received in advance and deferred over the subscription period.

Printing, Distribution and Other

Printing, distribution and other revenue is primarily generated from printing and distribution of other newspapers, as well as production of preprinted advertisements for other newspapers. Printing, distribution and other revenue is recognized at a point in time when the product or service is delivered. The Company typically extends credit to printing and distribution customers.

Deferred Revenue

Deferred revenue is recorded when cash payments are received in advance of the Company's performance, including amounts which are refundable. The Company's primary sources of deferred revenue are from circulation subscriptions and advertising paid in advance of the service provided. These up-front payments are recorded upon receipt as contract liabilities in the Consolidated Balance Sheets and the revenue is recognized when the Company's obligations under the terms of the contract are satisfied. In the three months ended March 31, 2020, the Company recognized $6,598 of revenue that was included in the contract liabilities balance as of December 31, 2019. The Company typically recognizes deferred revenue within 1 to 12 months.

Practical Expedients and Exemptions

The Company generally expenses sales commissions and circulation acquisition costs when incurred because the amortization period would have been one year or less. These costs are recorded within employee compensation and benefits expense and other production, distribution and operating costs expense, respectively.

The Company does not disclose the value of unsatisfied performance obligations for contracts with an original expected length of one year or less and contracts for which revenue is recognized at the amount invoiced for services performed.

Note 5: Leases

Lease Accounting

The Company has various operating leases primarily for office space and other distribution centers, some of which include escalating lease payments and options to extend or terminate the lease. The Company's leases have remaining terms of less than 1 year to 14 years. The Company determines if a contract is a lease at the inception of the arrangement.

Operating lease right-of-use assets and liabilities are recognized at commencement date of lease agreements greater than one year based on the present value of lease payments over the lease term. In determining the present value of lease payments, the implicit rate was not readily determinable in the Company's lease agreements. Therefore, the Company used an estimated secured incremental borrowing rate, based on the Company's credit rating, adjusted for the weighted average term of each lease. Lease expense is recognized on a straight-line basis over the lease term and variable lease costs are expensed as incurred. For leases with terms of 12 months or less, no asset or liability is recorded and lease expense is recognized on a straight-line basis over the lease term. The exercise of lease renewal options are at the Company's sole discretion and options are recognized when it is reasonably certain the Company will exercise the option. The recognized right-of-use assets and lease liabilities as calculated do not assume renewal options. The Company does not have lease agreements with residual value guarantees, sale leaseback terms or material restrictive covenants. Additionally, the Company does not separately identify lease and nonlease components, such as maintenance costs.

The Company has a sublease with Denton Publishing Company for a remaining term of approximately three years. Additionally, the Company has various subleases with distributors, for distribution center space, with varying remaining lease terms of less than one year to two years and are cancellable with notice by either party. Sublease income is included in printing, distribution and other revenue in the Consolidated Statements of Operations. As of March 31, 2020, sublease income is expected to approximate $391 for the remainder of 2020, $314 in 2021, $223 in 2022, and $129 in 2023.

The Company recorded additional right-of-use assets and liabilities for three leases that commenced in the first quarter of 2020, with lease terms of three years. As of March 31, 2020, the Company did not have any significant operating leases that have not yet commenced.

The table below sets forth supplemental Consolidated Balance Sheet information for the Company’s leases.

	Classification	March 31, 2020	December 31, 2019
Assets			
Operating	Operating lease right-of-use assets	$ 22,483	$ 21,371
Liabilities			
Operating			
Current	Other accrued expense	$ 2,140	$ 1,579
Noncurrent	Long-term operating lease liabilities	23,694	23,120
Total lease liabilities		$ 25,834	$ 24,699
Lease Term and Discount Rate			
Operating leases			
Weighted average remaining lease term (years)		11.0	11.7
Weighted average discount rate (%)		7.3	7.5

The table below sets forth components of lease cost and supplemental cash flow information for the Company’s leases.

	Three Months Ended March 31,	
	2020	2019
Lease Cost		
Operating lease cost	$ 1,046	$ 1,038
Short-term lease cost	4	46
Variable lease cost	138	90
Sublease income	(195)	(161)
Total lease cost	$ 993	$ 1,013
Supplemental Cash Flow Information		
Cash paid for operating leases included in operating activities	$ 1,017	$ 998
Right-of-use assets obtained in exchange for operating lease liabilities	1,540	23,095

The table below sets forth the remaining maturities of the Company’s lease liabilities as of March 31, 2020.

Years Ending December 31,	Operating Leases
2020	$ 2,854
2021	4,245
2022	4,142
2023	3,272
2024	2,467
Thereafter	22,121
Total lease payments	39,101
Less: imputed interest	13,267
Total lease liabilities	$ 25,834

Note 6: Intangible Assets

In the third quarter of 2019, the Company reorganized all of its operations into a single decision-making reporting structure resulting in one reportable segment (see Note 2 – Segment Reporting). The table below sets forth intangible assets as of March 31, 2020 and December 31, 2019.

	March 31, 2020		December 31, 2019	
Intangible Assets				
Cost	$	2,030	$	2,030
Accumulated Amortization		(1,775)		(1,711)
Net Carrying Value	$	255	$	319

The intangible assets include $1,520 of developed technology with an estimated useful life of five years, fully amortized in 2019, and $510 of customer relationships with estimated useful lives of two years and net carrying value of $255. Aggregate amortization expense was $64 and $76 for the three months ended March 31, 2020 and 2019, respectively.

As of March 31, 2020, the Company performed a review of potential impairment indicators for its long-lived assets, including intangible assets, property, plant and equipment, and right-of-use assets. Although the Company's near-term operating results may be negatively impacted as a result of the COVID-19 pandemic, its overall financial forecasts have not had a material change that would indicate the Company's carrying value of an asset group may not be recoverable. However, the full impact of COVID-19 is not yet known and is rapidly evolving. The Company's future assessment of its financial forecast could be negatively impacted, resulting in future impairment indicators of its long-lived assets.

Note 7: Related Party Transactions

In 2017, the Company extended a term note to eSite Analytics, Inc. ("eSite") of $750. The note had a term of three years, matured February 8, 2020, and incurred interest at a rate of 5.5 percent. The note provided for quarterly interest and principal payments of approximately $60. In March 2019, the Company extended a line of credit of $200 to eSite. In November 2019, the $200 line of credit was rolled into the term note and the note was extended until September 30, 2022. As of December 31, 2019, the note receivable was $573. In addition, the Company owns shares of eSite. On February 13, 2020, eSite paid off their loan, including interest. The Company no longer accounts for its investment in eSite under the equity method of accounting, as the Company no longer has influence in eSite operations.

Note 8: Income Taxes

The Company calculated the income tax benefit for the 2020 and 2019 interim periods using an estimated annual effective tax rate based on its expected annual income (loss) before income taxes, adjusted for permanent differences, which it applied to the year-to-date loss before income taxes and specific events that are discretely recognized as they occur.

