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: **September 30, 2019**

OR

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

Commission file no. **1-33741**

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) 977-8222**
(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, 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 April 6, 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).

Explanatory Note

On March 18, 2020, the Company filed an Amendment No. 1 on Form 10-K/A (the "Form 10-K/A") to amend the Form 10-K filed with the Securities and Exchange Commission (the "SEC") on March 14, 2019, for the fiscal year ended December 31, 2018. The Form 10-K/A was filed in order to reflect the appropriate timing of the noncash impairment charge for goodwill and long-lived assets associated with the Company's Marketing Services reporting unit and the appropriate methodology for calculation of the valuation allowance within the tax provision for 2018.

On March 27, 2020, the Company filed an Amendment No. 1 on Form 10-Q/A to amend the Form 10-Q filed with the SEC on April 29, 2019, for the quarter ended March 31, 2019. On April 6, 2020, the Company filed an Amendment No. 1 on Form 10-Q/A to amend the Form 10-Q filed with the SEC on July 29, 2019, for the quarter ended June 30, 2019.

A. H. BELO CORPORATION

FORM 10-Q

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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 September 30,*		*Nine Months Ended September 30,*	
	2019	*2018*	*2019*	*2018*
Net Operating Revenue:				
Advertising and marketing services	$ 21,616	$ 25,260	$ 70,957	$ 77,398
Circulation	16,809	17,896	51,095	53,564
Printing, distribution and other	4,632	5,896	14,709	18,712
Total net operating revenue	43,057	49,052	136,761	149,674
Operating Costs and Expense:				
Employee compensation and benefits	19,504	21,174	60,456	67,375
Other production, distribution and operating costs	21,171	20,939	67,200	66,786
Newsprint, ink and other supplies	3,972	5,528	12,741	16,300
Depreciation	2,289	2,514	7,008	7,522
Amortization	140	199	356	599
(Gain) loss on sale/disposal of assets, net	1,362	—	(24,546)	—
Asset impairments	1,593	—	1,593	(22)
Total operating costs and expense	50,031	50,354	124,808	158,560
Operating income (loss)	(6,974)	(1,302)	11,953	(8,886)
Other income, net	1,161	862	3,123	2,641
Income (Loss) Before Income Taxes	(5,813)	(440)	15,076	(6,245)
Income tax provision (benefit)	(1,808)	596	4,688	(661)
Net Income (Loss)	$ (4,005)	$ (1,036)	$ 10,388	$ (5,584)
Per Share Basis				
Net income (loss)				
Basic and diluted	$ (0.19)	$ (0.05)	$ 0.48	$ (0.26)
Number of common shares used in the per share calculation:				
Basic and diluted	21,476,029	21,709,557	21,553,625	21,761,110

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 September 30,* 2019	*Three Months Ended September 30,* 2018	*Nine Months Ended September 30,* 2019	*Nine Months Ended September 30,* 2018
Net Income (Loss)	$ (4,005)	$ (1,036)	$ 10,388	$ (5,584)
Other Comprehensive Income (Loss), Net of Tax:				
Amortization of actuarial losses	63	158	188	473
Total other comprehensive income, net of tax	63	158	188	473
Total Comprehensive Income (Loss)	$ (3,942)	$ (878)	$ 10,576	$ (5,111)

See the accompanying Notes to the Consolidated Financial Statements.

A. H. Belo Corporation and Subsidiaries
Consolidated Balance Sheets

In thousands, except share amounts (unaudited)	*September 30, 2019*	*December 31, 2018 (Restated)*
Assets		
Current assets:		
Cash and cash equivalents	$ 53,249	$ 55,313
Accounts receivable (net of allowance of $814 and $581 at September 30, 2019 and December 31, 2018, respectively)	16,895	22,057
Inventories	2,614	3,912
Prepaids and other current assets	5,470	5,023
Assets held for sale	—	1,089
Total current assets	78,228	87,394
Property, plant and equipment, at cost	381,662	422,966
Less accumulated depreciation	(362,425)	(396,705)
Property, plant and equipment, net	19,237	26,261
Operating lease right-of-use assets	22,119	—
Intangible assets, net	458	304
Deferred income taxes, net	—	3,572
Long-term note receivable	22,400	—
Other assets	3,178	5,029
Total assets	$ 145,620	$ 122,560
Liabilities and Shareholders' Equity		
Current liabilities:		
Accounts payable	$ 5,868	$ 6,334
Accrued compensation and benefits	7,933	8,294
Other accrued expense	6,836	5,586
Advance subscription payments	11,349	11,449
Total current liabilities	31,986	31,663
Long-term pension liabilities	29,213	31,889
Long-term operating lease liabilities	23,598	—
Other post-employment benefits	1,153	1,165
Deferred income taxes, net	246	—
Other liabilities	3,917	7,045
Total liabilities	90,113	71,762
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 20,854,935 and 20,854,728 shares at September 30, 2019 and December 31, 2018, respectively	209	209
Series B: issued 2,469,348 and 2,469,555 shares at September 30, 2019 and December 31, 2018, respectively	24	24
Treasury stock, Series A, at cost; 1,880,828 and 1,697,370 shares held at September 30, 2019 and December 31, 2018, respectively	(13,320)	(12,601)
Additional paid-in capital	494,389	494,389
Accumulated other comprehensive loss	(37,453)	(37,641)
Accumulated deficit	(388,342)	(393,582)
Total shareholders' equity	55,507	50,798
Total liabilities and shareholders' equity	$ 145,620	$ 122,560

See the accompanying Notes to the Consolidated Financial Statements.

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

	Nine Months Ended September 30, 2019 and 2018								
	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, 2017	20,700,292	2,469,755	$ 232	$ 494,989	(1,430,961)	$ (11,302)	$ (24,932)	$ (361,288)	$ 97,699
Net loss	—	—	—	—	—	—	—	(5,584)	(5,584)
Other comprehensive income	—	—	—	—	—	—	473	—	473
Shares repurchased	—	—	—	—	(210,964)	(1,056)	—	—	(1,056)
Issuance of shares for restricted stock units	151,236	—	1	(1)	—	—	—	—	—
Share-based compensation	—	—	—	854	—	—	—	—	854
Conversion of Series B to Series A	200	(200)	—	—	—	—	—	—	—
Dividends declared ($0.24 per share)	—	—	—	—	—	—	—	(5,345)	(5,345)
Balance at September 30, 2018	20,851,728	2,469,555	$ 233	$ 495,842	(1,641,925)	$ (12,358)	$ (24,459)	$ (372,217)	$ 87,041
Balance at December 31, 2018 (Restated)	20,854,728	2,469,555	$ 233	$ 494,389	(1,697,370)	$ (12,601)	$ (37,641)	$ (393,582)	$ 50,798
Net income	—	—	—	—	—	—	—	10,388	10,388
Other comprehensive income	—	—	—	—	—	—	188	—	188
Shares repurchased	—	—	—	—	(183,458)	(719)	—	—	(719)
Conversion of Series B to Series A	207	(207)	—	—	—	—	—	—	—
Dividends declared ($0.24 per share)	—	—	—	—	—	—	—	(5,148)	(5,148)
Balance at September 30, 2019	20,854,935	2,469,348	$ 233	$ 494,389	(1,880,828)	$ (13,320)	$ (37,453)	$ (388,342)	$ 55,507

