

**QUARTERLY REPORT
FOR THE QUARTER ENDED SEPTEMBER 30, 2006**

**BARRINGTON BROADCASTING GROUP, LLC
BARRINGTON BROADCASTING CAPITAL CORPORATION**

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Pursuant to Section 4.3 of the Indenture, dated as of August 11, 2006 (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, 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.

**BARRINGTON BROADCASTING GROUP LLC
BARRINGTON BROADCASTING CAPITAL CORPORATION
QUARTERLY REPORT
FOR THE QUARTER ENDED SEPTEMBER 30, 2006**

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CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

Some statements in this Quarterly Report are known as “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended, or the Securities Act, and Section 21E of the Securities Exchange Act of 1934, as amended, or the Exchange Act. Forward-looking statements may relate to, among other things:

- our significant amount of debt;
- our ability to maintain our network affiliations;
- our ability to generate advertising revenues;
- cyclical or other trends in advertising spending;
- the regulatory environment for our industry;
- competition in the our markets; and
- our ability to integrate the acquisition of television stations from Raycom Media Inc. and certain of its subsidiaries and achieve certain cost savings.

These forward-looking statements include, but are not limited to, statements about our plans, objectives, expectations and intentions and other statements contained in this Quarterly Report that are not historical facts. When used in this Quarterly Report, the words “expects,” “anticipates,” “intends,” “plans,” “believes,” “seeks,” “estimates” and similar expressions are generally intended to identify forward-looking statements. 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, including our plans, objectives, expectations and intentions and other factors discussed in Exhibit 99.1 to this Quarterly Report and elsewhere in this Quarterly Report. You should not place undue reliance on such forward-looking statements, which are based on the information currently available to us and speak only as of the date on which this Quarterly Report was furnished to the Trustee. We undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. However, your attention is directed to any further disclosures made on related subjects in our subsequent reports furnished to holders of the Notes.

PART I

As used in this Quarterly Report, the term "Issuers" refers to Barrington Broadcasting Group LLC, a Delaware limited liability company ("Barrington Group"), and Barrington Broadcasting Capital Corporation, a Delaware corporation ("Barrington Capital"); the term "Barrington Corporation" refers to Barrington Broadcasting Corporation, a Delaware corporation, and its consolidated subsidiaries prior to the merger of Barrington Broadcasting Corporation with Barrington Group; and unless the context otherwise requires, the terms "we," "us", "our" or similar terms refer to Barrington Group and its consolidated subsidiaries.

ITEM 1. FINANCIAL STATEMENTS

On August 11, 2006 (i) all of Barrington Corporation's existing operating subsidiaries merged with and into newly-formed limited liability company subsidiaries of Barrington Corporation and Barrington Corporation merged with and into Barrington Group; (ii) Barrington Group, the survivor of such merger, acquired twelve television stations from Raycom Media, Inc. ("Raycom") and (iii) Barrington Group entered into a new credit facility with a \$147.5 million term loan facility and a \$25.0 million revolving facility, the Issuers consummated a \$125.0 million offering of the Notes and Pilot Group LP, our equity sponsor, contributed \$60.3 million in additional equity capital . The financial statements below include the consolidated financial statements of Barrington Group (formerly Barrington Corporation) for the three months and nine months ended September 30, 2006 and 2005.

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BARRINGTON BROADCASTING GROUP LLC
Condensed Consolidated Balance Sheets
September 30, 2006 and December 31, 2005

| | September 30, | December 31, |
|--|-----------------------|-----------------------|
| | 2006 | 2005 |
| | (unaudited) | |
| ASSETS | | |
| CURRENT ASSETS | | |
| Cash and cash equivalents | \$ 4,319,061 | \$ 1,336,820 |
| Restricted cash | - | 400,059 |
| Trade receivables, less allowance for doubtful accounts of \$784,531 and \$112,247 | 20,800,293 | 6,538,652 |
| Current portion of program broadcast rights | 4,617,322 | 1,023,878 |
| Prepaid expenses and other current assets | 980,696 | 1,185,152 |
| Total current assets | 30,717,372 | 10,484,561 |
| Program broadcast rights | 1,593,046 | 31,056 |
| Debt issuance costs | 11,515,464 | 509,561 |
| Investment in joint venture | 2,070,527 | - |
| Other | 176,184 | 43,868 |
| Property and equipment, net | 99,501,730 | 30,882,510 |
| Goodwill | 16,083,479 | 4,652,591 |
| Other intangibles, net | 266,117,036 | 71,629,543 |
| TOTAL ASSETS | \$ 427,774,838 | \$ 118,233,690 |
| LIABILITIES AND MEMBER'S/STOCKHOLDER'S EQUITY | | |
| CURRENT LIABILITIES | | |
| Accounts payable | \$ 1,243,551 | \$ 858,596 |
| Current portion of program broadcast payable | 4,494,410 | 1,231,007 |
| Current maturities of long-term debt | 1,499,500 | 2,700,892 |
| Lease obligations - current | 34,132 | - |
| Accrued expenses and other liabilities | 12,307,919 | 1,574,351 |
| Deferred revenue - current | 143,863 | 87,996 |
| Total current liabilities | 19,723,375 | 6,452,842 |
| Long-term debt | 273,450,500 | 51,316,953 |
| Contracts payable | 1,604,019 | - |
| Lease obligations | 177,146 | - |
| Program broadcast payable | 2,568,499 | 19,717 |
| Deferred revenue | 1,340,426 | 437,966 |
| MEMBER'S/STOCKHOLDER'S EQUITY | | |
| Common stock, \$0.001 par value | | |
| Authorized 5,000 shares; issued and outstanding 1,000 shares | - | 1 |
| Member's equity | 146,989,030 | |
| Additional paid-in capital | - | 67,439,032 |
| Accumulated deficit | (18,078,157) | (7,432,821) |
| Total member's/stockholder's equity | 128,910,873 | 60,006,212 |
| TOTAL LIABILITIES AND MEMBER'S/STOCKHOLDER'S EQUITY | \$ 427,774,838 | \$ 118,233,690 |