The Company recognized income tax benefit of $1,787 and $964 for the three months ended March 31, 2020 and 2019, respectively. Effective income tax rates were 52.4 percent and 31.1 percent for the three months ended March 31, 2020 and 2019, respectively. The income tax benefit for the three months ended March 31, 2020, was due to the recognition of the 2018 net operating loss carryback permitted by the Coronavirus Aid, Relief, and Economic Security Act (the "CARES Act"), partially offset by the effect of the Texas margin tax. The income tax benefit for the three months ended March 31, 2019, was due to additional losses generated from operations and an increase in the deferred tax asset, partially offset by the effect of the Texas margin tax.

In response to COVID-19, the CARES Act was signed into law on March 27, 2020. The CARES Act provides numerous tax provisions and other stimulus measures, including temporary changes regarding the prior and future utilization of net operating losses, temporary changes to the prior and future limitations on interest deductions, temporary suspension of certain payment requirements for the employer portion of Social Security taxes, technical corrections from prior tax legislation for tax depreciation of certain qualified improvement property, and the creation of certain refundable employee retention credits. The Company will benefit from the temporary five-year net operating loss carryback provision and the technical correction for qualified leasehold improvements, which changes 39-year property to 15-year property, eligible for 100 percent tax bonus depreciation. Applying the technical correction to 2018 has resulted in reporting additional tax depreciation of $1,017 and increased the 2018 net operating loss to approximately $6,829. The loss will be carried back against 2014 taxes paid at the federal statutory rate of 35 percent that was previously in effect, resulting in an estimated cash refund of $2,345, recorded in prepaids and other current assets in the Consolidated Balance Sheet as of March 31, 2020.

Note 9: Pension and Other Retirement Plans

Defined Benefit Plans. The Company sponsors the A. H. Belo Pension Plans (the "Pension Plans"), which provide benefits to approximately 1,400 current and former employees of the Company. A. H. Belo Pension Plan I provides benefits to certain current and former employees primarily employed with *The Dallas Morning News* or the A. H. Belo corporate offices. A. H. Belo Pension Plan II provides benefits to certain former employees of The Providence Journal Company. This obligation was retained by the Company upon the sale of the newspaper operations of *The Providence Journal*. No additional benefits are accruing under the A. H. Belo Pension Plans, as future benefits were frozen.

No contributions are required to the A. H. Belo Pension Plans in 2020 under the applicable tax and labor laws governing pension plan funding.

Net Periodic Pension Benefit

The Company's estimates of net periodic pension expense or benefit are based on the expected return on plan assets, interest on the projected benefit obligations and the amortization of actuarial gains and losses that are deferred in accumulated other comprehensive loss. Participation in and accrual of new benefits to participants has been frozen since 2007 and, accordingly, on-going service costs are not a component of net periodic pension expense (benefit).

The table below sets forth components of net periodic pension benefit, which are included in other income, net in the Consolidated Statements of Operations.

	Three Months Ended March 31,	
	2020	*2019*
Interest cost	$ 1,559	$ 1,974
Expected return on plans' assets	(2,941)	(2,867)
Amortization of actuarial loss	220	70
Net periodic pension benefit	$ (1,162)	$ (823)

Defined Contribution Plans. The A. H. Belo Savings Plan (the "Savings Plan"), a defined contribution 401(k) plan, covers substantially all employees of A. H. Belo. Participants may elect to contribute a portion of their pretax compensation as provided by the Savings Plan and the Internal Revenue Code. Employees can contribute up to 100 percent of their annual eligible compensation less required withholdings and deductions up to statutory limits. The Company provides an ongoing dollar-for-dollar match of eligible employee contributions, up to 1.5 percent of the employees' compensation. During the three months ended March 31, 2020 and 2019, the Company recorded expense of $220 and $213, respectively, for matching contributions to the Savings Plan.

Note 10: Shareholders' Equity

Dividends. On March 5, 2020, the Company's board of directors declared an $0.08 per share dividend to shareholders of record as of the close of business on May 15, 2020, which is payable on June 5, 2020.

Treasury Stock. In 2019, the Company repurchased shares of its common stock pursuant to a publicly announced share repurchase program authorized by the Company's board of directors. The agreement to repurchase the Company's stock expired in the fourth quarter of 2019 and was not renewed.

Outstanding Shares. The Company had Series A and Series B common stock outstanding of 18,941,340 and 2,469,083, respectively, net of treasury shares at March 31, 2020. At December 31, 2019, the Company had Series A and Series B common stock outstanding of 18,941,115 and 2,469,308, respectively, net of treasury shares.

Accumulated other comprehensive loss. Accumulated other comprehensive loss consists of actuarial gains and losses attributable to the A. H. Belo Pension Plans, gains and losses resulting from Pension Plans' amendments and other actuarial experience attributable to other post-employment benefit ("OPEB") plans. The Company records amortization of the components of accumulated other comprehensive loss in other income, net in its Consolidated Statements of Operations. Gains and losses are amortized over the weighted average remaining life expectancy of the OPEB plans and Pension Plans' participants.

The table below set forth the changes in accumulated other comprehensive loss, net of tax, as presented in the Company's consolidated financial statements.

	Three Months Ended March 31,					
	2020			*2019*		
	Total	**Defined benefit pension plans**	**Other post-employment benefit plans**	**Total**	**Defined benefit pension plans**	**Other post-employment benefit plans**
Balance, beginning of period	$ (32,294)	$ (32,443)	$ 149	$ (37,641)	$ (38,003)	$ 362
Amortization	219	220	(1)	63	70	(7)
Balance, end of period	$ (32,075)	$ (32,223)	$ 148	$ (37,578)	$ (37,933)	$ 355

Note 11: Earnings Per Share

The table below sets forth the net loss available to common shareholders and weighted average shares used for calculating basic and diluted earnings per share ("EPS"). The Company's Series A and Series B common stock equally share in the distributed and undistributed earnings.

	Three Months Ended March 31,	
	2020	*2019*
Earnings (Numerator)		
Net loss available to common shareholders	$ (1,621)	$ (2,135)
Shares (Denominator)		
Weighted average common shares outstanding (basic and diluted)	21,410,423	21,594,262
Loss Per Share		
Basic and diluted	$ (0.08)	$ (0.10)

There were no options or RSUs outstanding as of March 31, 2020 and 2019, that would result in dilution of shares or the calculation of EPS under the two-class method as prescribed under ASC 260 – *Earnings Per Share*.

Note 12: Contingencies

Legal proceedings. From time to time, the Company is involved in a variety of claims, lawsuits and other disputes arising in the ordinary course of business. Management routinely assesses the likelihood of adverse judgments or outcomes in these matters, as well as the ranges of probable losses to the extent losses are reasonably estimable. Accruals for contingencies are recorded when, in the judgment of management, adverse judgments or outcomes are probable and the financial impact, should an adverse outcome occur, is reasonably estimable. The determination of likely outcomes of litigation matters relates to factors that include, but are not limited to, past experience and other evidence, interpretation of relevant laws or regulations and the specifics and status of each matter. Predicting the outcome of claims and litigation and estimating related costs and financial exposure involves substantial uncertainties that could cause actual results to vary materially from estimates and accruals. In the opinion of management, liabilities, if any, arising from other currently existing claims against the Company would not have a material adverse effect on A. H. Belo's results of operations, liquidity or financial condition.

