

CURRENT REPORT

of

BARRINGTON BROADCASTING GROUP LLC BARRINGTON BROADCASTING CAPITAL CORPORATION

March 16, 2009

Pursuant to Section 4.3 of the Indenture, dated as of August 11, 2006, as supplemented by the First Supplemental Indenture, dated as of March 19, 2008 (the “Indenture”), by and among Barrington Broadcasting Group LLC (“Barrington Group”), Barrington Broadcasting Capital Corporation (“Barrington Capital” and, together with Barrington Group, the “Issuers”), certain subsidiaries of Barrington Group named therein, as guarantors (the “Guarantors”), and U.S. Bank National Association, as Trustee (the “Trustee”), relating to the 10½% Senior Subordinated Notes due 2014 of the Issuers (the “Notes”), the Issuers are furnishing the information contained herein to the holders of the Notes.

Earnings Release for the Quarter and Fiscal Year Ended December 31, 2008

On March 16, 2009, Barrington Group issued a press release reporting its financial results for the quarter and fiscal year ended December 31, 2008 (the “Earnings Announcement”). A copy of the Earnings Announcement is attached to this Current Report as Exhibit 99.1.

Transcript of Earnings Call

On March 17, 2009, Barrington Group held a conference call to discuss its financial results for the quarter and fiscal year ended December 31, 2008. A copy of the transcript (the “Transcript”) of the call is attached to this Current Report as Exhibit 99.2. The Transcript has been selectively edited to facilitate the understanding of the information communicated during the conference call.

SIGNATURES

Pursuant to the requirements of Section 4.3(a) of the Indenture, the Issuers have duly caused this Current Report to be signed on their behalf by the undersigned thereunto duly authorized.

BARRINGTON BROADCASTING GROUP LLC
BARRINGTON BROADCASTING CAPITAL CORPORATION

March 19, 2009

/s/ Warren Spector

Name: Warren Spector
Director and Chief Financial Officer
(Principal Financial Officer)



FOR IMMEDIATE RELEASE

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BARRINGTON REPORTS FOURTH QUARTER AND YEAR-END OPERATING RESULTS

Hoffman Estates, IL, March 16, 2009 – Barrington Broadcasting Group LLC (“Barrington”) announced today its financial results for the quarter ended December 31, 2008 and for the year ended December 31, 2008.

Results for the three and twelve months include results of WGTU and WGTQ, stations that Barrington programs and to which it provides support services, beginning April 1, 2008, the date Tucker Broadcasting of Traverse City, Inc. completed the acquisition of these stations (the “Acquired Stations”). Highlights are as follows:

- Gross revenues for the quarter ended December 31, 2008 increased \$2.7 million, or 7.6%, to \$38.1 million from \$35.4 million for the quarter ended December 31, 2007. Excluding results of the Acquired Stations, gross revenues increased \$1.7 million, or 4.7%, to \$37.1 million. The increase was primarily due to an increase in political revenues for the quarter over the prior period of \$7.1 million. Political revenues for the quarter ended December 31, 2007 were approximately \$1.1 million. Local revenues decreased 16.2%, or \$3.4 million, to \$17.8 million for the quarter ended December 31, 2008. National revenues decreased 22.5%, or \$2.3 million, to \$7.8 million for the quarter ended December 31, 2008.
- Net revenues (gross revenues less agency commissions and other direct costs) for the quarter ended December 31, 2008 increased 7.2% to \$32.5 million from \$30.4 million for the quarter ended December 31, 2007. Excluding results of the Acquired Stations, net revenues increased \$1.3 million, or 4.3%, to \$31.7 million.
- Operating expenses for the quarter ended December 31, 2008, excluding depreciation and amortization and an impairment of intangible assets and goodwill, increased \$0.4 million, or 1.8%, to \$21.5 million. Excluding results of the Acquired Stations, operating expenses decreased \$0.2 million, or 0.7%, to \$20.9 million. The decrease was primarily due to reduced salaries and wages as a result of a workforce reduction that was substantially completed in the second quarter of 2008.
- Broadcast Cash Flow (as defined herein) for the quarter ended December 31, 2008 increased 17.0% to \$12.4 million from \$10.6 million for the quarter ended December 31, 2007. Excluding results of the Acquired Stations, Broadcast Cash Flow increased 13.2% to \$12.0 million.

- Gross revenues for the year ended December 31, 2008 increased 6.2% to \$139.8 million from \$131.7 million for the year ended December 31, 2007. Excluding results of the Acquired Stations, gross revenues increased \$5.4 million, or 4.1%, to \$137.1 million for the period. The increase was primarily due to an increase in political revenues of \$12.8 million from the prior year to \$14.5 million. National revenues decreased 12.2%, or \$4.7 million, to \$33.9 million for the year ended December 31, 2008. Local revenues decreased \$3.4 million, or 4.2%, to \$77.9 million.
- Net revenues (gross revenues less agency commissions and other direct costs) for the year ended December 31, 2008 increased 6.1% to \$119.4 million from \$112.5 million for the year ended December 31, 2007. Excluding results of the Acquired Stations, net revenues increased \$4.5 million, or 4%, to \$117.0 million.
- Operating expenses for the year ended December 31, 2008, excluding depreciation and amortization and impairment of intangible assets and goodwill, increased 3.7%, or \$3.0 million, to \$85.2 million from \$82.2 million for the year ended December 31, 2007. Excluding results of the Acquired Stations, operating expenses increased \$1.4 million, or 1.7%, to \$83.6 million, primarily as a result of separation costs related to the workforce reduction that occurred during 2008 as well as increased expenses in website development.
- Broadcast Cash Flow for the year ended December 31, 2008 increased 13.5% to \$40.5 million from \$35.7 million for the year ended December 31, 2007. Excluding results of the Acquired Stations, Broadcast Cash Flow increased 10.9% to \$39.6 million.

“In the fourth quarter, Barrington benefited from year over year incremental political revenues which offset the increased weakness in local and national advertising as a result of the state of the economy. We have increased our sales presence in our markets and we continue to focus on a more efficient cost structure by seeking to constantly optimize station-level operations”, said K. James Yager, Chief Executive Officer of Barrington Broadcasting.