BARRINGTON BROADCASTING LLC
Condensed Consolidated Statements of Operations
(Unaudited)

| | Three Months Ended September 30, | |
|---|---|-----------------------|
| | 2006 | 2005 |
| NET REVENUES | \$ 20,598,181 | \$ 6,850,844 |
| OPERATING EXPENSES | | |
| Selling, technical and program expenses | 9,763,416 | 3,471,313 |
| General and administrative | 3,346,626 | 1,259,486 |
| Depreciation and amortization | 6,218,908 | 1,801,189 |
| Corporate | 1,586,046 | 379,220 |
| Total operating expenses | <u>20,914,996</u> | <u>6,911,208</u> |
| LOSS FROM OPERATIONS | <u>(316,815)</u> | <u>(60,364)</u> |
| INTEREST (EXPENSE) INCOME | | |
| Interest expense | (3,994,826) | (755,930) |
| Amortization of debt issuance costs | (227,341) | (14,398) |
| Unrealized loss on interest rate caps | (149,077) | (11,875) |
| Loss on early extinguishment of debt | (575,062) | (385,000) |
| Interest income | 20,375 | 24,380 |
| Total net interest expense | <u>(4,925,931)</u> | <u>(1,142,823)</u> |
| LOSS BEFORE INCOME TAXES | (5,242,746) | (1,203,187) |
| INCOME TAX EXPENSE | (1,884,763) | - |
| NET LOSS | <u>\$ (7,127,509)</u> | <u>\$ (1,203,187)</u> |

BARRINGTON BROADCASTING LLC
Condensed Consolidated Statements of Operations
(Unaudited)

| | Nine Months Ended September 30, | |
|--|--|-----------------------|
| | 2006 | 2005 |
| NET REVENUES | \$ 39,861,973 | \$ 17,305,839 |
| OPERATING EXPENSES | | |
| Selling, technical and program expenses | 19,193,180 | 9,174,199 |
| General and administrative | 7,278,161 | 3,364,861 |
| Depreciation and amortization | 12,153,395 | 4,855,089 |
| Corporate | 2,758,642 | 1,172,444 |
| Total operating expenses | <u>41,383,378</u> | <u>18,566,593</u> |
| LOSS FROM OPERATIONS | <u>(1,521,405)</u> | <u>(1,260,754)</u> |
| INTEREST (EXPENSE) INCOME | | |
| Interest expense | (6,405,962) | (1,977,491) |
| Amortization of debt issuance costs | (283,075) | (45,682) |
| Unrealized gain (loss) on interest rate caps | 30,609 | (11,875) |
| Loss on early extinguishment of debt | (575,062) | (2,013,263) |
| Interest income | 51,323 | 35,579 |
| Total net interest expense | <u>(7,182,167)</u> | <u>(4,012,732)</u> |
| LOSS BEFORE INCOME TAXES | (8,703,572) | (5,273,486) |
| INCOME TAX EXPENSE | (1,941,764) | (109,373) |
| NET LOSS | <u>\$ (10,645,336)</u> | <u>\$ (5,382,859)</u> |

BARRINGTON BROADCASTING GROUP, LLC
Condensed Consolidated Statements of Cash Flows
(Unaudited)

| | Nine Months Ended September 30, | |
|---|--|----------------|
| | 2006 | 2005 |
| CASH FLOWS FROM OPERATING ACTIVITIES: | | |
| Net loss | \$ (10,645,336) | \$ (5,382,859) |
| Adjustments to reconcile net loss to net cash provided by operating activities: | | |
| Depreciation and amortization | 9,897,969 | 4,702,414 |
| Amortization of program broadcast rights | 2,530,185 | 858,286 |
| Payments of program broadcast payable | (1,343,075) | (900,089) |
| Amortization of intangibles and debt issuance costs | 1,807,249 | 198,354 |
| Deferred income taxes | - | 109,694 |
| Unrealized (gain) loss on interest rate caps | (30,609) | 11,875 |
| Barter revenue net of expenses | (191,256) | (137,280) |
| Loss on disposal of assets | 8,316 | - |
| Loss on early extinguishment of debt | 575,062 | 2,013,263 |
| Imputed interest on long term contracts | 4,980 | - |
| Changes in assets and liabilities that relate to operations, net of effect of acquisitions: | | |
| Trade receivables | (2,100,244) | (1,031,573) |
| Prepaid expenses and other | 522,541 | (617,826) |
| Other assets | (6,074) | - |
| Accounts payable | (187,082) | 108,014 |
| Accrued expenses | 7,286,763 | 704,079 |
| Deferred revenue | (23,250) | - |
| Net cash provided by operating activities | 8,106,139 | 636,352 |
| CASH FLOWS FROM INVESTING ACTIVITIES: | | |
| Purchases of property and equipment | (6,434,968) | (2,260,873) |
| Proceeds from disposition of assets | 5,339 | - |
| Acquisition of television stations, net of cash acquired | (287,663,973) | (66,053,964) |
| Net cash used in investing activities | (294,093,602) | (68,314,837) |
| CASH FLOWS FROM FINANCING ACTIVITIES: | | |
| Restricted cash | 400,059 | (6,132) |
| Issuance of senior subordinated notes | 125,000,000 | - |
| Proceeds from guaranteed loan | 4,900,000 | - |
| Proceeds from long-term debt | 91,032,155 | 28,517,845 |
| Principal payments on notes and capital leases | 25 | (2,366) |
| Payment of related party loan | - | (500,000) |
| Contributed capital | 79,549,997 | 41,760,507 |
| Purchase of interest rate cap | - | (57,000) |
| Payment of debt issuance costs | (11,912,532) | (1,659,281) |
| Net cash provided by financing activities | 288,969,704 | 68,053,573 |
| NET INCREASE IN CASH AND CASH EQUIVALENTS | 2,982,241 | 375,088 |
| Cash and cash equivalents, beginning of period | 1,336,820 | 1,436,995 |
| Cash and cash equivalents, end of period | \$ 4,319,061 | \$ 1,812,083 |