	Three Months Ended September 30, 2019 and 2018								
	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 June 30, 2018	20,851,648	2,469,635	$ 233	$ 495,708	(1,591,141)	$ (12,127)	$ (24,617)	$ (369,400)	$ 89,797
Net loss	—	—	—	—	—	—	—	(1,036)	(1,036)
Other comprehensive income	—	—	—	—	—	—	158	—	158
Shares repurchased	—	—	—	—	(50,784)	(231)	—	—	(231)
Issuance of shares for restricted stock units	—	—	—	—	—	—	—	—	—
Share-based compensation	—	—	—	134	—	—	—	—	134
Conversion of Series B to Series A	80	(80)	—	—	—	—	—	—	—
Dividends declared ($0.08 per share)	—	—	—	—	—	—	—	(1,781)	(1,781)
Balance at September 30, 2018	20,851,728	2,469,555	$ 233	$ 495,842	(1,641,925)	$ (12,358)	$ (24,459)	$ (372,217)	$ 87,041
Balance at June 30, 2019 (Restated)	20,854,771	2,469,512	$ 233	$ 494,389	(1,828,983)	$ (13,128)	$ (37,516)	$ (382,625)	$ 61,353
Net loss	—	—	—	—	—	—	—	(4,005)	(4,005)
Other comprehensive income	—	—	—	—	—	—	63	—	63
Shares repurchased	—	—	—	—	(51,845)	(192)	—	—	(192)
Conversion of Series B to Series A	164	(164)	—	—	—	—	—	—	—
Dividends declared ($0.08 per share)	—	—	—	—	—	—	—	(1,712)	(1,712)
Balance at September 30, 2019	20,854,935	2,469,348	$ 233	$ 494,389	(1,880,828)	$ (13,320)	$ (37,453)	$ (388,342)	$ 55,507

See the accompanying Notes to the Consolidated Financial Statements.

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

	Nine Months Ended September 30,	
In thousands (unaudited)	*2019*	*2018*
Operating Activities		
Net income (loss)	$ 10,388	$ (5,584)
Adjustments to reconcile net income (loss) to net cash provided by operating activities:		
Depreciation and amortization	7,364	8,121
Net periodic pension and other post-employment benefit	(2,455)	(2,791)
Share-based compensation	—	854
Bad debt expense	710	471
Deferred income taxes	3,818	(1,324)
(Gain) loss on sale/disposal of assets, net	(24,546)	212
Asset impairments	1,593	(22)
Changes in working capital and other operating assets and liabilities, net of acquisitions:		
Accounts receivable	5,189	6,510
Inventories, prepaids and other current assets	851	6,081
Other assets	1,851	1,224
Accounts payable	(928)	(3,239)
Compensation and benefit obligations	(1,054)	(1,872)
Other accrued expenses	150	4,396
Advance subscription payments	(101)	(575)
Other post-employment benefits	(45)	(915)
Net cash provided by operating activities	2,785	11,547
Investing Activities		
Purchases of assets	(1,207)	(4,344)
Sales of assets	4,597	—
Acquisitions, net of cash acquired	(2,356)	—
Net cash provided by (used for) investing activities	1,034	(4,344)
Financing Activities		
Dividends paid	(5,164)	(5,336)
Shares repurchased	(719)	(1,056)
Net cash used for financing activities	(5,883)	(6,392)
Net increase (decrease) in cash and cash equivalents	(2,064)	811
Cash and cash equivalents, beginning of period	55,313	57,660
Cash and cash equivalents, end of period	$ 53,249	$ 58,471
Supplemental Disclosures		
Income tax paid, net (refund)	$ 897	$ (6,408)
Noncash investing and financing activities:		
Investments in property, plant and equipment payable	245	97
Dividends payable	1,715	1,783
Long-term note receivable for asset sales	22,400	—

See the accompanying Notes to the Consolidated Financial Statements.

A. H. Belo Corporation and Subsidiaries
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.

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/A for the fiscal year ended December 31, 2018. 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.

Recently Adopted Accounting Pronouncements.

In February 2016, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2016-02 – *Leases (Topic 842)*. This update requires an entity to recognize a right-of-use asset and a lease liability for virtually all of its leases. The liability will be equal to the present value of lease payments. The asset will generally be based on the liability. For income statement purposes operating leases will result in straight-line expense and finance leases will result in expenses similar to current capital leases. The guidance also requires additional disclosures to enable users of financial statements to understand the amount, timing and uncertainty of cash flows arising from leases. Since February 2016, the FASB issued clarifying updates to the new standard that did not change the core principle of ASU 2016-02. The new guidance will supersede virtually all existing lease guidance under GAAP and is effective for fiscal years beginning after December 15, 2018, including interim periods within those fiscal years. The Company adopted ASU 2016-02 on January 1, 2019, using the modified retrospective approach; see Note 5 – Leases.

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 is currently evaluating the requirements of this update, but does not expect a material impact on the Company's consolidated financial statements and related disclosures.

In August 2018, the FASB issued 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 will be effective for fiscal years beginning after December 15, 2019, and interim periods within those fiscal years. Early adoption is permitted. The Company currently anticipates adopting this standard prospectively as of January 1, 2020, and does not expect a material 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 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. Prior to the third quarter, the Company had two reportable segments, Publishing and Marketing Services, that each operated as a single reporting unit with all corporate expenses included in Publishing. 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

On April 1, 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 $86 were incurred in the three and nine months ended September 30, 2019, respectively.

The new entity Cubic Creative, Inc. ("Cubic Creative") is located in Tulsa, Oklahoma and has approximately 25 employees. This acquisition adds 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. In the third quarter of 2019, the goodwill recorded as a result of this acquisition was fully impaired; see Note 6 – Goodwill and Intangible Assets.

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		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.

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. 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.

Notes receivable are recorded net of an allowance for doubtful accounts. Notes receivable primarily relates to the financed portion of the sale of the Company's former headquarters (see Note 13 – Disposal of Assets). Interest income is accrued on the unpaid principal balance. 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.

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 2018 amounts were recast for comparative purposes.

	Three Months Ended September 30,		*Nine Months Ended September 30,*	
	2019	*2018*	*2019*	*2018*
		(Recast)		*(Recast)*
Advertising and Marketing Services				
Print advertising	$ 13,878	$ 16,502	$ 45,434	$ 50,664
Digital advertising and marketing services	7,738	8,758	25,523	26,734
Total	$ 21,616	$ 25,260	$ 70,957	$ 77,398
Circulation				
Print circulation	$ 15,507	$ 16,848	$ 47,501	$ 50,748
Digital circulation	1,302	1,048	3,594	2,816
Total	$ 16,809	$ 17,896	$ 51,095	$ 53,564
Printing, Distribution and Other	$ 4,632	$ 5,896	$ 14,709	$ 18,712
Total Revenue	**$ 43,057**	**$ 49,052**	**$ 136,761**	**$ 149,674**

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 is generated by selling banner and real estate classified advertising on *The Dallas Morning News'* website *dallasnews.com*, online employment and obituary classified advertising on third-party websites sold under a print/digital bundle package and sales of online automotive classifieds on the *cars.com* platform. In addition, it includes targeted and multi-channel (programmatic) advertising placed on third-party websites, content development, social media management, search optimization, creative strategy services, sale of promotional merchandise, and other consulting. The Company's agreement to sell on the *cars.com* platform was not renewed and ended 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. In addition, certain digital advertising revenue related to website access is recognized over time, based on the customers' monthly rate.