Impairment of Intangible Assets

As required by SFAS 142 “Goodwill and Other Intangible Assets”, Barrington tested the impairment of its broadcast licenses and goodwill during the fourth quarter due to continuing unfavorable business conditions, a reduction in value of television stations and the decline of advertising revenues. The amount of the impairment is still being analyzed and has not been included in the results of operations disclosed in this release. However, Barrington expects the impairment to be in excess of \$50.0 million. The result of the analysis will be included in Barrington’s annual report.

Capital Contribution, Amendment to Credit Agreement and Purchases of Senior Subordinated Notes

On February 20, 2009, Pilot Group LP, Barrington’s owner, made an equity contribution of \$16.0 million to Barrington.

On February 5, 2009, Barrington entered into an Amendment to its Credit Agreement. Among other things, the Amendment, which became effective on February 23, 2009, allows Barrington to use up to \$13.0 million of cash for one year after the effective date to purchase and retire a portion of its 10-1/2% Senior Subordinated Notes due 2014 (the “Notes”). To date, Barrington has repurchased \$28.2 million aggregate principal amount of the Notes for an aggregate purchase price of \$3.5 million. Barrington may seek to retire or purchase additional Notes through cash purchases and/or exchanges for qualified equity securities, in open market purchases, privately negotiated transactions or otherwise. Such repurchases or exchanges, if any, will depend on prevailing market conditions, Barrington’s liquidity requirements, contractual restrictions and other factors. The amounts involved may be material.

Conference Call

As previously announced, Barrington will host a conference call to discuss its fourth quarter and annual results at 11:00 AM (ET) on Tuesday, March 17, 2009. The dial-in information for the earnings call is as follows: 1-800-240-6709. A telephonic replay of the earnings call will be available beginning on March 17, 2009 at 1:00 PM (ET) and remain available for thirty days. To access the replay, call 1-800-405-2236 (domestic callers) or 1-303-590-3000 (international callers) and enter access code 11127869#.

During the conference call, representatives of Barrington may discuss and answer one or more questions concerning Barrington's business and financial matters. The responses to these questions, as well as other matters discussed during the call, may contain information that has not been previously disclosed.

Annual Report

The information in this press release should be read in conjunction with the financial statements and footnotes contained in Barrington's annual report for the year ended December 31, 2008 which will be posted on Barrington's website (www.barrington.com) at the end of March 2009. Barrington's results for the year ended December 31, 2008 are subject to the completion of its annual report for such period.

Non-GAAP Financial Measures

Broadcast Cash Flow, EBITDA and Adjusted EBITDA (each as defined in the attachments to this press release) are non-GAAP financial measures (i.e., they are not measures of financial performance under generally accepted accounting principles) and should not be considered in isolation from or as a substitute for consolidated statements of operations and cash flow data prepared in accordance with GAAP. Broadcast Cash Flow, EBITDA and Adjusted EBITDA, as used herein, are not necessarily comparable to similarly titled measures of other companies. For definitions of and additional information regarding Broadcast Cash Flow, EBITDA and Adjusted EBITDA and a reconciliation of such measures to the most comparable measures calculated in accordance with GAAP, please see the attachments to this press release.

Broadcast Cash Flow, EBITDA and Adjusted EBITDA are measures commonly used by financial analysts in evaluating performance of companies, including broadcast companies. Accordingly, Barrington believes that Broadcast Cash Flow, EBITDA and Adjusted EBITDA may be useful in assessing Barrington's operating performance and its ability to meet its debt service requirements. Barrington also believes that these measures allow a standardized comparison between companies in the broadcast industry, while minimizing the differences from depreciation policies, financial leverage and tax strategies.

About Barrington

Barrington was formed in 2003 to acquire and operate television stations in smaller markets across the United States. Barrington currently owns, operates, or supports the operations of twenty three network affiliated television stations. Barrington is owned and controlled by Pilot Group, with management as its partner. Pilot Group is a non-traditional private investment firm founded in 2003 by a group of operating executives who actively help its management partners achieve their goals.

Forward Looking Statements

The statements in this press release that are not historical facts are forward-looking statements that are subject to material risks and uncertainties. Investors are cautioned that any such forward-looking statements are not guarantees of future performance or results and involve risks and uncertainties, and that actual results or developments may differ materially from those in the forward-looking statements as a result of various factors. Such factors include those risks described from time to time in Barrington's quarterly reports and annual reports which are furnished pursuant to the Indenture dated as of August 11, 2006, by and among Barrington, Barrington Broadcasting Capital Corporation, the guarantors named

therein, and U.S. Bank National Association, as trustee, as amended, and which are posted on Barrington's website. These factors should be considered carefully and readers are cautioned not to place undue reliance on such forward-looking statements. Barrington does not undertake to update any forward-looking statements in this press release or with respect to matters described herein.

Barrington Broadcasting Group LLC
Consolidated Financial Information
Three Months and Twelve Months Ended December 31, 2008 and December 31, 2007

(Dollars in thousands)	Three Months Ended		Twelve Months Ended	
	12/31/2008	12/31/2007	12/31/2008	12/31/2007
Statement of Operations Data:⁽¹⁾				
Net revenue	\$ 32,542	\$ 30,357	\$ 119,377	\$ 112,539
Expenses:				
Operating ⁽²⁾	20,383	20,013	79,887	77,529
Depreciation and amortization	9,153	7,225	29,629	29,459
Impairment of intangible assets and goodwill	-	-	18,523 ⁽³⁾	-
Corporate	1,086	1,082	5,319	4,663
Total operating expenses	<u>30,622</u>	<u>28,320</u>	<u>133,358</u>	<u>111,651</u>
Income (loss) from operations	1,920	2,037	(13,981)	888
Total net interest expense	6,727	6,616	26,281	26,537
Non-operating income ⁽⁴⁾	(713)	(256)	(1,185)	(256)
Loss before income taxes	<u>(4,094)</u>	<u>(4,323)</u>	<u>(39,077)</u>	<u>(25,393)</u>
Income tax expense (benefit) ⁽⁵⁾	84	68	307	(64)
Net loss	<u>\$ (4,178)</u>	<u>\$ (4,391)</u>	<u>\$ (39,384)</u>	<u>\$ (25,329)</u>