Continued

BARRINGTON BROADCASTING GROUP, LLC
Condensed Consolidated Statements of Cash Flows (continued)
(Unaudited)

| | Nine Months Ended September 30, | |
|--|--|----------------------|
| | 2006 | 2005 |
| SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION | | |
| Cash payments of interest | <u>\$ 3,370,807</u> | <u>\$ 1,764,595</u> |
| Cash payment (refund) of income taxes | <u>\$ 41,000</u> | <u>\$ (321)</u> |
| SUPPLEMENTAL DISCLOSURE OF NONCASH INVESTING AND FINANCING ACTIVITIES | | |
| Acquisition of program broadcast rights | <u>\$ 3,214,034</u> | <u>\$ 1,307,244</u> |
| Equipment acquired by barter transactions | <u>\$ 102,599</u> | <u>\$ 84,756</u> |
| ACQUISITION OF TELEVISION STATIONS | | |
| Current assets acquired | \$ 13,193,107 | \$ - |
| Property and equipment acquired | 73,138,036 | 16,152,346 |
| Joint venture interests and other long term receivables | 925,764 | - |
| Intangible assets acquired | 208,368,280 | 49,826,592 |
| Current liabilities assumed | (5,341,034) | (82,091) |
| Program broadcast rights acquired | 10,301,207 | 133,612 |
| Program broadcast liabilities assumed | (10,021,452) | (154,284) |
| Other long term liabilities assumed | (2,697,146) | - |
| Less amounts paid in prior year | - | (25,000) |
| Acquisition of stations | <u>\$ 287,866,762</u> | <u>\$ 65,851,175</u> |
| Amounts paid in 2006 pertaining to 2005 | <u>(202,789)</u> | <u>202,789</u> |
| Payment for acquisition of stations | <u>\$ 287,663,973</u> | <u>\$ 66,053,964</u> |

BARRINGTON BROADCASTING GROUP, LLC
Notes to the Condensed Consolidated Financial Statements
(Unaudited)

(Note A) – Nature of Business and Basis of Presentation

Nature of Business - Barrington Group owns and operates 21 television stations located in 15 markets in the United States. Barrington Group's revenues are derived primarily from the sale of advertising time and, to a lesser extent, from compensation paid by the networks for broadcasting network programming and barter transactions for goods and services. The stations sell commercial time during programs to national, regional and local advertisers. The networks also sell commercial time during the programs to national advertisers. The advertising revenue of the stations is generally highest in the second and fourth quarters of each year, due in part to increases in consumer advertising in the spring and retail advertising in the period leading up to and including the holiday season. Additionally, advertising revenue in even-numbered years can benefit from demand for advertising time in Olympic broadcasts and advertising placed by candidates for political offices as well as political issue-oriented advertising. Credit arrangements are determined on an individual customer basis. Segment information is not presented because all of Barrington Group's revenue is attributed to a single reportable segment.

Basis of Presentation – The unaudited condensed consolidated financial statements have been prepared consistent with generally accepted accounting principles for interim financial information and the instructions for Form 10-Q and Article 10 of Regulation S-X. Some of the information and footnote disclosures normally included in financial statements prepared in accordance with generally accepted accounting principles have been omitted pursuant to such rules and regulations. It is recommended that these financial statements be read along with the annual financial statements and footnotes thereto of Barrington Corporation for the year ended December 31, 2005 which are available on the company website (www.barringtontv.com).

The unaudited condensed consolidated financial statements include the accounts of Barrington Group and its television stations consisting of WEYI and WBSF, Flint-Saginaw-Bay City, Michigan; WNWO, Toledo, Ohio; WSTM and WSTQ, Syracuse, New York; WACH, Columbia, South Carolina; KGBT, Harlingen, Texas; KXRM and KXTU, Colorado Springs, Colorado; WPDE, Myrtle Beach, South Carolina; WPBN and WTOM, Traverse City, Michigan; WHOI Peoria, Illinois; KVII and KVIH, Amarillo, Texas; KRCG, Columbia-Jefferson City, Missouri; WFXL, Albany, Georgia; KHQA, Quincy, Illinois-Hannibal, Missouri; WLUC, Marquette, Michigan; and KTVO, Kirksville, Missouri, all of which are wholly-owned. Barrington Group also programs WWMB, owned by SagamoreHill of Carolina, LLC ("SagamoreHill"), in South Carolina, under a local marketing agreement ("LMA"). SagamoreHill is consolidated as a variable interest entity in accordance with Financial Accounting Standards Board Interpretation No. 46 (R) ("FIN 46R"), *Consolidation of Variable Interest Entities-an Interpretation of ARB No. 51*. All significant intercompany accounts and transactions have been eliminated.

In the opinion of management, the accompanying unaudited condensed consolidated financial statements reflect all adjustments, which are of a normal recurring nature, necessary to present fairly Barrington Group's financial position, results of operations and cash flows at the dates and for the periods presented. Results of interim periods are not necessarily indicative of anticipated results for the year. Barrington Group believes that there is no material difference between the 2006 and 2005 reporting periods and that the results of both periods are comparable except for the effects of the merger of Barrington Corporation into Barrington Group during 2006, the acquisitions and the related capitalization and financing, in those periods.

(Note B) – Acquisitions of Television Stations

On February 6, 2006, we completed the acquisition of all of the television broadcasting assets of WPDE, Myrtle Beach, South Carolina from Diversified Communications (the "WPDE/WWMB

BARRINGTON BROADCASTING GROUP, LLC
Notes to the Condensed Consolidated Financial Statements
(Unaudited)

Acquisition”). In addition to the assets of WPDE, we acquired the rights to operate WWMB, Myrtle Beach, South Carolina and an option to purchase the station from its owner. The WPDE/WWMB Acquisition was funded with cash provided by contributed capital and bank financing. Concurrently with the WPDE transaction, WWMB, the CW affiliate serving Myrtle Beach, was purchased by SagamoreHill. Barrington Group is operating WWMB on behalf of SagamoreHill under a LMA. Under the terms of the LMA, Barrington Group makes periodic payments to SagamoreHill for the right to provide programming and sell advertising on WWMB. SagamoreHill retains ultimate control and responsibility for the operation of its station. Barrington Group guaranteed full payment of all obligations incurred by SagamoreHill and SagamoreHill of Carolina Licenses, LLC, which owns WWMB’s FCC license, under a \$2,450,000 senior credit facility incurred by SagamoreHill and SagamoreHill of Carolina Licenses, LLC. SagamoreHill is considered a variable interest entity and in accordance with FIN 46R, our interest in SagamoreHill was consolidated into the consolidated financial statements as of February 6, 2006. We have an option to acquire the assets of SagamoreHill for \$2,367,000. The option price escalates by 5% annually until it expires in 2021. The option term can be extended through 2029. The total purchase price of WPDE and SagamoreHill’s WWMB including costs of the acquisition was approximately \$24,770,000, which consisted of the fair market value of the assets of \$24,100,000 and fees and costs of the transaction amounting to \$670,000. The purchase price is subject to the resolution of various contingencies and the final transaction fee amounts. The purchase price has been allocated on a preliminary basis to acquired assets and liabilities at fair value based on an appraisal of the acquired assets.