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 and single copy revenue is recognized at a point in time when the paper is delivered or purchased.

Digital circulation revenue is generated by digital-only subscriptions and is recognized over time, based on the customers' monthly rate.

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.

Remaining Performance Obligations

The Company has various advertising and digital services contracts that range from 13 months to 36 months. The Company recognizes revenue on the advertising contracts over the term of the agreement at a point in time when the service or product is delivered. The Company recognizes revenue on the digital services contracts over time, based on the customers' monthly rate. At September 30, 2019, the remaining performance obligation was $4,016. The Company expects to recognize $473 over the remainder of 2019, $1,617 in 2020, $1,353 in 2021, and $573 in 2022.

Deferred Revenue

Deferred revenue is recorded when cash payments are received in advance of the Company's performance, including amounts which are refundable. The short-term and long-term deferred revenue balance as of September 30, 2019, was $12,377, included in advance subscription payments, other accrued expense and other liabilities in the Consolidated Balance Sheet. In the nine months ended September 30, 2019, the balance decreased $218, primarily driven by $11,178 of revenue recognized that was included in the deferred revenue balance as of December 31, 2018, offset by cash payments received in advance of satisfying our performance obligations.

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

Adoption of ASU 2016-02 – Leases (Topic 842)

On January 1, 2019, the Company adopted ASU 2016-02 using the modified retrospective approach applied to all leases with a remaining lease term greater than one year. Results for reporting periods beginning after January 1, 2019, are presented in accordance with the new guidance under ASU 2016-02, while prior period amounts are not restated. The adoption of the new lease guidance resulted in the Company recognizing operating lease right-of-use assets and lease liabilities based on the present value of remaining minimum lease payments. For the discount rate assumption, 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 in determining the present value of lease payments. There was no impact to opening retained earnings.

The Company elected the practical expedients available under ASU 2016-02 and applied them consistently to all applicable leases. The Company did not apply ASU 2016-02 to any leases with a remaining term of 12 months or less. For these leases, no asset or liability was recorded and lease expense continues to be recognized on a straight-line basis over the lease term. As allowed by the practical expedients, the Company does not reassess whether any expired or existing contracts are or contain leases, does not reassess the lease classification for any expired or existing leases and does not reassess initial direct costs for existing leases. Additionally, the Company does not separately identify lease and nonlease components, such as maintenance costs.

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 determines if a contract is a lease at the inception of the arrangement. 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 Company's leases have remaining terms of less than 1 year to 15 years. The Company does not have lease agreements with residual value guarantees, sale leaseback terms or material restrictive covenants.

The Company has a sublease with Denton Publishing Company for a remaining term of approximately four 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. As of September 30, 2019, sublease income is expected to approximate $208 for the remainder of 2019, $388 in 2020, $237 in 2021, $223 in 2022, and $129 in 2023.

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. Lease expense is recognized on a straight-line basis over the lease term and variable lease costs are expensed as incurred. In the third quarter of 2019, the Company recorded an additional right-of-use asset and liability of $505 for a lease that commenced on September 1, 2019, with a lease term of five years. As of September 30, 2019, the Company entered into two additional operating leases with lease terms of three years, which will result in an additional right-of-use asset and liability of approximately $1,200 upon commencement.

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

	Classification		*September 30, 2019*
Assets			
Operating	Operating lease right-of-use assets	$	22,119
Liabilities			
Operating			
Current	Other accrued expense	$	1,705
Noncurrent	Long-term operating lease liabilities		23,598
Total lease liabilities		$	25,303
Lease Term and Discount Rate			
Operating leases			
Weighted average remaining lease term (years)			11.7
Weighted average discount rate (%)			7.5

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

	Three Months Ended September 30, 2019	Nine Months Ended September 30, 2019
Lease Cost		
Operating lease cost	$ 1,072	$ 3,172
Short-term lease cost	30	121
Variable lease cost	175	420
Sublease income	(172)	(515)
Total lease cost	$ 1,105	$ 3,198
Supplemental Cash Flow Information		
Cash paid for operating leases included in operating activities		$ 3,057
Right-of-use assets obtained in exchange for operating lease liabilities		23,886

The table below sets forth the remaining maturities of the Company's lease liabilities as of September 30, 2019.

Years Ending December 31,	Operating Leases
2019	$ 721
2020	3,688
2021	3,661
2022	3,613
2023	3,139
Thereafter	24,588
Total lease payments	39,410
Less: imputed interest	14,107
Total lease liabilities	$ 25,303

The table below sets forth the future minimum obligations for operating leases in effect as of December 31, 2018, as determined prior to the adoption of ASU 2016-02. Total operating lease expense was $4,688 for the year ended December 31, 2018.

	Total	*2019*	*2020*	*2021*	*2022*	*2023*	*Thereafter*
Operating lease commitments	$ 41,837	$ 4,403	$ 3,588	$ 3,575	$ 3,467	$ 3,533	$ 23,271

Note 6: Goodwill and 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. Prior to the third quarter, the Company had two reportable segments, Publishing and Marketing Services, that each operated as a single reporting unit (see Note 2 – Segment Reporting). The table below sets forth intangible assets as of September 30, 2019 and December 31, 2018.

	September 30, 2019	*December 31, 2018*
		(Restated)
Intangible Assets		
Cost	$ 2,030	$ 6,470
Accumulated Amortization	(1,572)	(3,196)
Asset Impairments	—	(2,970)
Net Carrying Value	$ 458	$ 304

The intangible assets include $1,520 of developed technology with an estimated useful life of five years and net carrying value of $76 that will be fully amortized by the end of 2019, and $510 of customer relationships with estimated useful lives of two years and net carrying value of $382. Aggregate amortization expense was $140 and $199 for the three months ended September 30, 2019 and 2018, respectively, and $356 and $599 for the nine months ended September 30, 2019 and 2018, respectively.

In the second quarter of 2019, in connection with the Cubic Creative acquisition, the Company recorded $1,593 of goodwill. In the third quarter of 2019, the Company made a strategic change to move to a single-decision making reporting structure. With this restructuring, the Company revised its financial forecast for the remainder of the year, which resulted in a significant decrease in operating income for the Marketing Services reporting unit. The reorganization to one operating segment coupled with the significant decrease in the Marketing Services forecast was determined to be a triggering event that required an impairment review of goodwill and long-lived assets. Prior to the organizational changes that resulted in one reportable segment, Cubic Creative was determined to be a component within the Marketing Services segment.