Other Financial Data:

EBITDA ⁽⁶⁾	\$ 11,786	\$ 9,518	\$ 16,833	\$ 30,603
Adjusted EBITDA ⁽⁷⁾	11,310	9,509	35,922	31,072
Broadcast Cash Flow ⁽⁸⁾	12,396	10,591	40,544	35,735

Balance Sheet Data:

Cash and cash equivalents	<u>\$ 28,839</u>
Total long-term debt, including current portions ⁽⁹⁾	<u>\$ 303,048</u>

(1) Statement of operations data is based on Barrington's historical unaudited consolidated financial results for the three months and twelve months ended December 31, 2008 and the audited consolidated financial results for the three months and twelve months ended December 31, 2007, and includes the results of operations of Tucker Broadcasting of Traverse City, Inc. ("Tucker") beginning April 1, 2008, the date Tucker completed the acquisition of stations WGTU and WGTQ. Barrington programs these stations pursuant to a joint sales agreement with Tucker and also provides support services to these stations pursuant to a shared services agreement with Tucker. Tucker is consolidated with Barrington since it is considered a variable interest entity.

(2) Includes selling, technical, programming (including amortization of program broadcast rights) and general and administrative expenses. Also includes the net operating expenses in connection with Barrington's investment in joint ventures.

(3) Does not include an additional non-cash impairment charge in the fourth quarter that Barrington expects will be in excess of \$50 million.

(4) Consists of gain on the exchange of fixed assets with Nextel.

(5) Since Barrington is a limited liability company, federal taxes are passed through to its members and as such no provision has been made for federal income taxes. Income tax expense includes various state tax refunds and liabilities.

(6) EBITDA is defined as net income (loss) before income taxes, interest expense, depreciation and amortization. EBITDA is a measure commonly used by financial analysts in evaluating operating performance of companies. Accordingly, management believes that EBITDA may be useful in assessing Barrington's operating performance and Barrington's ability to meet its debt service requirements. A reconciliation of EBITDA to net loss is provided below.

Barrington Broadcasting Group LLC
Consolidated Financial Information
Three Months and Twelve Months Ended December 31, 2008 and December 31, 2007

(Dollars in thousands)	Three Months Ended		Twelve Months Ended	
	12/31/08	12/31/07	12/31/08	12/31/07
Reconciliation of EBITDA:				
Net loss	\$ (4,178) ^(a)	\$ (4,391)	\$ (39,384) ^(a)	\$ (25,329)
Total net interest expense	6,727	6,616	26,281	26,537
Income tax expense (benefit) ^(b)	84	68	307	(64)
Depreciation and amortization	9,153	7,225	29,629	29,459
EBITDA	\$ 11,786	\$ 9,518	\$ 16,833	\$ 30,603

(a) Does not include a non-cash impairment charge that Barrington expects will be in excess of \$50 million.

(b) Since Barrington is a limited liability company, federal taxes are passed through to its members and as such no provision has been made for federal income taxes. Income tax expense includes various state tax refunds and liabilities.

(7) Adjusted EBITDA is defined as EBITDA before amortization of program and broadcast rights and network revenues, other non-cash charges, gains or losses on dispositions of assets and other non-recurring items and after program broadcast rights payments and payments from networks. Certain financial covenants in Barrington's credit facility contain ratios based on Adjusted EBITDA and the restricted payment and debt incurrence covenants in the indenture governing Barrington's senior subordinated notes are based on Adjusted EBITDA. In addition, management believes that Adjusted EBITDA may be useful in assessing Barrington's operating performance and Barrington's ability to meet its debt service requirements because Adjusted EBITDA, as opposed to EBITDA, more accurately reflects Barrington's operating performance as it takes into account industry specific adjustments such as amortization of program broadcast rights, program broadcast rights payments, amortization of network revenues, cash payments from networks, as well as gains and losses on dispositions of assets and other non-recurring items. A reconciliation of Adjusted EBITDA to EBITDA is provided below.

(Dollars in thousands)	Three Months Ended		Twelve Months Ended	
	12/31/08	12/31/07	12/31/08	12/31/07
Reconciliation of Adjusted EBITDA:				
EBITDA	\$ 11,786	\$ 9,518	\$ 16,833	\$ 30,603
Amortization of program broadcast rights	1,389	1,383	4,948	5,153
Program broadcast rights payments	(1,180)	(1,190)	(4,724)	(4,709)
Amortization of network revenues ^(a)	(319)	(102)	(593)	(761)
Cash payments from networks	101	156	416	1,042
Other adjustments to arrive at Adjusted EBITDA ^(b)	(467)	(256)	19,042	(256)
Adjusted EBITDA	\$ 11,310	\$ 9,509	\$ 35,922	\$ 31,072

(a) Represents net amounts due from networks which were deferred and amortized over the length of the respective network affiliation agreements.

(b) Consists of gain on the exchange of fixed assets with Nextel of \$256 for the three and twelve months ended December 31, 2007 and \$713 and \$1,185 for the three and twelve months ended December 31, 2008, respectively. Also includes separation costs of \$196 and \$957 recorded during the three and twelve months ended December 31, 2008, respectively, related to the workforce reduction initiated in April 2008 as well as \$50 of legal expenses incurred in the fourth quarter related to the transactions with Granite Broadcasting. In addition, impairment charges related to FCC licenses and goodwill of \$18,523 were recorded during the three months ended September 30, 2008.

(8) Broadcast Cash Flow is defined as Adjusted EBITDA before provision for corporate overhead costs. Broadcast Cash Flow is a measure commonly used by financial analysts in evaluating operating performance of broadcast companies. Accordingly, management believes that Broadcast Cash Flow may be useful in assessing Barrington's operating performance and Barrington's ability to meet its debt service requirements. A reconciliation of Broadcast Cash Flow to Adjusted EBITDA is presented below.