On August 11, 2006, we completed the acquisition of the television broadcasting assets of certain television stations owned by Raycom Media, Inc. (the “Raycom Acquisition” and together with the WPDE/WWMB Acquisition, the “2006 Acquisitions”). The stations included WNWO, the NBC affiliate in Toledo, Ohio; WSTM and WSTQ, the NBC and CW affiliates, respectively, in Syracuse, New York; WACH, the FOX affiliate in Columbia, South Carolina; KGBT, the CBS affiliate in Harlingen, Texas; KXRM and KXTU, the FOX and CW affiliates, respectively, in Colorado Springs, Colorado; WPBN and WTOM, the NBC affiliates in Traverse City and Sheboygan, Michigan; WLUC, the NBC affiliate in Marquette, Michigan; WFXL, the FOX affiliate in Albany, Georgia; and KTVO, the ABC affiliate in Kirksville, Missouri (collectively, the “Raycom Stations”).

The total purchase price of the Raycom Acquisition including costs was approximately \$263,097,000, which consisted of the fair market value of the assets of \$261,582,000 and fees and costs of the transaction estimated at \$1,515,000. The purchase price is subject to the resolution of various contingencies, the final transaction fee amounts and a post closing working capital adjustment. The purchase price has been allocated on a preliminary basis to acquired assets and liabilities at fair value based on a preliminary appraisal of the acquired assets.

The Raycom Acquisition was financed with the proceeds from the \$125,000,000 offering of 10.5% Senior Subordinated Notes due 2014 (the “Notes”), a \$60,300,000 million capital contribution from Pilot Group LP and the proceeds from Barrington Group’s new credit facility in the form of a \$147,500,000 senior secured term loan B and a \$25,000,000 revolving credit facility. The revolving credit facility was not used to finance the Raycom Acquisition.

BARRINGTON BROADCASTING GROUP, LLC
Notes to the Condensed Consolidated Financial Statements
(Unaudited)

The aggregate purchase price for each of the 2006 Acquisitions was allocated as follows:

| | 2006 Acquisitions | |
|--|-------------------------------|----------------------------------|
| | Raycom Acquisition | WPDE/WWMB Acquisition |
| Current assets | \$ 13,107,627 | \$ 85,480 |
| Program broadcast rights | 10,291,493 | 231,157 |
| Joint venture and long term assets | 925,764 | - |
| Total property and equipment | 62,845,446 | 10,292,590 |
| Intangible Assets | | |
| FCC licenses | 164,643,650 | 2,182,600 |
| Goodwill | 10,314,639 | 1,319,038 |
| Other intangibles, subject to amortization | 18,938,760 | 8,786,993 |
| Other intangibles, not subject to amortization | - | 2,182,600 |
| Total intangible assets acquired | <u>193,897,049</u> | <u>14,471,231</u> |
| Total assets | <u>281,067,379</u> | <u>25,080,458</u> |
| Current liabilities | 5,267,958 | 73,076 |
| Other liabilities | 2,697,147 | - |
| Program broadcast payable | 10,005,389 | 237,503 |
| Total liabilities | <u>17,970,494</u> | <u>310,579</u> |
| Total purchase price, including costs | <u><u>\$263,096,885</u></u> | <u><u>\$ 24,769,879</u></u> |

On February 28, 2005, we completed the purchase of the television broadcast assets of KRCG, the CBS affiliate serving Columbia-Jefferson City, Missouri (the "KRCG Acquisition"). The KRCG Acquisition was funded with cash provided from contributed capital and bank financing. The total purchase price including costs of the KRCG Acquisition was approximately \$38,482,000 of which approximately \$4,000 was recorded in 2006. The total purchase price consisted of the fair market value of the assets of \$38,000,000 and fees and costs of the transaction. The purchase price is subject to the resolution of certain contingencies. The purchase price has been allocated to acquired assets and liabilities at fair value based on an appraisal of the acquired assets.

On April 14, 2005, we completed the acquisition of a construction permit (the "Permit Acquisition") issued by the Federal Communications Commission for constructing a full-power broadcasting facility in the Flint-Saginaw-Bay City, Michigan area (the "Construction Permit") and certain other rights under various contracts from ACME Television, Inc. for \$4,500,000. Construction of the transmission facility was completed during the third quarter of 2006. The total purchase price including costs of the Permit Acquisition was approximately \$4,694,000, which consisted of the purchase price of the Construction Permit and various other licenses of \$4,500,000 plus assumed liabilities and fees and costs of the transaction of \$194,094.

BARRINGTON BROADCASTING GROUP, LLC
Notes to the Condensed Consolidated Financial Statements
(Unaudited)

On August 1, 2005, we completed the purchase of the television broadcast assets of KVII, the CBS affiliate in Amarillo, Texas, and KVIH, its satellite in Clovis, New Mexico (the “KVII/KVIH Acquisition” and, together with the KRCG Acquisition and the Permit Acquisition, the “2005 Acquisitions”). The total purchase price including costs of the KVII/KVIH Acquisition was approximately \$22,736,000, which consisted of the purchase price of the assets of \$22,275,000 including the acquired liabilities and fees and costs of the transaction of approximately \$461,000. The purchase price was subject to resolution of certain contingencies, of which a reduction of approximately \$200,000 was reflected during the nine month period ended September 30, 2006. The purchase price has been allocated to acquired assets and liabilities on a preliminary basis at fair value based on an appraisal of the acquired assets. The KVII/KVIH Acquisition was funded with cash provided by contributed capital and bank financing.