Note 13: Disposal of Assets

In May 2019, the Company finalized a Purchase and Sale Agreement with Charter DMN Holdings, LP (the "Purchaser") for the sale of the real estate assets in downtown Dallas, Texas, previously used as the Company's headquarters for a sale price of $28,000. The sale price consisted of $4,597 cash received, after selling costs of approximately $1,000, and a two-year seller-financed promissory note (the "Promissory Note") of $22,400, included in long-term note receivable in the Consolidated Balance Sheets. The sale provides the Company an additional $1,000 contingency payment if certain conditions are met; however, at this time the Company does not believe these conditions are probable. In the second quarter of 2019, the Company recorded a pretax gain of $25,908. Due to the offset by existing net operating loss carryforwards, the Company did not record any current tax expense related to the sale transaction.

The Promissory Note is secured by a first lien deed of trust covering the property and bears interest payable in quarterly installments that began on July 1, 2019, continuing through its maturity on June 30, 2021, and includes a pre-payment feature. Interest will be accrued at 3.5 percent during the first year and at 4.5 percent during the second year. See Note 14 – Subsequent Events for additional information on deferring the April 1, 2020 interest payment. The Company has considered the request to defer an interest payment by the Purchaser on the collectibility of the note and management does not believe that as of March 31, 2020, the Promissory Note is impaired. Management continues to monitor the credit worthiness of the Purchaser and the value of the underlying collateral given current economic conditions.

Notes receivable are recorded net of an allowance for doubtful accounts. Interest income is accrued on the unpaid principal balance, included in other income, net in the Consolidated Statements of Operations. The Company puts notes receivable on non-accrual status and provides an allowance against accrued interest if it is determined the likelihood of collecting substantially all of the note and accrued interest is not probable. Notes are written-off against the allowance when all possible means of collection have been exhausted and the potential for recovery is considered remote.

Note 14: Subsequent Events

The Company evaluates subsequent events at the date of the consolidated balance sheet as well as conditions that arise after the balance sheet date but before the consolidated financial statements are issued. To the extent any events and conditions exist, disclosures are made regarding the nature of events and the estimated financial effects for those events and conditions.

Currently, the rapid spread of COVID-19 globally has resulted in increased travel restrictions, and disruption and shutdown of businesses. Media has been designated an essential business, therefore the Company's operations are continuing. The Company is experiencing an increase in digital subscriptions, which currently does not offset the loss of advertising revenue. On April 6, 2020, the Company announced that it is taking several actions in response to the financial impact of COVID-19. The Company will reduce operating and capital expenditures, and lower the quarterly dividend rate to $0.04 per share for future dividends declared. In addition, employees' base compensation will be reduced Company-wide, and the annual bonus tied to financial metrics for eligible employees may be reduced if financial results are adversely affected. Beginning with the 2020 annual meeting of shareholders, the board of directors' compensation will be reduced and the board will be reduced in size by two. The Company continues to evaluate the future material impacts on its consolidated financial statements that may result from the actions taken by the Company and its customers in respect of this virus.

The Purchaser of the Company's former headquarters requested, and on April 3, 2020, the Company entered into a board-approved amendment to the Promissory Note deferring the Purchaser's interest payment of $195 that was due April 1, 2020, and adding it to a second promissory note (the "Second Promissory Note"). In addition, the Second Promissory Note includes a 2019 real property tax reconciliation payment due from the Purchaser under the Purchase and Sale Agreement in the amount of $180. The Second Promissory Note, in the principal amount of $375, is secured by a second lien deed of trust covering the property and due June 30, 2021.

On June 2, 2020, the Company's board of directors declared a $0.04 per share dividend to shareholders of record as of the close of business on August 14, 2020, which is payable on September 4, 2020.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

A. H. Belo intends for the discussion of its financial condition and results of operations that follows to provide information that will assist in understanding its financial statements, the changes in certain key items in those statements from period to period, and the primary factors that accounted for those changes, as well as how certain accounting principles, policies and estimates affect its financial statements. The following information should be read in conjunction with the Company's consolidated financial statements and related notes filed as part of this report. All dollar amounts presented herein, except share and per share amounts, are in thousands, unless the context indicates otherwise.

This section and other parts of this Quarterly Report on Form 10-Q contain certain forward-looking statements. Forward-looking statements are subject to risks, uncertainties and other factors that could cause actual results to differ materially from those statements. See *Forward-Looking Statements* and risk factors disclosed under the heading "Risk Factors" in Item 1A in the Annual Report on Form 10-K for the year ended December 31, 2019.

OVERVIEW

A. H. Belo, headquartered in Dallas, Texas, is the leading local news and information publishing company in Texas. The Company has commercial printing, distribution and direct mail capabilities, as well as a presence in emerging media and digital marketing. While focusing on extending the Company's media platforms, A. H. Belo delivers news and information in innovative ways to a broad range of audiences with diverse interests and lifestyles. The Company publishes *The Dallas Morning News* (*www.dallasnews.com*), Texas' leading newspaper and winner of nine Pulitzer Prizes, and various niche publications targeting specific audiences. Its newspaper operations also provide commercial printing and distribution services to several large national newspapers. In addition, the Company has the capabilities of a full-service strategy, creative and media agency that focuses on strategic and digital marketing, and data intelligence that provide a measurable return on investment to its clients.

In the third quarter of 2019, in conjunction with a strategic change to move to a single decision-making reporting structure and based on how the Company's chief operating decision-maker makes decisions about allocating resources and assessing performance, the Company determined it has one reportable segment. With this reorganization, the Company has focused on enhancing its capabilities to provide customers with strategic, creative and media marketing solutions.

Currently, the rapid spread of coronavirus (COVID-19) globally has resulted in increased travel restrictions, and disruption and shutdown of businesses. The Company has experienced, and may continue to experience, impacts from quarantines, market downturns and changes in customer behavior related to the pandemic and impacts on its workforce if the spread of the virus widens and becomes of longer duration. Media has been designated an essential business, therefore the Company's operations are continuing. While digital subscriptions grew in the first quarter of 2020, the Company began to experience decreased demand for its print and digital advertising. As a result, the Company is implementing measures to reduce costs and preserve cash flow. These measures include reduction in the quarterly dividend rate, decreases in employee compensation, as well as reductions in discretionary spending. In addition, the Company will benefit from the Coronavirus Aid, Relief, and Economic Security Act (the "CARES Act"). However, these measures may not be sufficient to fully offset the impact of the COVID-19 pandemic on the Company's business and, as such, the Company's results of operations may be negatively impacted.