In the third quarter of 2019, the Company tested the Marketing Services segment's goodwill for impairment using a discounted cash flow methodology with a peer-based risk-adjusted weighted average cost of capital. The Company believes the use of a discounted cash flow approach is the most reliable indicator of the estimated fair value of the business. Upon completion of the test, it was determined the Marketing Services reporting unit's carrying value exceeded its estimated fair value. Accordingly, the Company recorded a noncash goodwill impairment charge of $1,593 in the third quarter of 2019, fully impairing goodwill.

In connection with the goodwill impairment, the Company conducted a long-lived assets impairment test for Marketing Services. Upon completion of the test, it was determined the Marketing Services reporting unit's long-lived assets' estimated fair values were equal to or exceeded the carrying value and accordingly, no impairment was warranted.

Note 7: Related Party Transactions

On March 1, 2019, the Company made a loan of $200 to eSite Analytics, Inc. As of September 30, 2019 and December 31, 2018, the Company had a note receivable of $625 and $650, respectively, included in prepaids and other current assets, and other assets in the Consolidated Balance Sheets, respectively. The Company accounts for eSite Analytics, Inc. as an equity method investment.

On February 13, 2020, eSite Analytics, Inc. paid off their loan, including interest.

Note 8: Income Taxes

The Company historically determined the quarterly income tax provision using a discrete year-to-date calculation due to volatility in the newspaper industry and the resulting inability to reliably forecast income or loss before income taxes. The Company calculated the income tax expense or benefit for 2019 interim periods using an estimated annual effective tax rate based on its annual income before income taxes, adjusted for permanent differences, which it applied to the year-to-date income (loss) before income taxes. Although volatility still exists in the newspaper industry, the Company is appropriately using an estimated annual effective tax rate to calculate its quarterly income tax provision, given the Company's ability to reliably forecast for the current annual period.

The Company recognized income tax provision (benefit) of $(1,808) and $596 for the three months ended September 30, 2019 and 2018, respectively, and $4,688 and $(661) for the nine months ended September 30, 2019 and 2018, respectively. Effective income tax rates were 31.1 percent and 10.6 percent for the nine months ended September 30, 2019 and 2018, respectively. The income tax benefit for the three months ended September 30, 2019, was due to the Texas margin tax, offset by losses generated from operations in the third quarter. The income tax provision for the nine months ended September 30, 2019, was due to the Texas margin tax and year-to-date income, primarily a result of income generated from the sale of the Company's former headquarters in the second quarter of 2019 (see Note 13 – Disposal of Assets).

In the second and third quarter of 2018, the Company received a refund of $3,210 and $4,095, respectively, for 2016 and 2017 tax benefits recognized that were carried back against taxes paid in 2014.

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 2019 under the applicable tax and labor laws governing pension plan funding.

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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. 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 September 30,		*Nine Months Ended September 30,*	
	2019	*2018*	*2019*	*2018*
Interest cost	$ 1,973	$ 1,796	$ 5,922	$ 5,389
Expected return on plans' assets	(2,866)	(2,894)	(8,599)	(8,681)
Amortization of actuarial loss	70	168	209	503
Net periodic pension benefit	$ (823)	$ (930)	$ (2,468)	$ (2,789)

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 September 30, 2019 and 2018, the Company recorded expense of $178 and $199, respectively, and during the nine months ended September 30, 2019 and 2018, the Company recorded expense of $503 and $653, respectively, for matching contributions to the Savings Plan.

Note 10: Shareholders' Equity

Dividends. On September 11, 2019, the Company's board of directors declared an $0.08 per share dividend to shareholders of record as of the close of business on November 15, 2019, paid on December 6, 2019.

Treasury Stock. 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 18,974,107 and 2,469,348, respectively, net of treasury shares at September 30, 2019. At December 31, 2018, the Company had Series A and Series B common stock outstanding of 19,157,358 and 2,469,555, 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 employee compensation and benefits in its Consolidated Statements of Operations. Gains and losses associated with the A. H. Belo Pension Plans are amortized over the weighted average remaining life expectancy of the Pension Plans' participants. Gains and losses associated with the Company's OPEB plans are amortized over the average remaining service period of active OPEB plans' participants.

The tables 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 September 30,					
	2019			*2018*		
	Total	**Defined benefit pension plans**	**Other post-employment benefit plans**	**Total**	**Defined benefit pension plans**	**Other post-employment benefit plans**
Balance, beginning of period	$ (37,516)	$ (37,864)	$ 348	$ (24,617)	$ (25,099)	$ 482
Amortization	63	70	(7)	158	168	(10)
Balance, end of period	$ (37,453)	$ (37,794)	$ 341	$ (24,459)	$ (24,931)	$ 472

	Nine Months Ended September 30,					
	2019			*2018*		
	Total	**Defined benefit pension plans**	**Other post-employment benefit plans**	**Total**	**Defined benefit pension plans**	**Other post-employment benefit plans**
Balance, beginning of period	$ (37,641)	$ (38,003)	$ 362	$ (24,932)	$ (25,434)	$ 502
Amortization	188	209	(21)	473	503	(30)
Balance, end of period	$ (37,453)	$ (37,794)	$ 341	$ (24,459)	$ (24,931)	$ 472

Note 11: Earnings Per Share

The table below sets forth the reconciliation for net income (loss) 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 September 30,		*Nine Months Ended September 30,*	
	2019	*2018*	*2019*	*2018*
Earnings (Numerator)				
Net income (loss)	$ (4,005)	$ (1,036)	$ 10,388	$ (5,584)
Less: dividends to participating securities	—	48	—	142
Net income (loss) available to common shareholders	$ (4,005)	$ (1,084)	$ 10,388	$ (5,726)
Shares (Denominator)				
Weighted average common shares outstanding (basic and diluted)	21,476,029	21,709,557	21,553,625	21,761,110
Income (Loss) Per Share				
Basic and diluted	$ (0.19)	$ (0.05)	$ 0.48	$ (0.26)

There were no options or RSUs outstanding as of September 30, 2019, that would result in dilution of shares.

In 2018, holders of service-based restricted stock units ("RSUs") participated in A. H. Belo dividends on a one-for-one share basis. Distributed and undistributed income associated with participating securities was included in the calculation of EPS under the two-class method as prescribed under ASC 260 – *Earnings Per Share*. The Company considered outstanding stock options and RSUs in the calculation of earnings per share. A total of 610,553 options and RSUs outstanding as of September 30, 2018, were excluded from the calculation because the effect was anti-dilutive.

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 the third quarter of 2019, the Company recorded a loss of $1,362 on the disposal of newspaper production assets and publishing software that was replaced by a new digital content platform. The newspaper production assets were disposed as a result of the strategic decision to eliminate its brokered printing business and reduce the number of local and national commercial print customers it serves from more than 30 to 5.

On May 17, 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 Sheet. 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.

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.

In the second quarter of 2019, the Company recorded a pretax gain of $25,908, included in (gain) loss on sale/disposal of assets, net in the Consolidated Statements of Operations. For tax purposes, the gain is fully offset by net operating loss carryforwards. These assets had a carrying value of $1,089, and were reported as assets held for sale in the Consolidated Balance Sheet as of December 31, 2018.

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.