The aggregate purchase price for each of the 2005 Acquisitions was allocated as follows:

| | 2005 Acquisitions | | |
|--|-----------------------------|----------------------------------|-------------------------------|
| | KRCG Acquisition | KVII/KVIH Acquisition | Permit Acquisition |
| Current assets | \$ - | \$ - | \$ - |
| Program broadcast rights | 57,200 | 448,228 | - |
| Total property and equipment | 8,435,310 | 7,717,036 | - |
| Intangible Assets | | | |
| FCC licenses | 28,024,100 | 13,491,500 | 4,500,000 |
| Goodwill | 1,031,709 | 604,961 | 194,094 |
| Other intangibles, subject to amortization | 1,011,295 | 1,022,507 | - |
| Other intangibles, not subject to amortization | - | - | - |
| Total intangible assets acquired | <u>30,067,104</u> | <u>15,118,968</u> | <u>4,694,094</u> |
| Total assets | <u>38,559,614</u> | <u>23,284,232</u> | <u>4,694,094</u> |
| Other liabilities | 20,511 | 79,376 | - |
| Program broadcast payable | 57,196 | 468,904 | - |
| Total liabilities | <u>77,707</u> | <u>548,280</u> | <u>-</u> |
| Total purchase price, including costs | <u>\$ 38,481,907</u> | <u>\$ 22,735,952</u> | <u>\$ 4,694,094</u> |

All of the acquisitions have been recorded under the purchase method of accounting and are included in the operating results from the acquisition date forward. The FCC licenses and goodwill are considered indefinite-lived assets and as such are not subject to amortization. The definite-lived intangible assets are being amortized over a weighted average period of approximately eight years. All of our intangible assets are deductible over 15 years for tax purposes.

The unaudited condensed consolidated pro forma results of operations data for the three months and nine months ended September 30, 2006 reflect adjustments as if the 2006 Acquisitions had occurred on January 1, 2005. For the three months and nine months ended September 30, 2005, the unaudited condensed consolidated pro forma results of operations data reflect adjustments as if all the 2005 Acquisitions had occurred on January 1, 2005.

BARRINGTON BROADCASTING GROUP, LLC
Notes to the Condensed Consolidated Financial Statements
(Unaudited)

| | <u>Three Months Ended September 30,</u> | | <u>Nine Months Ended September 30,</u> | |
|-------------------------------------|---|---------------|--|---------------|
| | <u>2006</u> | <u>2005</u> | <u>2006</u> | <u>2005</u> |
| <i>dollars rounded to thousands</i> | | | | |
| Net revenues | \$ 28,120,000 | \$ 25,575,000 | \$ 84,599,000 | \$ 77,435,000 |
| Operating income (loss) | (810,000) | (2,282,000) | 2,544,000 | (4,200,000) |
| Net loss | (7,442,000) | (8,913,000) | (17,351,000) | (24,094,000) |

(Note C) – Other Intangible Assets

The composition of Barrington Group's other intangible assets and associated accumulated amortization is as follows as of September 30, 2006 and December 31, 2005:

| | <u>September 30,</u> | <u>December 31,</u> |
|--------------------------------------|-----------------------|----------------------|
| | <u>2006</u> | <u>2005</u> |
| <i>Unamortized Intangible Assets</i> | | |
| FCC licenses | \$ 234,210,450 | \$ 67,384,200 |
| Other intangibles | 2,182,600 | - |
| <i>Amortized Intangible Assets</i> | | |
| Network affiliation agreements | 25,435,194 | 3,954,126 |
| Other intangibles | 7,987,872 | 1,743,187 |
| Accumulated amortization | (3,699,080) | (1,451,970) |
| | <u>\$ 266,117,036</u> | <u>\$ 71,629,543</u> |

The WPDE/WWMB Acquisition increased intangibles by \$14,471,231. WPDE has \$8,628,625 of amortizable intangible assets and WWMB has \$158,368 of amortizable intangible assets. Unamortized intangible assets include Barrington Group's FCC licenses and the rights to purchase SagamoreHill's FCC license. The Raycom Acquisition increased intangibles by \$193,897,049. Approximately \$18,938,760 of the intangible assets are subject to amortization, the remaining unamortized intangible assets include the Raycom Stations' FCC licenses.

Amortization of intangible assets was \$1,402,894 and \$213,607 for the three months ended September 30, 2006 and the three months ended September 30, 2005, respectively. Amortization of intangible assets was \$2,247,110 and \$453,645 for the nine months ended September 30, 2006 and the nine months ended September 30, 2005, respectively. The weighted average amortization period at September 30, 2006 was approximately seven years.

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At September 30, 2006, the estimated future amortization of intangible assets was as follows:

| <u>Period Ending December 31,</u> | <u>Estimated Future Amortization</u> | |
|-----------------------------------|--------------------------------------|------------------------------|
| | <u>Network Affiliation</u> | <u>Other Intangibles</u> |
| Three months ending 2006 | \$ 884,072 | \$ 1,471,138 |
| 2007 | 2,903,464 | 3,072,981 |
| 2008 | 2,903,464 | 260,504 |
| 2009 | 2,903,466 | 187,654 |
| 2010 | 2,730,327 | 93,590 |
| Thereafter | 11,501,290 | 812,033 |
| | <u>\$ 23,826,083</u> | <u>\$ 5,897,900</u> |

(Note D)– Long-Term Debt

Long-term debt consists of the following:

| | <u>September 30, 2006</u> | <u>December 31, 2005</u> |
|----------------------------|-------------------------------|------------------------------|
| Senior Secured Term Loan B | \$ 147,500,000 | \$ - |
| Senior Secured Term Loan | - | 54,017,845 |
| Revolving Credit Facility | - | - |
| Notes | 125,000,000 | - |
| Guaranteed Loan | 2,450,000 | - |
| | <u>274,950,000</u> | <u>54,017,845</u> |
| less current portion | 1,499,500 | 2,700,892 |
| | <u>\$ 273,450,500</u> | <u>\$ 51,316,953</u> |

The new credit facility consists of a \$147,500,000 senior secured term loan B with a seven year maturity and a \$25,000,000 revolving credit facility with a six year maturity. The obligations under the credit facility are guaranteed by Barrington Broadcasting LLC, the parent of Barrington Group, and all of Barrington Group's direct and indirect subsidiaries. The new credit facility is secured by a first priority lien on substantially all of our existing and future assets and those of our direct and indirect subsidiaries. Barrington Corporation had not drawn on its revolving credit line as of September 30, 2006.

Borrowings under the new credit facility bear interest at a floating rate, which can be either LIBOR plus an applicable margin or, at our option, a base rate plus an applicable margin payable at least quarterly. Base rate is defined as the higher of (i) the Bank of America prime rate or (ii) the federal funds effective rate plus 0.50%. The applicable margin for (x) the term loan is 2.25% for LIBOR loans and 1.25% for base rate loans and (y) the revolving facility is 2.25% for LIBOR loans and 1.25% for base rate loans for the first nine months and subject to a pricing grid thereafter based on total leverage. The interest rate payable under the new credit facility will increase by 2.0% per annum during the continuance of an event of default. The unused portion of the revolving credit facility is subject to a commitment fee of 0.50%. The weighted average interest rate on the outstanding balances under the new credit facility and the guaranteed loan was 8.02% as of September 30, 2006.