(Dollars in thousands)	<u>Three Months Ended</u>		<u>Twelve Months Ended</u>	
	<u>12/31/08</u>	<u>12/31/07</u>	<u>12/31/08</u>	<u>12/31/07</u>
Reconciliation of Broadcast Cash Flow:				
Adjusted EBITDA	\$ 11,310	\$ 9,509	\$ 35,922	\$ 31,072
Corporate overhead costs	<u>1,086</u>	<u>1,082</u>	<u>4,622</u>	<u>4,663</u>
Broadcast Cash Flow	<u>\$ 12,396</u>	<u>\$ 10,591</u>	<u>\$ 40,544</u>	<u>\$ 35,735</u>

(9) Includes (i) Barrington's guarantee of indebtedness of SagamoreHill of Carolina, LLC and SagamoreHill of Carolina Licenses, LLC, licensee of station WWMB (Barrington programs WWMB pursuant to a local marketing agreement), (ii) Barrington's guarantee of, and other credit support with respect to, Tucker's \$7 million of term loans, (iii) Tucker's \$3.3 million convertible subordinated note that was converted into equity of Tucker on February 28, 2009 by the holder, and (iv) the full drawdown of Barrington's revolving credit facility of \$21 million.

BARRINGTON BROADCASTING GROUP LLC
FOURTH QUARTER 2008 EARNINGS CONFERENCE CALL
March 17, 2009 11:00 AM ET
Chairperson: James Yager (Mgmt.)

Operator: Ladies and gentlemen thank you for standing by. Welcome to the Fourth Quarter Earnings conference call. During today's presentation, all parties will be in a listen-only mode. Following the presentation, the conference will be open for questions. If you have a question, please press the star key followed by the one key on your touch-tone phone. If you'd like to withdraw your question, please press the star key followed by the two key. And if you're using speaker equipment, please lift your handset before making your selection. This conference is being recorded today, Tuesday, March 17, 2009.

I'd now like to turn the conference over to our host, Mr. Jim Yager. Please go ahead, sir.

James Yager: Good morning. I am Jim Yager, Chief Executive Officer of Barrington Broadcasting, and I'd like to welcome you to Barrington Broadcasting's Fourth Quarter 2008 Earnings call.

Before we begin, I'd like to remind you that certain statements made during this conference call, which are not based on historical facts, may be deemed to be forward looking statements within the meaning of the Private Securities Litigation Act of 1995. Because these forward looking statements involve known and unknown risks and uncertainties, there are important factors that could cause actual results, events, or developments to differ materially from those expressed or implied by these forward looking statements. Such factors include those risks described in Exhibit 99.1 that are posted on our website. All information is current as of the date of this call, and the company undertakes no duty to update this information.

With me this morning are Warren Spector, our Chief Financial Officer, and Chris Cornelius, our Chief Operating Officer. Today we will cover our actual results for the three months ended December 31, 2008, as well as the 12 months ended December 31, 2008 compared to our results for the fourth quarter and calendar year 2007. Results for the three months ended December 31, 2008 include results of WGTU and WGTQ, stations that Barrington began providing programming and support services to on April 1, 2008; the date Tucker broadcasting of Traverse City completed the acquisition of these stations.

Gross revenues for the quarter ended December 31, 2008 increased 7.6% to \$38.1 million, from \$35.4 million for the fourth quarter of 2007. Excluding results of WGTU and WGTQ, for the quarter gross revenues increased \$1.7 million, or 4.7%, to \$37.1 million. The increase was primarily due to an increase in political revenues over the prior year of \$7.1 million.

Local revenues decreased \$3.4 million, or 16.2%, to \$17.8 million. National revenues were down 22.5%, or \$2.3 million, to \$7.8 million for the quarter ended December 31, 2008.

Operating expenses for the quarter ended December 31, 2008, not including depreciation, amortization, and an impairment charge increased \$400,000, or 1.8%, to \$21.5 million. Excluding results of WGTU and WGTQ, operating expenses decreased \$200,000, or 0.7%, to \$20.9 million, primarily due to reduced salaries and wages as a result of the workforce reduction that was substantially completed in the second quarter of 2008.

Broadcast cash flow for the quarter ended December 31, 2008 increased 17% to \$12.2 million from \$10.3 million for the quarter ended December 31, 2007. Excluding results of WGTU and WGTQ, Broadcast cash flow increased 13.2% to \$12 million.

Now Warren Spector will review in more detail our fourth quarter results for the year, and the year ending December 31, 2008. Warren?

Warren Spector: Thank you, Jim. In order to look at comparable results for the quarter and year ended December 31, 2008, I'll report on the results excluding those at WGTU and WGTQ. As Jim stated earlier, we started including the results of those television stations effective April 1, 2008.

As Jim stated earlier, gross revenues for the fourth quarter increased \$1.7 million, or 4.7%, to \$37.1 million. The increase was primarily due to an increase in political revenues of \$7.1 million to \$8.2 million for the quarter.

Local revenues decreased \$3.4 million, or 16.2%, to \$17.8 million, while national revenues decreased \$2.3 million, or 22.5%, to \$7.8 million.

Net revenues for the quarter increased \$1.3 million, or 4.3%, to \$31.7 million from \$30.4 million for the quarter ended December 31, 2008.

Operating expenses for the quarter, excluding depreciation and amortization and an impairment charge to broadcast licenses and goodwill, decreased 0.7%, or \$0.2 million, to \$20.9 million, primarily as a result of a reduction of salary and wages related to the workforce reduction that was substantially completed in the second quarter of 2008.

Broadcast cash flow for the quarter increase 13.2% to \$12 million, from \$10.6 million for the quarter ended December 31, 2007.

Gross revenues for the 12 months ended December 31, 2008 increased \$5.4 million, or 4.1%, to \$137.1 million for the period. The increase was primarily due to an increase in political revenue of \$12.8 million to \$14.5 million for the year. National revenues decreased \$4.7 million, or 12.2%, to \$33.9 million, while local revenues decreased \$3.4 million, or 4.2%, to \$77.9 million.