Beginning in January 2020, there has been an outbreak of the Coronavirus Disease 2019 ("COVID-19" or "virus"), which has been declared a "pandemic" by the World Health Organization. The full impact of COVID-19 is unknown and rapidly evolving. The outbreak and any preventative or protective actions that the Company or its customers may take in respect of this virus may result in a period of disruption, including the Company's financial reporting capabilities, its operations generally and could potentially impact the Company's customers, distribution partners, advertisers, production facilities, and third parties. Any resulting financial impact cannot be reasonably estimated at this time, but may materially affect the business and the Company's financial condition and results of operations. The extent to which the COVID-19 impacts the Company's results will depend on future developments, which are highly uncertain and cannot be predicted, including new information which may emerge concerning the severity of COVID-19 and the actions to contain the virus or treat its impact, among others. Media has been designated an essential business, therefore the Company's operations are continuing. The Company is experiencing an increase in digital subscriptions, which may not completely 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, lower the quarterly dividend rate for future dividends declared, if any, as well as reduce employees' base compensation, across the Company, and the annual bonus tied to financial metrics for eligible employees may be reduced. 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 is currently evaluating the impact on its consolidated financial statements and has not yet quantified what material impacts to the financial statements may result from the actions taken by the Company and its customers in respect of this virus.

In response to COVID-19, President Donald Trump signed into law the Coronavirus Aid, Relief, and Economic Security Act (the “CARES Act”) 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. This legislation was enacted before the date of filing this Form 10-Q and the effective date is subsequent to September 30, 2019. The Company is currently evaluating the impact on its consolidated financial statements and has not yet quantified what material impacts to the financial statements (if any) may result from the CARES Act. The Company anticipates it may benefit from the temporary five-year net operating loss carryback provisions, the technical correction for qualified leasehold improvements, which changes 39-year property to 15-year property, eligible for 100% tax bonus depreciation, and potentially other provisions within the CARES Act. Where certain tax provisions of the CARES Act are determined to be applicable following the completion of the Company’s assessment, these may result in cash refunds and an income tax benefit recorded in the Consolidated Statements of Operations in the period in which the legislation was enacted.

On March 6, 2020, the Company paid $1,713 to shareholders of record as of the close of business on February 14, 2020, for an $0.08 per share dividend declared by the Company’s board of directors on December 5, 2019. 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 April 6, 2020, in response to the financial impact of COVID-19, the Company announced its intent to reduce its cash dividend rate indefinitely following the second quarter 2020 dividend of $0.08 per share declared on March 5, 2020. Future dividends, if declared, are expected to be at the rate of $0.04 per share.

The Purchaser of the Company’s former headquarters requested, and on April 3, 2020, the board of directors approved, an 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 is due June 30, 2021.

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. Unless otherwise noted, amounts in Management's Discussion and Analysis reflect continuing operations of the Company, and all dollar amounts are presented in thousands, except share and per share amounts.

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.

On April 1, 2019, the Company completed an asset acquisition. The new entity Cubic Creative, Inc. ("Cubic Creative") is located in Tulsa, Oklahoma and has approximately 25 employees. This acquisition adds creative strategy services, which complement service offerings currently available to A. H. Belo clients.

On May 17, 2019, the Company completed 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 of $22,400. In the second quarter of 2019, the Company recorded a pretax gain of $25,908, which for tax purposes is fully offset by net operating loss carryforwards. On April 3, 2020, the board of directors approved an amendment to the two-year seller-financed promissory note, resulting in a second promissory note in the principal amount of $375, which includes a deferred interest payment and a 2019 real property tax reconciliation payment due from the Purchaser.

In the third quarter of 2019, in conjunction with a strategic change to a single decision-making reporting structure that resulted in one reportable segment and a significant decrease in the Marketing Services forecast, the Company completed a goodwill impairment test for the Marketing Services segment. Upon completion of the test, it was determined the Marketing Services reporting unit's carrying value exceeded its estimated fair value. Accordingly, the Company recorded a noncash goodwill impairment charge of $1,593 in the third quarter of 2019, fully impairing goodwill.

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 and nine months ended September 30, 2019 and 2018. In the third quarter of 2019, in conjunction with the Companies 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 2018 amounts were recast for comparative purposes.

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.

The Company has responded to these challenges by expanding programmatic channels through which it works to meet customer demand for digital advertisement opportunities in display, mobile, video and social media categories. By utilizing advertising exchanges to apply marketing insight, the Company believes it offers greater value to clients through focused targeting of advertising to potential customers. The Company has a meter on its website and continues to build a base of paid digital subscribers.

The Company's expanded digital and marketing services product offerings leverage the Company's existing resources and relationships to offer additional value to existing and new advertising clients. Solutions include development of mobile websites, search engine marketing and optimization, video, mobile advertising, email marketing, advertising analytics, creative strategy services and online reputation management services.

Advertising and marketing services revenue

Advertising and marketing services revenue was 50.2 percent and 51.9 percent of total revenue for the three and nine months ended September 30, 2019, respectively, and 51.5 percent and 51.7 percent for the three and nine months ended September 30, 2018, respectively.

	Three Months Ended September 30,			*Nine Months Ended September 30,*		
	2019	*Percentage Change*	*2018*	*2019*	*Percentage Change*	*2018*
			(Recast)			*(Recast)*
Print advertising	$ 13,878	(15.9)%	$ 16,502	$ 45,434	(10.3)%	$ 50,664
Digital advertising and marketing services	7,738	(11.6)%	8,758	25,523	(4.5)%	26,734
Advertising and Marketing Services	**$ 21,616**	**(14.4)%**	**$ 25,260**	**$ 70,957**	**(8.3)%**	**$ 77,398**

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 $1,736 and $2,667 in the three and nine months ended September 30, 2019, respectively, primarily due to lower classified advertising in all categories, with the largest declines in the automotive and real estate categories.

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 $888 and $2,563 for the three and nine months ended September 30, 2019, respectively, 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 is primarily comprised of banner and real estate classified advertising on *The Dallas Morning News'* website *dallasnews.com*, online employment and obituary classified advertising on third-party websites sold under a print/digital bundle package and sales of online automotive classifieds on the *cars.com* platform. In addition, it includes targeted and multi-channel (programmatic) advertising placed on third-party websites, content development, social media management, search optimization, creative strategy services, sale of promotional merchandise and other consulting. The Company's agreement to sell on the *cars.com* platform was not renewed and ended September 30, 2019. Revenue decreased $1,020 and $1,211 for the three and nine months ended September 30, 2019, respectively, primarily due to a lower volume of programmatic sales placed on third-party websites.

Circulation revenue

Circulation revenue was 39.0 percent and 37.4 percent of total revenue for the three and nine months ended September 30, 2019, respectively, and 36.5 percent and 35.8 percent for the three and nine months ended September 30, 2018, respectively.