We issued \$125,000,000 aggregate principal amount of the Notes. The Notes mature on August 15, 2014. Interest is payable on the Notes semi-annually in cash in arrears on February 15 and August 15

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of each year. The Notes are unconditionally guaranteed on an unsecured senior subordinated basis by all of Barrington Group's current and future restricted subsidiaries (other than Barrington Capital) that guarantee our and our subsidiaries' other indebtedness. The Notes bear interest at a fixed rate of 10.5% and principal is due at maturity.

The new credit facility and the indenture governing the Notes limit our ability to incur additional indebtedness and issue certain preferred stock; pay dividends on our capital stock or repurchase our capital stock or subordinated debt; make investments; create certain liens; sell certain assets or merge or consolidate with or into other companies; incur restriction on the ability of our subsidiaries to make distributions or transfer assets to us; and enter into transactions with affiliates.

The new credit facility also contains certain covenants, including requirements to maintain various financial ratios, manage prudently, and defined conditions of default. Continued availability of the revolving facility will be predicated on compliance with these covenants.

Barrington Corporation borrowed \$25,500,000 in the form of a term loan pursuant to a loan facility dated May 14, 2004. The loan facility was amended during 2005 to provide for additional liquidity for pending and contemplated acquisitions, to reduce the interest rate on the facility, to extend the maturity and to restructure the covenants to reflect the 2005 Acquisitions (see Note B). The loan facility also provided a \$5,000,000 revolving credit line. The additional borrowings during the nine months ended September 30, 2005 totaled \$28,517,845 and were used for the 2005 Acquisitions. The total borrowings during 2006 totaled \$4,550,000 for the acquisition of WPDE and \$2,450,000 on the guaranteed loan for SagamoreHill. On August 11, 2006, the outstanding balance of the term loan and the guaranteed loan totaling \$61,017,845 was refinanced concurrently with the Raycom Acquisition.

The amendment of the loan facility during 2005 was considered a material modification of Barrington Corporation's debt consistent with EITF Issue No. 96-19, Debtor's Accounting for a Modification or Exchange of Debt Instruments. Barrington Corporation incurred \$1,659,281 of additional debt issuance costs related to the amendment, which together with the balance of the unamortized debt issuance costs of the original loan facility resulted in a loss on the early extinguishment of debt of \$2,013,064 for the nine months ended September 30, 2005. In addition, concurrently with the Raycom Acquisition on August 11, 2006, Barrington Group refinanced all of its existing debt resulting in a loss on the early extinguishment of debt of \$575,062 which consisted of the unamortized balance of its existing debt issuance costs as of the date of the Raycom Acquisition.

At September 30, 2006, our outstanding long-term debt provided for annual payments as follows:

| <u>Period Ending December 31,</u> | <u>Senior Secured Term Loan B</u> | <u>Notes</u> | <u>Guaranteed Loan</u> | <u>Total</u> |
|--|--|-----------------------|-----------------------------------|-----------------------|
| Three months ending 2006 | \$ 368,750 | \$ - | \$ 6,125 | \$ 374,875 |
| 2007 | 1,475,000 | - | 24,500 | 1,499,500 |
| 2008 | 1,475,000 | - | 24,500 | 1,499,500 |
| 2009 | 1,475,000 | - | 24,500 | 1,499,500 |
| 2010 | 1,475,000 | - | 24,500 | 1,499,500 |
| 2011 | 1,475,000 | - | 24,500 | 1,499,500 |
| Thereafter | 139,756,250 | 125,000,000 | 2,321,375 | 267,077,625 |
| | <u>\$ 147,500,000</u> | <u>\$ 125,000,000</u> | <u>\$ 2,450,000</u> | <u>\$ 274,950,000</u> |

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(Note E) – Accounting for Derivative Instruments and Hedging Activities

During the year ended December 31, 2005, Barrington Corporation entered into two interest rate cap agreements containing notional amounts of \$44,000,000 and \$20,000,000 that did not qualify for hedge accounting treatment. These agreements were outstanding at September 30, 2006.

These interest rate cap agreements, with a combined cost of \$108,800, limit Barrington Group's exposure to interest rate increases on its floating rate debt, thus reducing the impact of interest rate increases on future income. The 5.000% interest rate cap dated September 1, 2005 contains a notional amount of \$44,000,000 and expires May 31, 2007. The 5.500% interest rate cap dated November 9, 2005, contains a notional amount of \$20,000,000 and expires November 14, 2007. The notional principal amount of floating rate debt covered by the interest rate cap agreements effectively limits Barrington Group's exposure to LIBOR rates rising over 5.000% for the first \$44,000,000 and 5.500% for the next \$20,000,000.

The agreements provide payment to Barrington Group as of specified dates, without an exchange of the underlying principal, of a differential which represents the interest at the three-month LIBOR rate on the notional amounts in excess of 5.000% or 5.500%, as the case may be, during the term of the agreements. The differential to be received is accrued as interest rates increase above the stated LIBOR rate and is recognized as a reduction to interest expense related to debt.

Barrington Group accrued payments receivable of \$29,660 under these agreements for the three months ending September 30, 2006. The fair value of the interest rate caps was \$119,547 at September 30, 2006. As a result of adjustments to fair value, Barrington Group recorded unrealized losses on interest rate caps of \$149,077 and 11,875 for the three months ended September 30, 2006 and 2005, respectively. For the nine months ended September 30, 2006 and 2005, Barrington Group recorded an unrealized gain (loss) on interest rate caps of \$30,609 and (\$11,875), respectively.

(Note F) – Income Taxes

Concurrently with the closing of the Raycom Acquisition, Barrington Corporation and each of its subsidiaries were merged into newly-formed limited liability companies resulting in a taxable gain of approximately \$23,600,000. Barrington Corporation had provided a valuation allowance for its deferred tax assets as their realization through future taxable earnings was not certain. The previously unrecognized tax benefits generated from net operating loss carryforwards ("NOLs") and other book-tax differences generated through the date of the merger totaled approximately \$18,000,000 and are expected to offset a portion of the taxable gain during the three months and nine months ended September 30, 2006. The resulting federal and state tax liabilities of approximately \$1,900,000 have been recognized as an expense for the three months and nine months ended September 30, 2006.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion and analysis should be read in conjunction with Barrington Group's consolidated financial statements and the notes thereto included elsewhere in this Quarterly Report.