Net revenues for the 12 months ended December 31, 2008 increased \$4.5 million, or 4%, to \$117 million.

Operating expenses for the 12 months ended December 31, 2008, excluding depreciation and amortization and impairment charges to broadcast licenses and goodwill, increased \$1.4 million, or 1.7%, to \$83.6 million, primarily as a result of severance costs related to the workforce reduction mentioned earlier, and the increased website sales and development cost.

Broadcast cash flow for the 12 months ended December 31, 2008 increased 1.9% to \$39.6 million, from \$35.7 million for the 12 months ended December 31, 2007. Although Barrington took a non-cash impairment charge of \$18.5 million in the third quarter of 2008, continued economic conditions during the fourth quarter dictated that Barrington again test the impairment of its broadcast licenses and goodwill. We continue to analyze a preliminary amount of impairment of assets that we will take for the quarter, but we expect the non-cash impairment charge for the quarter to exceed \$50 million.

In the first quarter, Pilot Group LP contributed \$16 million to Barrington. Barrington amended its creditor agreement shortly thereafter in early 2009, which allows it to use up to \$13 million to purchase senior subordinated notes for up to one year after the effective date of the amendment. To date, Barrington has purchased \$28.2 million aggregate principal amount of the notes for an aggregate purchase price of \$3.5 million.

With that, Jim, I'll turn it back over to you.

James Yager: Thank you, Warren. As we have mentioned in previous calls, our primary operating objective at all of our stations is to grow truly local revenues and monetize our Internet initiatives. In addition, we continue to take steps to improve our operating efficiencies at all of our stations through cost reductions, and we are aggressively pursuing joint sales and shared services agreements in several of our markets. To bring you up to date on the progress in that regard, I'm going to turn the call over, at this point, to Chris Cornelius, our Chief Operating Officer. Chris?

Chris Cornelius: All right, Jim. I'll start with a little more detailed breakdown of our fourth quarter revenues, and then a couple of comments on efficiencies and costs. On a same station basis, Barrington's 2008 fourth quarter local direct revenues decreased 7.3% to \$5.4 million over the same period in 2007. 2008 fourth quarter local agency and regional agency revenues decreased 20.2% to \$12.4 million versus the same period in 2007. And Barrington's national revenues decreased 22.5% to \$7.8 million versus the same period in 2007. Political, however, added \$8.2 million, pushing our total time revenues up 7.6%.

When we compare Barrington's combined fourth quarter local results versus the 737 stations reporting their fourth quarter to TVB, we feel our local development strategy is on track. As Warren mentioned, Barrington's fourth quarter 2008 local revenues were down 16.2%, but the fourth quarter 2008 TVB average was down 24.6%.

Although our local performance is nowhere where we want it, the strategy we implemented over a year ago, which divided each station's sales staff into two teams: one team handling agency negotiations and merchandizing, and the other focused on local retail development, helped push Barrington to finish 8.4% better than the TVB group.

We continue to be aggressive in the national marketplace, and we believe we've done a good job in protecting our market shares. To offset revenue declines in our automotive categories, our transactional sales teams have developed new national revenue streams, which have helped Barrington outperform the TVB reporting stations. Barrington was down 22.5%, and the TVB reporting stations were down 26.7%.

Also, Barrington's year-to-date Internet revenue growth is also outpacing the stations reporting their fourth quarter results to TVB. Barrington grew 125.6% over '07 versus 10.8 for the combined TVB group.

On the operating side, we continue to look for efficiencies. Over the last 15 months we've re-engineered our operations, and resulting in a 25.6% reduction in overall headcount. This action is inclusive of hiring an additional 49 sales people since last Thanksgiving. Also contributing to Barrington's ongoing costs—ongoing savings is the JAS SSA we completed with Granite Broadcasting earlier this quarter. Barrington consolidated Granite's operation into our station in Syracuse, and we consolidated our operation into Granite's station in Peoria. This exchange will provide both companies with significant cost savings, and an accretive impact on BCF.

Local news continues to drive our stations' identities and our profitability. Barrington is focused on building stronger news margins and news ratings. We now have agreements in several of our markets to pool news gathering resources to cover commodity news such as city council meetings, and general press

conferences. In addition, our managers have developed partnerships with other news gathering organizations and citizen journalists, which has expanded and extended our content both on-air and online.

And finally, we'll finish with retransmission consent. Warren has led Barrington's retrans negotiations and has successfully completed agreements with most of the major MSOs and satellite providers. These agreements will impact BCF for the company over the next several years.

Jim, back to you.

James Yager: Thanks Chris. In conclusion, we remain committed to a strategy of first developing strong local sales departments, and implementing cost savings while improving operating efficiencies at each of our stations irrespective of their market size. As Chris mentioned, we have reduced the company's overall headcount by 25.6% since January 1, 2008. We also remain committed to maintaining a deep and talented management team at both the corporate level, and I might add, a management team at the station level that fully supports the changes we have made in re-engineering our operations from the traditional way television stations have done business in the past. The result of this reengineering, as Chris stated, has not reduced the quantity or quality of news programming. In fact, we have not reduced the number of hours of local news at any of our stations as a result of our staff reductions.

On August 31 of 2007, we entered into a transaction to acquire the assets of WGTU, WGTQ, the ABC and CW affiliates in Traverse City Michigan, and simultaneously have signed our rights under that agreement to Tucker Broadcasting. We have a series of agreements with Tucker to manage the stations as of March 31st, the date the transaction was completed. This arrangement with Tucker gives us the benefits of a duopoly in the Traverse City, Michigan market, and brings us to a total of four markets we are operating virtual duopolies. In Syracuse, we have—now have a virtual triopoly, with a shared service agreement and joint sales agreements we have entered into this quarter with Granite.

And finally, we continue to focus on driving our broadcasting interactive revenues through local sales initiatives in all of our markets. We continue to believe this strategy remains sound, even in a softening national advertising economy that seems to be weakening.