	Three Months Ended September 30,			*Nine Months Ended September 30,*		
	2019	*Percentage Change*	*2018*	*2019*	*Percentage Change*	*2018*
			(Recast)			*(Recast)*
Print circulation	$ 15,507	(8.0)%	$ 16,848	$ 47,501	(6.4)%	$ 50,748
Digital circulation	1,302	24.2 %	1,048	3,594	27.6 %	2,816
Circulation	**$ 16,809**	**(6.1)%**	**$ 17,896**	**$ 51,095**	**(4.6)%**	**$ 53,564**

Print circulation

Revenue decreased primarily due to a decline in home delivery revenue, driven by a volume decline of 33.9 percent and 27.2 percent, for the three and nine months ended September 30, 2019, respectively. 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 24.6 percent and 22.4 percent for the three and nine months ended September 30, 2019, respectively.

Digital circulation

Revenue increased in the three and nine months ended September 30, 2019, due to an increase in digital-only subscriptions of 22.7 percent when compared to September 30, 2018.

Printing, distribution and other revenue

Printing, distribution and other revenue was 10.8 percent and 10.7 percent of total revenue for the three and nine months ended September 30, 2019, respectively, and 12.0 percent and 12.5 percent for the three and nine months ended September 30, 2018, respectively.

	Three Months Ended September 30,			*Nine Months Ended September 30,*		
	2019	*Percentage Change*	*2018*	*2019*	*Percentage Change*	*2018*
Printing, Distribution and Other	**$ 4,632**	**(21.4)%**	**$ 5,896**	**$ 14,709**	**(21.4)%**	**$ 18,712**

Revenue decreased in the three and nine months ended September 30, 2019, 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.

Operating Costs and Expense

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

	Three Months Ended September 30,			Nine Months Ended September 30,		
	2019	Percentage Change	2018	2019	Percentage Change	2018
			(Recast)			(Recast)
Employee compensation and benefits	$ 19,504	(7.9)%	$ 21,174	$ 60,456	(10.3)%	$ 67,375
Other production, distribution and operating costs	21,171	1.1 %	20,939	67,200	0.6 %	66,786
Newsprint, ink and other supplies	3,972	(28.1)%	5,528	12,741	(21.8)%	16,300
Depreciation	2,289	(8.9)%	2,514	7,008	(6.8)%	7,522
Amortization	140	(29.6)%	199	356	(40.6)%	599
(Gain) loss on sale/disposal of assets, net	1,362	N/A	—	(24,546)	N/A	—
Asset impairments	1,593	N/A	—	1,593	N/M	(22)
Total Operating Costs and Expense	**$ 50,031**	**(0.6)%**	**$ 50,354**	**$ 124,808**	**(21.3)%**	**$ 158,560**

"N/M" – not meaningful

Employee compensation and benefits – The Company continues to implement measures to optimize its workforce and reduce risk associated with future obligations for employee benefit plans. Employee compensation and benefits decreased $1,670 and $6,919 in the three and nine months ended September 30, 2019, respectively, primarily due to headcount reductions of 108 since September 30, 2018.

Other production, distribution and operating costs – Expense remained flat in the three and nine months ended September 30, 2019, due to management of discretionary spending, offset by $1,920 of expense related to a strategy review with an outside consulting firm in the second quarter of 2019.

Newsprint, ink and other supplies – Expense decreased due to reduced newsprint costs associated with lower circulation volumes and the elimination of brokered printing for small business clients. Newsprint consumption for the three and nine months ended September 30, 2019, approximated 2,921 and 9,770 metric tons, respectively, and for the three and nine months ended September 30, 2018, approximated 4,541 and 14,554 metric tons, respectively.

Depreciation – Expense decreased in the three and nine months ended September 30, 2019, due to a lower depreciable asset base as a higher level of in-service assets are now fully depreciated.

Amortization – Expense is related to intangible assets, comprised of developed technology and customer relationships.

(Gain) loss on sale/disposal of assets, net – In the third quarter of 2019, the Company recorded a loss of $1,362 on the disposal of newspaper production assets and publishing software that was replaced by a new digital content platform. In the second quarter of 2019, the Company completed the sale of real estate previously used as the Company's headquarters for $28,000, resulting in a pretax gain of $25,908.

Asset impairments – In the third quarter of 2019, in conjunction with a strategic change to a single decision-making reporting structure that resulted in one reportable segment and a significant decrease in the Marketing Services forecast, the Company completed a goodwill impairment test for the Marketing Services segment. Upon completion of the test, it was determined the Marketing Services reporting unit's carrying value exceeded its estimated fair value. Accordingly, the Company recorded a noncash goodwill impairment charge of $1,593 in the third quarter of 2019, fully impairing goodwill.

Other

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

	Three Months Ended September 30,			Nine Months Ended September 30,		
	2019	Percentage Change	2018	2019	Percentage Change	2018
Other income, net	$ 1,161	34.7 %	$ 862	$ 3,123	18.3 %	$ 2,641
Income tax provision (benefit)	$ (1,808)	(403.4)%	$ 596	$ 4,688	809.2 %	$ (661)

Other income, net – Other income, net is primarily comprised of net periodic pension and other post-employment benefit of $818 and $2,454 for the three and nine months ended September 30, 2019, respectively, and $930 and $2,791 for the three and nine months ended September 30, 2018, respectively. Gain (loss) from investments and interest income (expense) are also included in other income, net.

Income tax provision (benefit) – The Company recognized income tax provision (benefit) of $(1,808) and $596 for the three months ended September 30, 2019 and 2018, respectively, and $4,688 and $(661) for the nine months ended September 30, 2019 and 2018, respectively. Effective income tax rates were 31.1 percent and 10.6 percent for the nine months ended September 30, 2019 and 2018, respectively. The income tax benefit for the three months ended September 30, 2019, was due to the Texas margin tax, offset by losses generated from operations in the third quarter. The income tax provision for the nine months ended September 30, 2019, was due to the Texas margin tax and year-to-date income, primarily a result of income generated from the sale of the Company's former headquarters in the second quarter of 2019 (see Note 13 – Disposal of Assets).

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 September 30, 2019 and December 31, 2018, were $53,249 and $55,313, respectively.

The Company intends to hold 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 flows are expected to be sufficient to fund operating activities and capital spending of approximately $800 over the remainder of the year.

The future payment of dividends is dependent upon available cash after considering future operating and investing requirements and cannot be guaranteed. The Company continued stock repurchases under its prior board-authorized repurchase authority. 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 may not completely 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 and capital expenditures, lower the quarterly dividend rate for future dividends declared, if any, as well as reduce employees' base compensation, across the Company, and the annual bonus tied to financial metrics for eligible employees may be reduced. 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 following discusses the changes in cash flows by operating, investing and financing activities.

Operating Cash Flows

Net cash provided by operating activities for the nine months ended September 30, 2019 and 2018, was $2,785 and $11,547, respectively. Cash flows from operating activities decreased by $8,762 during the nine months ended September 30, 2019, 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 provided by (used for) investing activities was $1,034 and $(4,344) for the nine months ended September 30, 2019 and 2018, respectively. Cash flows from investing activities improved due to a decrease in capital spending of $3,137 and cash proceeds of $4,597 received during the second quarter of 2019, related to the sale of real estate previously used as the Company's headquarters, partially offset by the acquisition of Cubic Creative for $2,356.