The full impact of COVID-19 is not yet known and is rapidly evolving. The outbreak and any preventative or protective actions that the Company has taken and may continue to take, or may be imposed on the Company by governmental intervention, in respect of this virus may result in a period of disruption to the Company's financial reporting capabilities, its printing operations, and its operations generally. COVID-19 is impacting, and may continue to impact, the Company's customers, distribution partners, advertisers, production facilities, and third parties, and could result in a loss of advertising revenue or supply chain disruption.

As of March 31, 2020, the Company performed a review of potential impairment indicators for its long-lived assets, including intangible assets, property, plant and equipment, and right-of-use assets. Although the Company's near-term operating results may be negatively impacted as a result of the COVID-19 pandemic, its overall financial forecasts have not had a material change that would indicate the Company's carrying value of an asset group may not be recoverable. However, the full impact of COVID-19 is not yet known and is rapidly evolving. The Company's future assessment of its financial forecast could be negatively impacted, resulting in future impairment indicators of its long-lived assets.

Table of Contents

RESULTS OF OPERATIONS

Consolidated Results of Operations (unaudited)

This section contains discussion and analysis of net operating revenue, expense and other information relevant to an understanding of results of operations for the three months ended March 31, 2020 and 2019. In the third quarter of 2019, in conjunction with the Company's organizational changes, the Company determined it has one reportable segment (see Note 2 – Segment Reporting). The Company determined that disaggregating revenue by print and digital products best aligned with the new Company structure. The 2019 amounts were recast for comparative purposes.

The table below sets forth the components of A. H. Belo's operating loss.

	Three Months Ended March 31,		
	2020	*Percentage Change*	*2019*
			(Recast)
Advertising and marketing services	$ 19,327	(19.6) %	$ 24,041
Circulation	16,414	(5.0) %	17,273
Printing, distribution and other	4,602	(12.8) %	5,275
Total Net Operating Revenue	40,343	(13.4) %	46,589
Total Operating Costs and Expense	45,103	(10.7) %	50,517
Operating Loss	**$ (4,760)**	(21.2) %	**$ (3,928)**

Traditionally, the Company's primary revenues are generated from advertising within its core newspapers, niche publications and related websites and from subscription and single copy sales of its printed newspapers. As a result of competitive and economic conditions, the newspaper industry has faced a significant revenue decline over the past decade. Therefore, the Company has sought to diversify its revenues through development and investment in new product offerings, increased circulation rates and leveraging of its existing assets to offer cost efficient commercial printing and distribution services to its local markets. The Company continually evaluates the overall performance of its core products to ensure existing assets are deployed adequately to maximize return.

The Company's advertising revenue from its core newspapers continues to be adversely affected by the shift of advertiser spending to other forms of media and the increased accessibility of free online news content, as well as news content from other sources, which resulted in declines in advertising and paid print circulation volumes and revenue. Decreases in print display and classified categories are indicative of continuing trends by advertisers towards digital platforms, which are widely available from many sources. In the current environment, companies are allocating more of their advertising spending towards programmatic channels that provide digital advertising on multiple platforms with enhanced technology for targeted delivery and measurement. In addition, the Company did experience some temporary decline resulting from the COVID-19 pandemic late in the first quarter.

In response to the decline in print revenue, the Company has developed agency and digital advertising capabilities through multiple media channels. The Company leverages its news content to improve engagement on the Company's digital platforms that results in increased digital subscriptions and associated revenue. The Company also continues to diversify its revenue base by leveraging the available capacity of its existing assets to provide print and distribution services for newspapers and other customers requiring these services, by introducing new advertising and marketing services products, and by increasing circulation prices.

Because of declining print circulation, the Company has developed broad digital strategies designed to provide readers with multiple platforms for obtaining online access to local news. The Company redesigned and expanded its website platforms and mobile applications in 2019 to provide a better customer experience with its digital news and information content. The Company continues to obtain additional key demographic data from readers, which allows the Company to provide content desired by readers and to modify marketing and distribution strategies to target and reach audiences valued by advertisers. The Company has implemented a programmatic digital advertising platform that provides digital ad placement and targeting efficiencies and increases utilization of digital inventory within the Company's websites and external websites.

Advertising and marketing services revenue

Advertising and marketing services revenue was 47.9 percent and 51.6 percent of total revenue for the three months ended March 31, 2020 and 2019, respectively.

	Three Months Ended March 31,		
	2020	*Percentage Change*	*2019*
			(Recast)
Print advertising	$ 12,799	(16.4) %	$ 15,303
Digital advertising and marketing services	6,528	(25.3) %	8,738
Advertising and Marketing Services	**$ 19,327**	**(19.6) %**	**$ 24,041**

Print advertising

Print advertising is comprised of display, classified and preprint advertising revenue.

Display and classified print revenue primarily represents sales of advertising space within the Company's core and niche newspapers. As advertisers continue to diversify marketing budgets to incorporate more and varied avenues of reaching consumers, traditional display and classified advertising continues to decline. Display and classified print revenue decreased $2,200 in the three months ended March 31, 2020, primarily due a revenue decline in all advertising categories, with the largest declines in the retail categories. In addition to the general trends adversely impacting the publishing industry, the Company did experience some unfavorable impacts resulting from the COVID-19 pandemic in the latter part of the first quarter of 2020.

Preprint revenue primarily reflects preprinted advertisements inserted into the Company's core newspapers and niche publications, or distributed to non-subscribers through the mail. Revenue decreased $304 in the three months ended March 31, 2020, due to a volume decline in preprint newspaper inserts, consistent with the decline in circulation volumes discussed below.

Digital advertising and marketing services

Digital advertising and marketing services revenue consists of strategic marketing management, consulting, creative services, targeted and multi-channel (programmatic) advertising placed on third-party websites, digital sales of banner, classified and native advertisements on the Company's news and entertainment-related websites and mobile apps, social media management, search optimization, direct mail and the sale of promotional materials. The Company's auto sales division offered targeted advertising to auto dealerships primarily in the North Texas region desiring to advertise their inventory on the *cars.com* platform through September 30, 2019. Revenue decreased $2,210 in the three months ended March 31, 2020, primarily due to the *cars.com* agreement ending.

Circulation revenue

Circulation revenue was 40.7 percent and 37.1 percent of total revenue for the three months ended March 31, 2020 and 2019, respectively.

	Three Months Ended March 31,		
	2020	*Percentage Change*	*2019*
			(Recast)
Print circulation	$ 15,017	(7.2) %	$ 16,184
Digital circulation	1,397	28.3 %	1,089
Circulation	**$ 16,414**	**(5.0) %**	**$ 17,273**

Print circulation

Revenue decreased primarily due to a decline in home delivery revenue, driven by a volume decline of 28.4 percent for the three months ended March 31, 2020. The volume declines were partially offset by rate increases. Single copy revenue also decreased compared to prior year, due to single copy paid print circulation volume declines of 17.7 percent for the three months ended March 31, 2020.