Introduction

We are a television broadcasting company focused on smaller markets across the United States. Including the stations we acquired in the Raycom Acquisition, which are referred to herein as the acquired stations, we own or program 21 network television stations, many of which have leading positions in 15 geographically diverse, smaller markets. In nine of our 15 markets, we operate a station ranked #1 or #2 in audience share, and all but two of our stations have a top three market share. All of our stations are affiliated with national television networks—nine with NBC, five with ABC, three with CBS, three with FOX, and six with CW, including digital sub channels in two markets. In the markets where we operate a CW station, we will continue to operate duopolies.

We are subject to regulation by the FCC. In addition, we face risks that could materially adversely affect our business, consolidated financial condition, results of operations or liquidity. For a discussion of certain of the risks facing us, see the risk factors set forth in Exhibit 99.1 hereto.

Raycom Acquisition and Related Financings

Barrington Corporation entered into an Asset Purchase Agreement referred to herein as the Asset Purchase Agreement, dated as of March 24, 2006, with Raycom and certain of Raycom's subsidiaries, pursuant to which Barrington Corporation purchased substantially all of the assets of the acquired stations. Pursuant to the Asset Purchase Agreement, the purchase price payable in connection with the Raycom Acquisition was approximately \$262.0 million, subject to a post-closing working capital adjustment. The Raycom Acquisition was consummated on August 11, 2006.

Concurrently with the closing of the Raycom Acquisition, all of Barrington Corporation's exiting operating subsidiaries merged with and into newly-formed limited liability company subsidiaries of Barrington Corporation and Barrington Corporation merged with and into Barrington Group. Such mergers are referred to herein as the LLC conversion.

In connection with the Raycom Acquisition, we repaid Barrington Group's existing credit facilities and entered into a new credit facility, which is referred to herein as our new credit facility. Our new credit facility is comprised of a \$147.5 million senior secured term loan facility, or the term facility, and a \$25.0 million senior secured revolving credit facility, or the revolving facility. The term facility has a seven year maturity and the revolving facility has a six year maturity. Our obligations under our new credit facility are guaranteed by Barrington Broadcasting LLC, our parent, which is referred to herein as Barrington Broadcasting, and all of our direct and indirect subsidiaries. Our new credit facility is secured by a first priority lien on substantially all of our existing and future assets and those of our direct and indirect subsidiaries.

In addition, concurrently with the closing of the Raycom Acquisition, Pilot Group LP, our equity sponsor, contributed \$60.3 million in additional equity capital to Barrington Broadcasting that was immediately contributed to Barrington Group. The Raycom Acquisition has been accounted for using the purchase method of accounting under SFAS No. 141, Business Combinations. As a result, the Raycom Acquisition will affect our future results of operations in certain significant respects. The aggregate acquisition consideration will be allocated to the tangible and intangible assets acquired and liabilities

assumed by us based upon their respective fair values as of the acquisition date. In addition, our corporate overhead expenses will increase and, due to the effects of the increased borrowings to finance the Raycom Acquisition, our interest expense will increase significantly in the periods following the Raycom Acquisition.

Revenues

Our revenues are primarily derived from the sale of local and national advertising. We compete for advertising revenues primarily with other broadcast television stations, radio stations, cable system operators and programmers, and newspapers serving the same market. All network-affiliated stations are required to carry advertising sold by their networks, which reduces the amount of advertising time available for sale by our stations. Our stations sell the remaining advertising time in network programming and the advertising time in non-network programming, retaining all of the revenues received from these sales.

Advertisers wishing to reach a national audience usually purchase time directly from the networks, or advertise nationwide on a case-by-case basis. National advertisers who wish to reach the audience within one of our markets often buy advertising time directly from our stations through national advertising sales representative firms. Local businesses purchase advertising time directly from our stations' local sales staffs.

Advertising rates are based upon a number of factors, including:

- a program's popularity among the viewers that an advertiser wishes to target (demographic ratings);
- the number of advertisers competing for the available time;
- the size of the market served by the station;
- the availability of alternative advertising media in the market area;
- the effectiveness of the sales forces; and
- development of projects, features and programs that tie advertiser messages to programming.

Our advertising revenues are positively affected by strong local economies, national and regional political election campaigns, and certain events such as the Olympics or the Super Bowl. Because television broadcast stations rely on advertising revenues, declines in advertising budgets, particularly in recessionary periods, adversely affect the broadcast industry, and as a result may contribute to a decrease in the revenues of broadcast television stations. The gross advertising revenues of our stations are generally highest in the second and fourth quarters of each year, due in part to increases in consumer advertising in the spring and retail advertising in the period leading up to and including the holiday season. Additionally, our gross advertising revenues in even-numbered years can benefit from demand for advertising time in Olympic broadcasts and advertising placed by candidates for political offices as well as political issue-oriented advertising. A station's local market strength, especially in local news ratings, is the primary factor that buyers use when placing political advertising. From time to time, proposals have been advanced in Congress to require television broadcast stations to provide some advertising time to political candidates at no charge, which could potentially reduce advertising revenues from political candidates. Our stations experienced a greater than expected amount of political advertising for the first nine months of fiscal 2006. We expect this trend to continue through the remainder of fiscal 2006.

Local and regional advertising is sold by each station's own sales representatives to local and other non-national advertisers or agencies. Generally, these contracts are short-term, although occasionally, longer-term packages will be sold. National spot advertising (generally a series of spot announcements between programs or within the station's own programs) is sold by the station or its sales representatives directly to agencies representing national advertisers. Political advertising is generated by national and local elections, which can vary greatly from both market to market and year to year.

We also derive revenues from other sources, including trade and barter programming, internet and network compensation. A national syndicated program distributor will often retain a portion of the available advertising time for programming it supplies in exchange for no fees or reduced fees charged to the stations for such programming. These programming arrangements are referred to as barter programming. Network compensation is the amount, if any, paid by a network to its affiliated stations for broadcasting network programs.