Now let's open the phones to your questions.

Operator: Ladies and gentlemen, we will now begin the question and answer session. As a reminder, if you have a question, please press the star key followed by the one key on your touch-tone phone. If you would like to withdraw your question, please press the star key followed by the two key. And if you're using speaker equipment, please lift your handset before making your selection.

Our first question comes from the line of Bishop Cheen with Wachovia. Please go ahead.

Bishop Cheen: Hi, Jim, Warren, Chris. Thanks for taking my call.

James Yager: Hi, Bishop.

Bishop Cheen: Where there's much hard work as you guys have done to fight the tide and improve your operations, I'm afraid I've got to focus on the technicals of the company, so please forgive me, Chris. Warren, that means you, so here's my question. The one-time cure, I'm going to call it, the 16 million equity infusion from Pilot, by the calculation gets to be, I believe, a dollar for dollar match to EBITDA. Is that a one-time situation only for the fourth quarter, or does that 16 roll through and is added back to every quarter for the average LTM EBITDA?

Warren Spector: Bishop, the cure that Pilot makes is an EBITDA buy-up that is added to the EBITDA for the fourth quarter that rolls through for the two year average.

Bishop Cheen: Okay, so it gets—you get the benefit of it for the next seven quarters?

Warren Spector: Correct. But let me also say, when you said the one-time cure, I want to be sure that we're clear that Pilot is allowed to make a cure three out of four quarters.

Bishop Cheen: Okay, that was my next question.

Warren Spector: Under the terms of our credit agreement.

Bishop Cheen: So Pilot can make additional equity infusions?

Warren Spector: If they so choose.

Bishop Cheen: If—right. And you said for three of the next four quarters?

Warren Spector: Well they can make in three consecutive quarters, under the terms of our credit agreement.

Bishop Cheen: For three consecutive Qs. Okay, that is very helpful. Can I push it and just do a follow-up? When you do cost reductions, Chris, certainly you were focused on it in fiscal year '08. In general, there is matching one-time charges associated with the cost reductions; severance, restructuring, what have you, with GAAP. Those all do GAAP through your P&L, I believe, so they impact EBITDA as stated, but as per your credit agreement and the covenant gain, are you allowed to add back those specific matching one-time charges associated with cost reductions? And if so, is there a cap on an add back?

Warren Spector: The answer, Bishop, is we are allowed as long as they are non-recurring, which we have classified them as such. And there is no cap.

Bishop Cheen: All right. So when I go through the 10-K, and I look at the map, I'll be able to see what was added back, or do I have to be a bothersome pest and...?

Warren Spector: We will disclose what the amount of the severance is in the 10-K.

Bishop Cheen: Okay, terrific. I will pass this on, and I appreciate the color.

Warren Spector: Thank you.

Operator: Thank you. As a reminder, ladies and gentlemen, if you have an additional question at this time, please press the star followed by the one on your touch-tone phone. And if you are using speaker equipment, please lift your handset before making your selection.

Our next question comes from the line of Stephen Weiss with Bank of America Merrill Lynch. Please go ahead.

Stephen Weiss: Hi, good morning. Can you hear me?

James Yager: Yes, Stephen, how are you?

Stephen Weiss: Hey, how are you doing? A couple questions. One just a follow-up on Bishop's. So if we do, kind of some pro forma math post quarter, and I just want to make sure I'm on the right page here, giving benefit to the 16 million EBITDA buy-up, as you classify it, and then the post 1st-Q bond repurchases that you cite, are we kind of in the mid six times area now for your covenants? Am I close?

Warren Spector: We're lower than we were.

Stephen Weiss: Well I know that much. Well you would've been close to nine and now you're kind of mid sixes, is that—is that about fair?

Warren Spector: I haven't done the calculation.

Stephen Weiss: Okay.

Warren Spector: We haven't done the calculation because events occurred in different periods.

Stephen Weiss: Right. I'm just trying to back up and see where you are out of the starting gate pro forma, because I guess your test is still what, 7.5, and then it drops again later in the year to 7?

Warren Spector: Right, it drops...

Stephen Weiss: That hasn't changed?

Warren Spector: Yes.

Stephen Weiss: OK. Just in terms of—you cited your outperformance versus the sector in 4Q. I'm wondering if you could just speak generically. You know, a lot of the groups that we've heard guidance from have been kind of off in the mid 20s, give or take. I'm just wondering if you still expect—you know—similar degrees of outperformance versus what we're seeing sector wise in 1Q? And if you could just remind us where you are on the cost savings front, if there's any prospective savings that we should be reminded of?

James Yager: Well we are reviewing our expenses. Let me start on the expense side. We have initiated a one, non-paid holiday per month for all employees from March through the end of the year. We did that for non-contract, non-union employees. Let me report that when we announced this policy, almost all of our unions and our contract people felt that they should be included in that, so that's a substantial savings that will be coming during the—those are the kinds of things we're looking at to reduce our overall costs. In terms of our share of, kind of, revenue, obviously automotive was a strong category for us, probably not as much of a percentage of our own revenue—of our revenues as it might've been to some of the major groups.

In 2008, if we'd—when we didn't have political, automotive was—I mean 2007, automotive was 38.5% of our revenues. Last year with political it dropped to 24.6% of our revenues. We are seeing the same kind of declines that most major groups are. In automotive, we think the plans we've initiated to develop kind of alternative national and regional advertisers, as Chris mentioned, are going to help offset, not all of that automotive, but a good piece. So yes, we think that we will maintain our higher percentage in terms of our competitors and to our peer groups.

Stephen Weiss: Okay, and then just in terms of automotive, I guess kind of a theoretical question. Do you see any difference in how you think about the category depending on what iteration the domestic manufacturers go in terms of how they end up fixing their balance sheet? Is there—do you think there's a big preference to how this plays out from your standpoint, or is it, do you think ad dollars will kind of flow the same without those...?