Digital circulation

Revenue increased in the three months ended March 31, 2020, due to an increase in digital-only subscriptions of 32.7 percent when compared to March 31, 2019, primarily resulting from increased interest in news related to the COVID-19 pandemic.

Printing, distribution and other revenue

Printing, distribution and other revenue was 11.4 percent and 11.3 percent of total revenue for the three months ended March 31, 2020 and 2019, respectively.

	Three Months Ended March 31,		
	2020	Percentage Change	2019
Printing, Distribution and Other	**$ 4,602**	**(12.8) %**	**$ 5,275**

Revenue decreased in the three months ended March 31, 2020, primarily due to the Company eliminating its brokered printing business, in the first quarter of 2019, in which it provided services direct to small business clients. Additionally, the Company reduced the number of local and national commercial print customers it serves from more than 30 to 5. This strategic decision to streamline operations was implemented to improve operating income. The decrease was partially offset by an increase in shared mail packaging revenue generated from the Company providing mailed advertisements for business customers.

Operating Costs and Expense

The table below sets forth the components of the Company's operating costs and expense.

	Three Months Ended March 31,		
	2020	Percentage Change	2019
			(Recast)
Employee compensation and benefits	$ 19,016	(10.0) %	$ 21,124
Other production, distribution and operating costs	20,992	(5.4) %	22,184
Newsprint, ink and other supplies	3,271	(31.1) %	4,747
Depreciation	1,765	(26.0) %	2,386
Amortization	64	(15.8) %	76
Gain on sale/disposal of assets, net	(5)	N/A	—
Total Operating Costs and Expense	**$ 45,103**	**(10.7) %**	**$ 50,517**

Employee compensation and benefits – The Company continues to implement measures to optimize its workforce and evaluate strategies to reduce risk associated with future obligations for employee benefit plans. Employee compensation and benefits decreased $2,108 in the three months ended March 31, 2020, primarily due to headcount reductions of 130. Expense will continue to decrease as a result of the Company reducing employees' compensation, including variable compensation related to bonuses, starting in the second quarter of 2020 in order to mitigate the financial impact of COVID-19.

Other production, distribution and operating costs – Expense decreased $1,192 in three months ended March 31, 2020, primarily due to management of discretionary spending, which will continue as a result of measures the Company is taking in response to COVID-19.

Newsprint, ink and other supplies – Expense decreased $1,476 in the three months ended March 31, 2020, due to competitive pricing available through the Paper Supply Agreement with Gannett Supply Corporation, reduced newsprint costs associated with lower circulation volumes and the elimination of brokered printing for small business clients. Newsprint consumption for the three months ended March 31, 2020 and 2019, approximated 2,571 and 3,806 metric tons, respectively.

Depreciation – Expense decreased due to a lower depreciable asset base as a higher level of in-service assets are now fully depreciated and the Company has reduced capital spending.

Amortization – Expense decreased due to an intangible asset being fully amortized in 2019, and the only remaining intangible asset is comprised of customer relationships.

Gain on sale/disposal of assets, net – Includes the gain or loss from the sale or disposal of assets. From time to time, the Company will sell disposed assets, primarily production related assets that are no longer in use.

Other

The table below sets forth the other components of the Company's results of operations.

	Three Months Ended March 31,		
	2020	Percentage Change	2019
Other income, net	$ 1,352	63.1 %	$ 829
Income tax benefit	$ (1,787)	(85.4)%	$ (964)

Other income, net – Other income, net is primarily comprised of net periodic pension and other post-employment benefit of $1,154 and $818 for the three months ended March 31, 2020 and 2019, respectively. Gain (loss) from investments and interest income (expense) are also included in other income, net.

Income tax benefit – The Company recognized income tax benefit of $1,787 and $964 for the three months ended March 31, 2020 and 2019, respectively. Effective income tax rates were 52.4 percent and 31.1 percent for the three months ended March 31, 2020 and 2019, respectively. The income tax benefit for the three months ended March 31, 2020, was due to the recognition of the 2018 net operating loss carryback permitted by the CARES Act, partially offset by the effect of the Texas margin tax. The income tax benefit for the three months ended March 31, 2019, was due to additional losses generated from operations and an increase in the deferred tax asset, partially offset by the effect of the Texas margin tax.

Legal proceedings – From time to time, the Company is involved in a variety of claims, lawsuits and other disputes arising in the ordinary course of business. Management routinely assesses the likelihood of adverse judgments or outcomes in these matters, as well as the ranges of probable losses to the extent losses are reasonably estimable. Accruals for contingencies are recorded when, in the judgment of management, adverse judgments or outcomes are probable and the financial impact, should an adverse outcome occur, is reasonably estimable. The determination of likely outcomes of litigation matters relates to factors that include, but are not limited to, past experience and other evidence, interpretation of relevant laws or regulations and the specifics and status of each matter. Predicting the outcome of claims and litigation and estimating related costs and financial exposure involves substantial uncertainties that could cause actual results to vary materially from estimates and accruals. In the opinion of management, liabilities, if any, arising from other currently existing claims against the Company would not have a material adverse effect on A. H. Belo's results of operations, liquidity or financial condition.

Liquidity and Capital Resources

The Company's cash balances as of March 31, 2020 and December 31, 2019, were $43,934 and $48,626, respectively.

The Company intends to hold the majority of existing cash for purposes of future investment opportunities, potential return of capital to shareholders and for contingency purposes. Although revenue is expected to continue to decline in future periods, cash on hand, cash flows, relief from the CARES Act, and other cost cutting measures, including the actions in response to the financial impact of COVID-19 described below, are expected to be sufficient to fund operating activities and capital spending of less than $1,000 over the remainder of the year.

The future approval of dividends is dependent upon available cash after considering future operating and investing requirements and cannot be guaranteed. The Company continues to have a board-authorized repurchase authority. However, the agreement to repurchase the Company's stock expired in the fourth quarter of 2019 and was not renewed. Current holdings of treasury stock can be sold on the open market.

As a result of the recent COVID-19 outbreak that began in January 2020, the Company is experiencing an increase in digital subscriptions, which currently does not offset the loss of advertising revenue. On April 6, 2020, the Company announced that it is taking several actions to reduce cash outflow in response to the financial impact of COVID-19. The Company will reduce operating expenses, reduce capital expenditures to less than $1,000 in 2020, and lower the quarterly dividend rate to $0.04 per share for future dividends declared. In addition, employees' base compensation will be reduced Company-wide, and the annual bonus tied to financial metrics for eligible employees may be reduced if financial results are adversely affected. Beginning with the 2020 annual meeting of shareholders, the board of directors' compensation will be reduced and the board will be reduced in size by two.