Financing Cash Flows

Net cash used for financing activities was $5,883 and $6,392 for the nine months ended September 30, 2019 and 2018, respectively. Cash used for financing activities included dividend payments of $5,164 and $5,336 in 2019 and 2018, respectively. Additionally, in 2019, the Company purchased 183,458 shares of its Series A common stock at a cost of $719 under its share repurchase program.

Financing Arrangements

None.

Contractual Obligations

Under the applicable tax and labor laws governing pension plan funding, no contributions to the A. H. Belo Pension Plans are required in 2019.

On September 11, 2019, the Company's board of directors declared an $0.08 per share dividend to shareholders of record as of the close of business on November 15, 2019, paid on December 6, 2019.

Additional information related to the Company's contractual obligations is available in Company's Annual Report on Form 10-K/A for the year ended December 31, 2018, filed on March 18, 2020, with the Securities and Exchange Commission.

Critical Accounting Policies and Estimates

Beginning January 1, 2019, the Company adopted Accounting Standards Update ("ASU") 2016-02 – Leases (Topic 842). As a result, the Company implemented changes to the Company's polices related to processes around evaluating and accounting for leases or arrangements that contain a lease. Under the new standard, for substantially all leases an operating lease right-of-use asset and liability is recognized at commencement date based on the present value of lease payments over the lease term.

Except for adoption of the new lease guidance (Topic 842), 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/A filed with the SEC for the year ended December 31, 2018.

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, including statements of the Company's expectations relating to the timing of its 2019 Form 10-K with the Securities and Exchange Commission and filing future reports, 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 unanticipated challenges in completing the 2019 audit process or filing the Company's late reports, the impact 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 and production facilities and third parties, as well as changes in advertising demand and other economic conditions; consumers' tastes; newsprint prices; program costs; labor relations; 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/A for the year ended December 31, 2018.

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 Company's disclosure controls and procedures as of the end of the period covered by this report. Based on that evaluation, the Company's 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/A for the year ended December 31, 2018 (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. Management has taken a number of actions to remediate the 2018 material weaknesses including the following:

- Improve monitoring and risk assessment activities to address these control deficiencies.
- Increase the level of review and analysis of work performed by management and third-party tax professionals in the preparation of the Company's provision for income taxes.
- Enhance the controls over impairment testing for both goodwill and the long-lived assets to ensure the controls are designed and operating effectively to include properly identifying triggering events along with enhancing controls around the reviews of assumptions used in impairment tests.
- Improve the risk assessment and design of monitoring activities over change-management and the review of user access to the Company's IT systems and strengthen the review of activities conducted by users with elevated access.
- Institute change-management controls over reports generated by the Company's IT systems, which are used in the execution of key controls.
- Implement additional process-level controls over revenue recognition of new contracts.
- Develop and deliver further Internal Controls training to individuals associated with these control deficiencies and enhance training provided to all personnel who have financial reporting or internal control responsibilities in these areas. The training will include a review of individual roles and responsibilities related to internal controls, proper oversight and reemphasize the importance of completing the control procedures.

These improvements are targeted at strengthening the Company's internal control over financial reporting and remediating the 2018 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 2018 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. As of the date of filing this Form 10-Q, management is in the process of testing and evaluating these additional controls to determine whether they are operating effectively.

Changes in Internal Control Over Financial Reporting

Beginning January 1, 2019, the Company adopted ASU 2016-02 – Leases (Topic 842). The Company implemented new lease management software and changes to processes related to lease accounting and the control activities within them. The changes are primarily related to processes around evaluating and accounting for leases or arrangements that contain a lease. Under the new standard, for substantially all leases an operating lease right-of-use asset and liability is recognized at commencement date based on the present value of lease payments over the lease term.

Except as related to the adoption of the new lease guidance (Topic 842) and 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 third fiscal quarter ended September 30, 2019, 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

Except as updated below, 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/A for the year ended December 31, 2018.

Recent COVID-19 and other pandemic outbreaks could negatively impact A. H. Belo's businesses and results of operations.

The Company may face risks related to the recent outbreak of the Coronavirus Disease 2019 ("COVID-19" or "virus"), which has been declared a "pandemic" by the World Health Organization. The full impact of COVID-19 is unknown and rapidly evolving. The outbreak and any preventative or protective actions that the Company or its customers may take in respect of this virus may result in a period of disruption, including the Company's financial reporting capabilities, its operations generally and could potentially impact the Company's customers, distribution partners, advertisers, production facilities, and third parties. Any resulting financial impact cannot be reasonably estimated at this time, but may materially affect the business and the Company's financial condition and results of operations. The extent to which the COVID-19 impacts the Company's results will depend on future developments, which are highly uncertain and cannot be predicted, including new information which may emerge concerning the severity of COVID-19 and the actions to contain the virus or treat its impact, among others.

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 repurchased shares of its common stock pursuant to a publicly announced share repurchase program authorized by the Company's board of directors. During 2019, the Company repurchased 183,458 shares of its Series A common stock at a total cost of $719. All purchases were made through open market transactions and were recorded as treasury stock. The agreement to repurchase the Company's stock expired in the fourth quarter of 2019 and was not renewed.

The following table contains information for shares repurchased during the third quarter of 2019. None of the shares in this table were repurchased directly from any of the Company's officers or directors.

Period	Total Number of Shares Purchased	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Maximum Number of Shares that May Yet Be Purchased Under the Plans or Programs
July 2019	37,647	$ 3.71	1,866,630	2,133,370
August 2019	—	—	1,866,630	2,133,370
September 2019	14,198	3.72	1,880,828	2,119,172

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: April 13, 2020

EXHIBIT INDEX

Exhibit Number		Description
31.1		Certification of Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.2		Certification of Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32		Certifications of Chief Executive Officer and Chief 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 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.

SEVENTH AMENDMENT TO THE A. H. BELO SAVINGS PLAN

A. H. Belo Corporation, a Texas corporation (the "**Company**"), delegated to its Benefits Administrative Committee (the "**Committee**") the authority to amend the A. H. Belo Savings Plan, as amended and restated January l, 2015 (the "**Plan**") and has amended the Plan previously six times. The Company's authority to amend the Plan is contained in Article 15 of the Plan, and the Company delegated its authority to the Committee via its Charter. Pursuant to its authority, the Committee hereby amends the Plan effective as of **December 1, 2019**, by adopting this Seventh Amendment to the Plan (this "**Amendment**") as provided herein.

l. Section 1.15 is deleted in its entirety and amended and replaced with the following effective on and after **December 1, 2019**:

> "l.15 **Compensation** means the base pay, overtime pay, shift differential pay, premium pay, bonuses and commissions paid to an Employee by the Participating Employers for services performed for the Participating Employers, excluding (i) any awards (other than annual incentive compensation awards), whether paid in cash, Company Stock or any other medium, under the A. H. Belo 2017 Incentive Compensation Plan, the A. H. Belo 2008 Incentive Compensation Plan, the Belo 2004 Executive Compensation Plan, or any other long term incentive compensation plan; (ii) any payment made after the later of (A) 2 1/2 months after the Employee's termination of employment or (B) the end of the Plan Year that includes the Employee's date of termination of employment; (iii) any payment made in connection with or after the Employee's termination of employment that would not have been made if the Employee had continued in employment, such as severance pay or any other amount that would not qualify as compensation under Section 1.415(c)-2(e)(3) of the Treasury Regulations; and (iv) any other form of remuneration. In addition, Compensation includes any contributions made by the Participating Employers on behalf of an Employee pursuant to a deferral election under any employee benefit plan containing a cash or deferred arrangement under Code section 401 (k) and any amounts that would have been received as cash but for an election to receive benefits under a cafeteria plan meeting the requirements of Code section 125. Effective January 1, 2009, Compensation will include differential wage payments (within the meaning of Code section 414(u)(12)) that are paid to a Participant by a Participating Employer. The annual Compensation of an Employee taken into account for any purpose will not exceed $265,000 for any Plan Year beginning after December 31, 2014, as adjusted for cost-of-living increases in accordance with Code section 401(a)(17). The annual Compensation of an Employee who is covered by a collective bargaining agreement will also be subject to any applicable limit on the amount of such Compensation that may be taken into account for the purpose of the Plan. Notwithstanding the foregoing, effective **December 1, 2019**, solely for the purpose of calculating and funding a Participant's Deferral Contribution, Compensation shall include any award of Long Term Incentive Compensation."

2. Section 7.1(c) is deleted in its entirety and amended and replaced with the following effective on and after **December 1, 2019:**

"(c) **Participant's Consent to Certain Payments.** If the amount of a Participant's vested Account balance exceeds $1,000, the Committee will not distribute the Participant's vested Account balance to him prior to the date distributions are required to begin under Article 12 following his attainment of age 70 $^{1}/2$, unless he elects to receive a distribution at any earlier date following termination of employment. For purposes of the preceding sentence, the value of a Participant's vested Account balances will include that portion that is attributable to is Rollover Account. A distribution may be made less than 30 days after the Participant has been furnished an explanation of his distribution options provided that (i) the Committee clearly informs the Participant that he has the right to consider whether to accept a distribution and whether to consent to a particular form of distribution for at least 30 days after he has been provided the relevant information, (ii) the Participant affirmatively elects to waive the 30-day notice period and receive a distribution, and (iii) with respect to a distribution to which Code section 417 applies, the Participant is permitted to revoke the election and make a new election at any time prior to the later of the date of distribution or the expiration of the seven-day period after the explanation of distribution options is provided to the Participant. Notwithstanding the foregoing effective on and after **December 1, 2019**, if the amount of a Participant's vested Account balance, calculated in accordance with this Section 7.1(c), exceeds $1,000 but is less than or equal to $5,000, upon the Participant's failure to affirmatively elect a particular form of distribution for at least 30 days after he has been provided the relevant information, the Committee shall cause the Participant's vested Account balance to be paid in a direct rollover to an individual retirement account designated by the Committee."

No other provision of the Plan is amended by this Amendment.

Approved by the Committee and executed by a duly authorized Committee representative on behalf of the Committee at its meeting on the 19th day of November, 2019.

A. H. BELO CORPORATION

By: /s/ Julie Hoagland

Name: Julie Hoagland

Title: Chief People Officer

A. H. BELO CORPORATION

RESOLUTIONS OF THE
BENEFITS ADMINISTRATION COMMITTEE

November 19, 2019

Resolutions Regarding the Seventh Amendment to the A. H. Belo Savings Plan

WHEREAS, A. H. Belo Corporation (the "**Company**") maintains the A. H. Belo Savings Plan, as amended and restated January 1, 2015 (the "**Plan**") and has amended the Plan previously six times;

WHEREAS, Article 15 of the Plan provides that the Company may amend the Plan from time to time;

WHEREAS, the Company has delegated its authority to amend the Plan to the Benefits Administration Committee of the Company (the "**Committee**") via its Charter;

WHEREAS, the Company desires to amend the Plan to expand the definition of "Compensation" for purposes of calculating and funding the employee deferral contributions to include any award of Long Term Incentive Compensation (the "**Compensation Definition**");

WHEREAS, the Company desires to amend the Plan to provide for automatic rollover of vested account balances of more than $1,000 but equal to or less than $5,000 for participants who have terminated employment with the Company and have failed to timely affirmatively elect how their vested account balances should be distributed (the "**Automatic Rollover**"); and

WHEREAS, the Committee has deliberated and believes it is in the best interests of the Plan's participants to approve the limited change to the Compensation Definition with respect to the compensation used to calculate and fund employee deferral contributions and the Automatic Rollover pursuant to the Seventh Amendment to the Plan, attached hereto as **Exhibit-A** (the "**Seventh Amendment**").

NOW, THEREFORE BE IT RESOLVED, that the Committee hereby approves the adoption of the Seventh Amendment effective on and after **December 1, 2019**;

RESOLVED FURTHER, that the appropriate members of the Committee be, and each of them hereby is, authorized, empowered and directed, in the name and on behalf of the Committee or the Plan, to execute and deliver any agreements, documents, instruments or certificates necessary, appropriate or desirable, and to take all such further actions, and to incur and pay all such fees and expenses, as such member or members deem necessary, appropriate or desirable in order to effectuate the purposes of the foregoing resolution;

RESOLVED FURTHER, that any actions taken by any member of the Committee prior to the adoption of the foregoing resolution are, to the extent consistent with such resolution, hereby ratified, confirmed, authorized and approved in all respects as actions by and in the name and on behalf of the Committee; and

RESOLVED FURTHER, that the taking of any action or the preparation, execution or delivery of any document by any member of the Committee to effectuate the purposes of the foregoing resolution shall be conclusive evidence that such action or document was determined to be necessary, appropriate or desirable.

<u>EXHIBIT A</u>

SEVENTH AMENDMENT

[See attached.]

SUMMARY OF SEVENTH AMENDMENT TO THE A. H. BELO SAVINGS PLAN

This summary provides the Benefits Administration Committee (the "**Committee**") of A. H. Belo Corporation (the "**Company**") with an overview of the proposed Seventh Amendment to the A. H. Belo Savings Plan (the "**Amendment**"). The Amendment is intended to become effective as of **December 1, 2019**.

For the purposes of calculating and funding the employee deferral contributions only, the Amendment expands the definition of compensation under the Plan to include any award of Long Term Incentive Compensation. This expansion will allow employees to contribute an additional amount of their income from the Long Term Incentive Compensation, if so desired, without requiring the Company to increase its contributions.

In addition, the Amendment provides that participants who (i) have terminated employment with the Company, (ii) have a vested account balance of over $1,000.00 and up to $5,000.00, and (iii) have failed to affirmatively elect how their full vested account balance should be distributed within 30 days of being provided the relevant tax notice and distribution election information will have their full vested account balances automatically rolled over to an individual retirement account. This change will reduce the number of participants with small account balances who remain in the Plan but are not actively managing their Plan account.

In the event that the Committee approves the Amendment, the Committee should be aware that its selection of a default individual retirement account is a fiduciary decision.

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: April 13, 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: April 13, 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 September 30, 2019, 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: April 13, 2020

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

Date: April 13, 2020