James Yager: I think the ad dollars will kind of flow the same. I don't—you know—one would question whether the Chrysler money, the Jeep Chrysler money will ever return to the levels it once was. General Motors is also a question, but we see the foreign stepping in to take up the gap, because when demand returns, there's going to be—we've got to have market share. That is the philosophy of the automotives that are still in the business. I don't ever want to see this category, though, get to

be more than 20% of our revenue base as we go forward, because when automotive catches cold, we get pneumonia, and we just don't want to be in that position. So we have concentrated, as Chris said, on developing out overall transactional business to be non-automotive kind of specific.

Chris Cornelius: I'll mention one other thing. Barrington is not reliant on factory money from the automotive guys. Our business is all based on sales, so, and local dealers, so we have a little different sort of approach to the whole category anyway.

Stephen Weiss: OK. I just have one or two quick ones and I'll step out of the queue. The Granite deal, can you just remind us if you shared any specifics on how those numbers will flow?

Warren Spector: Yes. The agreements themselves will be filed with our 10-K at the end of the month. The whole idea behind the transaction, obviously, is to share in the—in cost savings. So it's going to—we are hopeful it's accretive over the—on average every year, at least. In our case, we're hopeful or expect it to be at least a couple million dollars.

Stephen Weiss: Couple million dollars to the cash flow line you think?

Warren Spector: Yes.

Stephen Weiss: Okay. Is there going to be a pro forma filing to show what that would've looked like on '08?

Warren Spector: No, there won't be.

Stephen Weiss: No? OK. And then just lastly on retrans, can you just remind us, I know you referenced your agreements in your prepared remarks, can you just remind us if you've given a sense of what to expect as those dollars flow into the coffers?

Warren Spector: Yes, on retrans, to give an example, in '09 we expect them to be probably two and a half times what they were in '08. In '08 they were just shy of \$2 million, so in '09 they should be in excess of 4, 4.5 million. That's what we would expect.

Stephen Weiss: And does that reflect all your deals, or at that—beyond '09 would it just be escalators or are there additional contracts that hit...?

Warren Spector: There are additional deals that will come online in 2010. Those are not all the deals. Most of them expired in the cycle that ended in 2008. There are a couple large MSO deals that expire at the end of this year, and then one of the major satellite carrier's deals expires at the end of the year. So they'll come online in 2010.

James Yager: I might add that those were deals that we inherited when we did the acquisitions of the Raycom stations.

Warren Spector: Correct.

Stephen Weiss: So if I just throw like a rough percentage, would you say the 4 or the 4.5 is—you know—what, two thirds to three quarter of your sub base in your market, or something like that? Would that be correct?

Warren Spector: I think what we had said previously was that we had agreements that equated to about 70 to 75% of the unduplicated audience.

Stephen Weiss: For the MSOs?

Warren Spector: The MSOs.

Stephen Weiss: Got it. OK, that's very helpful as always, and I will pass it on.

Warren Spector: Great.

James Yager: Thanks, Stephen.

Operator: Thank you. Your next question comes from the line of Oscar Olivas with Wells Capital Management. Please go ahead.

Steve Pfeiffer: Yes, this Steve Pfeiffer calling here. I had a couple questions for you, just simply about the equity infusion from Pilot. It was 13 million in cash, and then 3. - something million of the PIK conversion? Is that correct?

Warren Spector: Yes, the equity amount was 16 million, Steve.

Steve Pfeiffer: So the cash equity was 16, and the pick conversion of an additional three?

Warren Spector: No, no, no. The 16 all came in as equity, of which up to 13 could be used to acquire the senior notes.

Steve Pfeiffer: Yes, I'm sorry, I'm just trying to figure exactly how much of it was cash from Pilot, and how much of it was the PIK note conversion.

Warren Spector: All of it was cash from Pilot.

Steve Pfeiffer: Okay. So all of it was cash, and, but then the PIK note has also been converted? Is that correct?

Warren Spector: Yes. The PIK note has been converted. The \$3.5 million note on the books of Tucker has been converted.

Steve Pfeiffer: And that counts as an equity contribution as well, is that correct?

Warren Spector: Well—no. That just counts as the debt that is converted to equity. It doesn't as any type of cure if that's what's you're asking.

Steve Pfeiffer: OK, that was where I was getting to off this one. That's not counted as an equity cure off of there?

Warren Spector: No.

Steve Pfeiffer: OK. And also on the bond buybacks now, you have nine and a half left. The—what timeframe do you have to complete those purchases?

Warren Spector: We have up to a year from the date that the amendment was effective, so sometime towards—sometime next February is our—is our deadline.

Steve Pfeiffer: All right, so you have until next February. What is your plan; the target time to get this done?

Warren Spector: As the opportunities present themselves is when we'll do it.

Steve Pfeiffer: OK. And is there any sort of limit as to which price minimums and maximums on which price to base it upon?

Warren Spector: There is—when we—the amendment will be filed when we—file our 10-K . There's a cumulative maximum price that we can pay for these on average. Now that's in the amendment that you'll see in a couple weeks.

Steve Pfeiffer: OK, so we'll see it in the 10-K amendment. OK, that's it for me. Thanks.

James Yager: Thank you.

Operator: Thank you. Our next question comes from the line of Jared Golub with Marble Gate. Please go ahead.

Jared Golub: Hi, just another follow-up question on the equity cure. I thought in the credit agreement you can only apply the exact amount of the cure towards the EBITDA that you need for the shortfall. So does that mean that you really had a shortfall of \$16 million in EBITDA, or is a portion of the cure, or the money invested by Pilot not actually going to be an EBITDA buy up?

Warren Spector: There are two parts to this. When the amount was contributed, it was based on an estimate to which we are finalizing the compliance certificate. So you are correct in that it's only to the extent there was a shortfall that we have—that they're allowed to—that we are allowed to include that in the buy up of EBITDA. The

other part of this, you have to remember, is the covenant is based on a two year average, so that the 16, it really is, you have to divide by two.

Jared Golub: OK. OK. Yes, I don't think that was clear in the earlier comments, but OK. Thank you.

Operator: Thank you. And a reminder, ladies and gentlemen, if there are any additional questions, please press the star followed by the one at this time.