In response to COVID-19, the CARES Act was signed into law on March 27, 2020. The CARES Act provides numerous tax provisions and other stimulus measures. The Company will benefit from the temporary five-year net operating loss carryback provision and the technical correction for qualified leasehold improvements, which changes 39-year property to 15-year property, eligible for 100 percent tax bonus depreciation. Applying the technical correction to 2018 has resulted in reporting additional tax depreciation of $1,017 and increased the 2018 net operating loss to approximately $6,829. The loss will be carried back against 2014 taxes paid at the federal statutory rate of 35 percent that was previously in effect, resulting in an estimated cash refund of $2,345, recorded in prepaids and other current assets in the Consolidated Balance Sheet as of March 31, 2020.

As a direct result of COVID-19 uncertainties, on April 3, 2020, the Company entered into a board-approved amendment to the two-year seller-financed promissory note of $22,400, for the sale of the real estate assets previously used as the Company's headquarters. The second promissory note, in the principal amount of $375, includes a deferred interest payment of $195 that was due April 1, 2020, and a 2019 real property tax reconciliation payment due from the Purchaser. While it is anticipated that future interest payments will be made on a timely basis there is not a guarantee.

The Company continues to evaluate the future material impacts on its consolidated financial statements that may result from the actions taken by the Company and its customers in respect of this virus.

The following discusses the changes in cash flows by operating, investing and financing activities.

Operating Cash Flows

Net cash used for operating activities for the three months ended March 31, 2020 and 2019, was $2,594 and $2,766, respectively. Cash flows used for operating activities decreased by $172 during the three months ended March 31, 2020, when compared to the prior year period, primarily due to changes in working capital and other operating assets and liabilities.

Investing Cash Flows

Net cash used for investing activities was $385 and $180 for the three months ended March 31, 2020 and 2019, respectively. Cash flows used for investing activities increased due to capital expenditures related to 2019 obligations; however, the Company has reduced its capital spending plan for 2020 in response to the financial impact of COVID-19 as discussed above.

Financing Cash Flows

Net cash used for financing activities was $1,713 and $2,066 for the three months ended March 31, 2020 and 2019, respectively. Cash used for financing activities included dividend payments of $1,713 and $1,726 in 2020 and 2019, respectively. Additionally, in 2019, the Company purchased 83,529 shares of its Series A common stock at a cost of $340 under its board-authorized repurchase authority.

Financing Arrangements

None.

Contractual Obligations

The Company has contractual obligations for operating leases, primarily for office space and other distribution centers, some of which include escalating lease payments. See Note 5 – Leases for future lease payments by year.

Under the applicable tax and labor laws governing pension plan funding, no contributions to the A. H. Belo Pension Plans are required in 2020.

On March 5, 2020, the Company's board of directors declared an $0.08 per share dividend to shareholders of record as of the close of business on May 15, 2020, which is payable on June 5, 2020. On June 2, 2020, the Company's board of directors declared a $0.04 per share dividend to shareholders of record as of the close of business on August 14, 2020, which is payable on September 4, 2020.

Additional information related to the Company's contractual obligations is available in Company's Annual Report on Form 10-K for the year ended December 31, 2019, filed on May 8, 2020, with the Securities and Exchange Commission ("SEC").

Critical Accounting Policies and Estimates

No material changes were made to the Company's critical accounting policies as set forth in "Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations", included in the Company's Annual Report on Form 10-K filed with the SEC for the year ended December 31, 2019.

Forward-Looking Statements

Statements in this communication concerning A. H. Belo Corporation's business outlook or future economic performance, revenues, expenses, and other financial and non-financial items that are not historical facts are "forward-looking statements" as the term is defined under applicable federal securities laws. Forward-looking statements are subject to risks, uncertainties and other factors that could cause actual results to differ materially from those statements. Such risks, trends and uncertainties are, in most instances, beyond the Company's control, and include the current and future impacts of the COVID-19 virus outbreak on the Company's financial reporting capabilities and its operations generally and the potential impact of such virus on the Company's customers, distribution partners, advertisers, production facilities, and third parties, as well as changes in advertising demand and other economic conditions; consumers' tastes; newsprint prices; program costs; labor relations; cybersecurity incidents; technology obsolescence; as well as other risks described in the Company's Annual Report on Form 10-K and in the Company's other public disclosures and filings with the Securities and Exchange Commission. Among other risks, there can be no guarantee that the board of directors will approve a quarterly dividend in future quarters. Forward-looking statements, which are as of the date of this filing, are not updated to reflect events or circumstances after the date of the statement.

Item 3. Quantitative and Qualitative Disclosures about Market Risk

There were no material changes in A. H. Belo Corporation's exposure to market risk from the disclosure included in the Annual Report on Form 10-K for the year ended December 31, 2019.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

Disclosure controls and procedures, as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act, are controls that are designed to ensure that information required to be disclosed by the Company in reports filed or submitted under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms, and that such information is accumulated and communicated to management, including the Company's Chief Executive Officer and Principal Financial Officer, as appropriate, to allow timely decisions regarding required disclosure. In designing disclosure controls and procedures, management is required to apply its judgment in evaluating the cost-benefit relationship of possible disclosure controls and procedures. The design of any disclosure controls and procedures is also based, in part, upon certain assumptions about the likelihood of future events and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions.

The Company's management, with the participation of its Chief Executive Officer and Principal Financial Officer, evaluated the effectiveness of the design and operation of its disclosure controls and procedures as of the end of the period covered by this report. Based on the evaluation, management concluded that as of the end of the period covered by this report, due to material weaknesses in internal control over financial reporting described in Management's Report on Internal Control Over Financial Reporting in the Company's Annual Report on Form 10-K for the year ended December 31, 2019 (the "Management's Report on Internal Controls"), the Company's disclosure controls and procedures were not effective.

Notwithstanding the material weaknesses, management believes the consolidated financial statements included in this Quarterly Report on Form 10-Q present fairly, in all material respects, the Company's financial condition, results of operations and cash flows at and for the periods presented in accordance with U.S. generally accepted accounting principles.

Management's Report on Internal Control Over Financial Reporting

The Company's management, with oversight from the Audit Committee of the Board of Directors of the Company, is actively engaged in remediation efforts to address the material weaknesses identified in the Management's Report on Internal Controls. As of the date of filing this Form 10-Q, management is in the process of evaluating alternatives for modifying the design of certain ineffective controls and to ensure the operating effectiveness. Management intends to continue these efforts to remediate the 2019 material weaknesses including the following:

- Modify certain process-level controls over the accuracy and occurrence of revenue.
- Review the design of all process-level revenue controls and improve, as needed.
- In its efforts to remediate the 2018 material weaknesses, the Company enhanced training provided to all personnel who have financial reporting or internal control responsibilities. The training included a review of individual roles and responsibilities related to internal controls, improvements in oversight responsibilities and reemphasized the importance of completing the control procedures. However, in light of the material weaknesses identified for 2019 noted above, the Company concluded that these efforts were not effective and will continue to increase training in conjunction with reviewing the design and operating effectiveness of all revenue controls.