And we have a follow-up question from the line of Bishop Cheen with Wachovia. Please go ahead.

Bishop Cheen: Thank you, guys. I appreciate it. I noticed you mentioned the one-time non-paid holiday. Stephen Weiss and I can certainly identify with that. We have one of those too; it's called bonus notification day.

But anyway, on the shortfall that you just mentioned, again, just to be clear, that is a shortfall of the EBITDA on an average two year basis—against—or did you actually have—against what you should have to meet the covenant? Is that correct?

Warren Spector: That is correct.

Bishop Cheen: OK. It's not like you posted negative EBITDA?

Warren Spector: No, no, no. It is purely arithmetic.

Bishop Cheen: OK.

Warren Spector: And a calculation based on total debt we have outstanding at the end of the year.

Bishop Cheen: OK, great. And then the other thing I want to just touch base on is a primer on your TV household math. And I noticed that you mentioned that—you know—it's unduplicated audience to the MSOs, and that works pretty well, except you have some duopolies now.

Warren Spector: Correct.

Bishop Cheen: So the math that works—that you work on, I mean, and it may be different rates depending on the kind of stripes or flag that the affiliates wave, but you're basically working on duplicating math, and then when you roll in the satellite guys, it's certainly duplicated math. So the way that—is there a quick way we could think of it in terms of total households reached, not duplicated in your footprint?

Warren Spector: Well, you can look at it that way, I guess. The other thing—what I would probably look at though, is when you look at where our duopolies—our duopolies are, when you look at the affiliations of what they are, other than—Traverse City we have two traditional network affiliates, but in all other markets, in all of the markets, and I'll talk about Syracuse in a minute, but in all other markets we have a traditional network affiliate and a CW.

Bishop Cheen: Right, which...

Warren Spector: And they're very different. You know, they're obviously different rates.

Bishop Cheen: Exactly. That's what I meant by the rates would differ. So I mean when I do retrans, kind of, modeling, there's usually like, it's numbers that dance around in my head. It's the total homes served and then the duplicated homes served for the, in general, and then the extra duplicate of homes served when you have duopolies in a market. It's kind of three sets of numbers, assuming that the broadband MSOs have the same kind of coverage as the satellite guy; your homes are eligible to reach with each. And then big changes that market A may have a duopoly in it, but market B you may just have stand alone stations. Does that make sense?

Warren Spector: Yes, it makes sense.

Bishop Cheen: Have you ever done a presentation that way where—you know—I mean, kind of give people a snapshot of what your household #s are?

Warren Spector: We've done snapshots of what the complete potential is, and then as we do the deals we look at—where we end up versus what we had—what we thought the potential was.

Bishop Cheen: OK. All right, I'll take a look at the 10-K when it comes out. When do you think that K will hit?

Warren Spector: It'll be at the end of the month. We have until the 31st, so we'll do it the last week of March. It's only a couple weeks.

Bishop Cheen: You know, I'll be on pins and needles. I won't sleep.

Warren Spector: Yes, right.

Bishop Cheen: I'll do that. I'll take a look at the math and then follow-up with you offline.

Warren Spector: OK, that'd be fine.

Bishop Cheen: Thank you, gentlemen.

James Yager: Thank you, Bishop.

Warren Spector: See you later.

Operator: Thank you. Our next question comes from the line of Erik Miller with Canyon Capital. Please go ahead.

Erik Miller: Hi. Thanks, guys. I had a couple of questions. First, just to clarify the point on the cure, and how that is calculated. If I were to calculate your 24 month EBITDA, there would have been an \$8 million shortfall relative to your covenant level, correct? Is that the right way to think about it?

Warren Spector: Well, there was a question before about was there really a \$16 million EBITDA shortfall.

Erik Miller: Right.

Warren Spector: And the way the calculation works is you add all the debt at December 31st, and you include the liability on the hedges in that calculation, and then you divide that by the two year rolling average. And then from there you can back into what the cure would've been had you been in compliance—should've been. What the EBITDA shortfall is, and what the cure would have to be to get to that EBITDA number to be in compliance.

Erik Miller: OK.

Warren Spector: And there was a step down at December 31st.

Erik Miller: Got it. OK, that's the first question. And then on the buyback, just refresh my memory, does the credit agreement allow Pilot to buy back additional debt of additional bonds in the excess of the \$13 million that you're authorized to buy back?

Warren Spector: The amendment that will be posted at the end of the month will have in it the provisions that will enable—that will allow—that you'll be able to see—I believe allows Pilot to buy back the debt directly.

Erik Miller: Okay, great. And then on liquidity, I see that you guys had \$29 million in cash at the end of the fourth quarter. What was your revolver balance and availability?

Warren Spector: Our revolver balance was \$21 million, of which the facility was fully used. There was no availability. That was fully drawn.

Erik Miller: OK. And then this is a follow-up on Stephen's question, and you may have said it, I just didn't catch it, was whether you've provided for your pacings thus far in the quarter, for this quarter and next, and if you didn't, that's fine, but...?

Warren Spector: Yes.

Erik Miller: But if it was just the color you provided, that's fine too.

Warren Spector: Erik, we don't provide guidance, and we don't disclose the pacings for the current quarter.

Erik Miller: OK, good enough. And then the last question, I think you mentioned this, the 10-K will have details that allows us to examine what operating costs were pro forma for the restructuring expenses you took related to severance?

Warren Spector: That is correct. It'll disclose what the severance charges are for the year.

Erik Miller: Excellent. Okay, thanks guys.

Warren Spector: Thanks.

Operator: Thank you. And at this time I'm showing no further questions in the queue. I'd like to turn the call back over to Mr. Yager. Please go ahead.

James Yager: OK, thank you. Again, thank you for joining us for this call, and we look forward to talking to you with the results of our first quarter of 2009. Thank you.

Operator: Ladies and gentlemen, this does conclude the Fourth Quarter Earnings conference call. If you'd like to listen to a replay of today's conference, please dial 303-590-3000, or 800-405-2236, with the access code of 11127869#. ACT would like to thank you for your participation, and at this time you may now disconnect.

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