These improvements are targeted at strengthening the Company's internal control over financial reporting and remediating the 2019 material weaknesses. The Company remains committed to an effective internal control environment and management believes that these actions and the improvements management expects to achieve as a result, will effectively remediate the 2019 material weaknesses. However, the material weaknesses in the Company's internal control over financial reporting will not be considered remediated until the controls operate for a sufficient period of time and management has concluded, through testing, that these controls operate effectively.

Changes in Internal Control Over Financial Reporting

Except as related to the mitigation activities associated with the material weaknesses described above, there have been no changes in the Company's internal control over financial reporting identified in connection with the evaluation required by Rules 13a-15(d) and 15d-15(d) of the Exchange Act that occurred during the first fiscal quarter ended March 31, 2020, that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II

Item 1. Legal Proceedings

A number of legal proceedings are pending against A. H. Belo. In the opinion of management, liabilities, if any, arising from these legal proceedings would not have a material adverse effect on A. H. Belo's results of operations, liquidity or financial condition.

Item 1A. Risk Factors

There were no material changes from the risk factors disclosed under the heading "Risk Factors" in Item 1A in the Annual Report on Form 10-K for the year ended December 31, 2019.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

There were no unregistered sales of the Company's equity securities during the period covered by this report.

Issuer Purchases of Equity Securities

The Company continues to have a board-authorized repurchase authority. However, the agreement to repurchase the Company's stock expired in the fourth quarter of 2019 and was not renewed.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures

None.

Item 5. Other Information

None.

Item 6. Exhibits

Exhibits marked with an asterisk (*) are incorporated by reference to documents previously filed by the Company with the SEC, as indicated. In accordance with Regulation S-T, the XBRL-related information marked with a double asterisk (**) in Exhibit No. 101 to this Quarterly Report on Form 10-Q is deemed filed. All other documents are filed with this report. Exhibits marked with a tilde (~) are management contracts, compensatory plan contracts or arrangements filed pursuant to Item 601(b)(10)(iii)(A) of Regulation S-K.

Exhibit Number		Description
2.1	*	Agreement and Plan of Merger dated April 23, 2018 by and between A. H. Belo Corporation and A. H. Belo Texas, Inc. (Exhibit 2.1 to the Company's Current Report on Form 8-K filed with the Securities and Exchange Commission on April 23, 2018 (Securities and Exchange Commission File No. 001-33741) (the "April 23, 2018 Form 8-K"))
3.1	*	Certificate of Formation of A. H. Belo Corporation (successor to A. H. Belo Texas, Inc.)(Exhibit 3.1 to the April 23, 2018 Form 8-K)
3.2	*	Certificate of Merger (Delaware) of A. H. Belo Corporation with and into A. H. Belo Texas, Inc. (Exhibit 3.3 to the Company's Current Report on Form 8-K filed with the Securities and Exchange Commission on July 2, 2018 (Securities and Exchange Commission File No. 001-33741) (the "July 2, 2018 Form 8-K"))
3.3	*	Certificate of Merger (Texas) of A. H. Belo Corporation with and into A. H. Belo Texas, Inc. (Exhibit 3.4 to the July 2, 2018 Form 8-K)
3.4	*	Bylaws of A. H. Belo Corporation (successor to A. H. Belo Texas, Inc.) (Exhibit 3.2 to the April 23, 2018 Form 8-K)
		(1) *Amendment No. 1 to the Amended and Restated Bylaws of A. H. Belo Corporation (Exhibit 3.1 to the Company's Current Report on Form 8-K filed with the Securities and Exchange Commission on April 6, 2020 (Securities and Exchange Commission File No. 001-33741) (the "April 6, 2020 Form 8-K"))
4.1(a)	*	Certain rights of the holders of the Company's Common Stock set forth in Exhibits 3.1-3.4 above
4.1(b)	*	Description of Capital Stock (Exhibit 4.1 to the July 2, 2018 Form 8-K)
4.2	*	Specimen Form of Certificate representing shares of the Company's Series A Common Stock (Exhibit 4.2 to the July 2, 2018 Form 8-K)
4.3	*	Specimen Form of Certificate representing shares of the Company's Series B Common Stock (Exhibit 4.3 to the July 2, 2018 Form 8-K)
10.1	*	Material Contracts
		(1) * Sublease Agreement for Old Dallas Library Building dated December 30, 2016 (Exhibit 10.1 to A. H. Belo Corporation's Current Report on Form 8-K filed with the Securities and Exchange Commission on January 3, 2017 (Securities and Exchange Commission File No. 001-33741) (the "January 3, 2017 Form 8-K"))
		(2) * Guaranty of Lease dated December 30, 2016 (Exhibit 10.2 to the January 3, 2017 Form 8-K)
		(3) * Paper Supply Agreement effective as of August 5, 2019, by and between The Dallas Morning News, Inc. and Gannett Supply Corporation (Exhibit 10.1 to A. H. Belo Corporation's Current Report on Form 8-K filed with the Securities and Exchange Commission on May 6, 2019 (Securities and Exchange Commission File No. 001-33741))
		(4) * Purchase and Sale Agreement effective as of May 17, 2019, by and between The Dallas Morning News, Inc. and Charter DMN Holdings, LP, together with related Promissory Note dated May 17, 2019, in the original principal amount of $22.4 million made by Charter DMN Holdings, LP, payable to The Dallas Morning News, Inc. (Exhibit 10.1 to A. H. Belo Corporation's Current Report on Form 8-K filed with the Securities and Exchange Commission on May 17, 2019 (Securities and Exchange Commission File No. 001-33741))
		* (a) Modification Agreement effective April 1, 2020 to Promissory Note dated May 17, 2020 (Exhibit 10.1 to the April 6, 2020 Form 8-K)
		* (b) Promissory Note (Interest and Property Tax Reconciliation) effective April 1, 2020 (Exhibit 10.2 to the April 6, 2020 Form 8-K)

Exhibit Number		Description			
10.2	*	Compensatory plans and arrangements:			
		~(1)	*		A. H. Belo Savings Plan as Amended and Restated Effective January 1, 2015 (Exhibit 10.2(1) to the Company's Annual Report on Form 10-K filed with the Securities and Exchange Commission on March 6, 2015 (Securities and Exchange Commission File No. 001-33741))
			*	(a)	First Amendment to the A. H. Belo Savings Plan effective January 1, 2016 (Exhibit 10.2(1)(a) to the Company's Quarterly Report on Form 10-Q filed with the Securities and Exchange Commission on November 1, 2016 (Securities and Exchange Commission File No. 001-33741))
			*	(b)	Second Amendment to the A. H. Belo Savings Plan effective September 8, 2016 (Exhibit 10.2(1)(b) to the Company's Quarterly Report on Form 10-Q filed with the Securities and Exchange Commission on November 1, 2016 (Securities and Exchange Commission File No. 001-33741))
			*	(c)	Third Amendment to the A. H. Belo Savings Plan dated September 7, 2017 (Exhibit 10.3 to the Company's Current Report on Form 8-K filed with the Securities and Exchange Commission on September 8, 2017 (Securities and Exchange Commission File No. 001-33741)(the "September 8, 2017 Form 8-K"))
			*	(d)	Fourth Amendment to the A. H. Belo Savings Plan (Exhibit 10.2 to the July 2, 2018 Form 8-K)
			*	(e)	Fifth Amendment to the A. H. Belo Savings Plan dated November 27, 2018 (Exhibit 10.2(1)(E) to the Company's Quarterly Report on Form 10-Q filed with the Securities and Exchange Commission on April 29, 2019 (Securities and Exchange Commission File No. 001-33741)(the "1st Quarter 2019 Form 10-Q"))
			*	(f)	Sixth Amendment to the A. H. Belo Savings Plan dated April 1, 2019 (Exhibit 10.2(1)(F) to the 1st Quarter 2019 Form 10-Q)
			*	(g)	Seventh Amendment to the A. H. Belo Savings Plan dated December 1, 2019
		~(2)	*		A. H. Belo 2017 Incentive Compensation Plan (Exhibit I to A. H. Belo Corporation's Schedule 14A Proxy Statement filed with the Securities and Exchange Commission on March 28, 2017)
			*	(a)	First Amendment to the A. H. Belo 2017 Incentive Compensation Plan (Exhibit 10.1 to the July 2, 2018 Form 8-K)
			*	(b)	Form of A. H. Belo 2017 Incentive Compensation Plan Evidence of Grant (for Non-Employee Directors) (Exhibit 10.1 to A. H. Belo Corporation's Current Report on Form 8-K filed with the Securities and Exchange Commission on May 12, 2017 (Securities and Exchange Commission File No. 001-33741) (the "May 12, 2017 Form 8-K"))
			*	(c)	Form of A. H. Belo 2017 Incentive Compensation Plan Evidence of Grant (for Employee Awards) (Exhibit 10.2 to the May 12, 2017 Form 8-K)
		~(3)	*		Form of A. H. Belo Cash Long-Term Incentive Compensation Evidence of Grant (for Employee Awards) (Exhibit 10.1 to the Company's Annual Report on Form 10-K filed with the Securities and Exchange Commission on March 14, 2019 (Securities and Exchange Commission File No. 001-33741))
		~(4)	*		A. H. Belo Corporation Change In Control Severance Plan (Exhibit 10.7 to the February 12, 2008 Form 8-K)
			*	(a)	Amendment to the A. H. Belo Change in Control Severance Plan dated March 31, 2009 (Exhibit 10.3 to the April 2, 2009 Form 8-K)

Exhibit Number	Description		
	~ (5)	*	Robert W. Decherd Compensation Arrangements dated June 19, 2013 (Exhibit 10.1 to the Company's Current Report on Form 8-K filed with the Securities and Exchange Commission on June 19, 2013)
	~ (6)	*	Timothy M. Storer Amended and Restated Employment Agreement dated December 10, 2018 (Exhibit 10.2 to the Company's Current Report on Form 8-K filed with the Securities and Exchange Commission on December 11, 2018 (Securities and Exchange Commission File No. 001-33741) (the "December 11, 2018 Form 8-K"))
		*(a)	Timothy M. Storer Severance Letter effective July 17, 2019 (Exhibit 10.1 to the Company's Current Report on Form 8-K filed with the Securities and Exchange Commission on July 29, 2019 (Securities and Exchange Commission File No. 001-33741))
	~ (7)	*	James M. Moroney III Employment Agreement dated April 18, 2018 (Exhibit 10.1 to the Company's April 18, 2018 Form 8-K)
10.3 *	Agreements relating to the separation of A. H. Belo from its former parent company:		
	(1)	*	Pension Plan Transfer Agreement by and between Belo Corp. and A. H. Belo Corporation dated as of October 6, 2010 (Exhibit 10.1 to the Company's current Report on Form 8-K filed with the Securities and Exchange Commission on October 8, 2010 (Securities and Exchange Commission File No. 001-33741))
	(2)	*	Agreement among the Company, Belo Corp., and The Pension Benefit Guaranty Corporation, effective March 9, 2011 (Exhibit 10.3(6) to the Company's Annual Report on Form 10-K filed with the Securities and Exchange Commission on March 11, 2011 (Securities and Exchange Commission File No. 001-33741))
31.1			Certification of Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.2			Certification of principal financial officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32			Certifications of Chief Executive Officer and principal financial officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
101.INS		**	XBRL Instance Document
101.SCH		**	XBRL Taxonomy Extension Scheme
101.CAL		**	XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF		**	XBRL Taxonomy Extension Definition Linkbase Document
101.LAB		**	XBRL Taxonomy Extension Label Linkbase Document
101.PRE		**	XBRL Taxonomy Extension Presentation Linkbase Document

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Company has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

A. H. BELO CORPORATION

By: /s/ Katy Murray
Katy Murray
Executive Vice President/Chief Financial Officer
(Principal Financial Officer)

Dated: June 5, 2020

EXHIBIT INDEX

Exhibit Number		Description
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101.INS	**	XBRL Instance Document
101.SCH	**	XBRL Taxonomy Extension Schema
101.CAL	**	XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF	**	XBRL Taxonomy Extension Definition Linkbase Document
101.LAB	**	XBRL Taxonomy Extension Label Linkbase Document
101.PRE	**	XBRL Taxonomy Extension Presentation Linkbase Document

In accordance with Regulation S-T, the XBRL-related information marked with a double asterisk (**) in Exhibit No. 101 to this Quarterly Report on Form 10-Q is deemed filed.

Exhibit 31.1

SECTION 302 CERTIFICATION

I, Robert W. Decherd, Chairman of the Board, President and Chief Executive Officer of A. H. Belo Corporation, certify that:

1. I have reviewed this quarterly report on Form 10-Q of A. H. Belo Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant’s other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c) evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d) disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and

5. The registrant’s other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):

    a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and

    b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

By: /s/ Robert W. Decherd
Robert W. Decherd
Chairman of the Board, President and Chief Executive Officer

Date: June 5, 2020

Exhibit 31.2

SECTION 302 CERTIFICATION

I, Katy Murray, Executive Vice President/Chief Financial Officer of A. H. Belo Corporation, certify that:

1. I have reviewed this quarterly report on Form 10-Q of A. H. Belo Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

By: /s/ Katy Murray
Katy Murray
Executive Vice President/Chief Financial Officer

Date: June 5, 2020

Exhibit 32

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of A. H. Belo Corporation (the "Company") on Form 10-Q for the period ended March 31, 2020, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), the undersigned, Robert W. Decherd, Chairman of the Board, President and Chief Executive Officer of the Company, and Katy Murray, Executive Vice President/Chief Financial Officer of the Company, each hereby certifies, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

By: /s/ Robert W. Decherd
Robert W. Decherd
Chairman of the Board, President and Chief Executive Officer

Date: June 5, 2020

By: /s/ Katy Murray
Katy Murray
Executive Vice President/Chief Financial Officer

Date: June 5, 2020