Compared to revenues from national advertising accounts, revenues from local advertising is generally more stable and more controllable. We seek to attract new advertisers to television and to increase the amount of advertising time sold to existing local advertisers by relying on experienced local sales forces with strong community ties, producing news and other programming with local advertising appeal and sponsoring or co-promoting local events and activities. We place a strong emphasis on the experience of our local sales staff and maintain an on-going training program for sales personnel.

A television station's rates are primarily determined by the estimated number of television homes it can provide for an advertiser's message. The estimates of the total number of television homes in a market and the station's share of those homes are based on the Nielsen Media Research industry-wide television rating service. The demographic make-up of the viewing audience is equally important to advertisers. A station's rate card for national and local advertisers takes into account, in addition to audience delivered, such variables as the length of the commercial announcements and the quantity purchased. Because television stations rely on advertising revenues, they are sensitive to cyclical changes in the national and local economy. The sizes of advertisers' budgets, which are affected by broad economic trends, affect the broadcast industry in general. The strength of the local economy in each station's market also significantly impacts revenues.

Results of Operations

Three Months Ended September 30, 2006 Compared to Three Months Ended September 30, 2005

The following table sets forth our operating results for the three months ended September 30, 2006 as compared to the three months ended September 30, 2005.

| (Dollars in thousands) | <u>Three Months Ended September 30,</u> | | | |
|---|---|-------------------|-------------------|-----------------|
| | <u>2006</u> | <u>2005</u> | <u>Change</u> | <u>% Change</u> |
| Local | \$ 12,941 | \$ 4,975 | \$ 7,966 | 160.1 % |
| National | 6,972 | 2,462 | 4,510 | 183.2 |
| Political | 2,853 | 7 | 2,846 | 40657.1 |
| Other | 1,576 | 624 | 952 | 152.6 |
| | <u>24,343</u> | <u>8,067</u> | <u>16,274</u> | <u>201.8</u> |
| Direct costs | <u>3,745</u> | <u>1,216</u> | <u>2,529</u> | <u>208.0</u> |
| Net revenues | <u>20,598</u> | <u>6,851</u> | <u>13,745</u> | <u>200.7</u> |
| Operating expenses: | | | | |
| Selling, technical and program expenses | 9,763 | 3,472 | 6,291 | 181.2 |
| General and administrative | 3,347 | 1,260 | 2,087 | 165.6 |
| Depreciation and amortization | 6,219 | 1,801 | 4,418 | 245.3 |
| Corporate | 1,586 | 379 | 1,207 | 318.5 |
| | <u>20,915</u> | <u>6,911</u> | <u>14,003</u> | <u>202.6</u> |
| Loss from operations | (317) | (60) | (258) | 428.3 |
| Interest expense | (3,995) | (756) | (3,239) | 428.4 |
| Amortization of debt issuance costs | (227) | (14) | (213) | 1521.4 |
| Unrealized loss on interest rate caps | (149) | (12) | (137) | 1141.7 |
| Loss on early extinguishment of debt | (575) | (385) | (190) | 49.4 |
| Interest income | 20 | 24 | (4) | -16.7 |
| Net interest expense | <u>(4,926)</u> | <u>(1,143)</u> | <u>(3,783)</u> | <u>331.0</u> |
| Loss before income taxes | <u>(5,243)</u> | <u>(1,203)</u> | <u>(4,041)</u> | <u>335.8</u> |
| Income tax expense | (1,885) | - | (1,885) | - |
| Net loss | <u>\$ (7,128)</u> | <u>\$ (1,203)</u> | <u>\$ (5,926)</u> | <u>492.5 %</u> |

Our net revenue for the three months ended September 30, 2006 was \$20.6 million, as compared to \$6.9 million for the three months ended September 30, 2005, an increase of \$13.7 million or 200.7%. The major components of, and changes to, net revenue were as follows:

- Barrington Group acquired KVII/KVIH in August 2005, WPDE/WWMB in February 2006 and the Raycom Stations in August 2006. The KVII/KVIH Acquisition, WPDE/WWMB Acquisition and the Raycom Acquisition are included in our results of operations since the respective acquisition dates. For the three months ended September 30, 2006, the KVII/KVIH Acquisition, WPDE/WWMB Acquisition and the Raycom Acquisition increased our net revenues by \$14.6 million, including an increase of \$1.8 million in gross political revenues.
- Our gross political revenue for the three months ended September 30, 2006 was \$2.9 million, as compared to a nominal amount for the three months ended September 30, 2005, an increase of

approximately \$2.9 million. More than one-half of the increase, or \$1.8 million, was attributable to the KVII/KVIH Acquisition, WPDE/WWMB Acquisition and the Raycom Acquisition. Political revenue for the three months ended September 30, 2006 was positively impacted by the mid-term congressional and gubernatorial races in Missouri, Michigan, New York, Ohio, and Illinois.

- For the stations that were part of the group during 2005, gross local revenues decreased by \$0.3 million, or (8.0)%. The decrease in gross local revenues was primarily caused by the displacement of such advertising revenues caused by increased political advertising.
- Gross national revenues decreased by \$0.06 million, or 3.1%, for the stations that were part of the group during 2005. The decrease in gross national revenues for the three months ended September 30, 2006 was mainly due to decreased spending by national automotive accounts.

Our operating expenses for the three months ended September 30, 2006 were \$20.9 million, as compared to \$6.9 million for the three months ended September 30, 2005, an increase of \$14.0 million, or 202.6%. The major changes to operating expenses were as follows:

- The expenses of KVII, WPDE/WWMB and the Raycom Stations were \$12.6 million for the three months ended September 30, 2006. Because all of these stations were acquired either during the quarter ended or subsequent to September 30, 2005, the quarterly comparison of the three months ended September 30, 2006 and the three months ended September 30, 2005 was affected.
- Excluding the effect of the the KVII/KVIH Acquisition, WPDE/WWMB Acquisition and the Raycom Acquisition, our selling, technical and programming expenses increased \$0.3 million primarily due to the automation of KRCG's news production facility and the restructuring of KRCG and WEYI's respective sales management. During 2005, KRCG automated its news production facility which required that salaries of certain persons dedicated to the project be capitalized with the other installation costs. In addition, KRCG and WEYI restructured their sales management in late 2005 to further enhance their selling efforts resulting in additional costs.
- Our corporate expenses increased by \$1.2 million for the three months ended September 30, 2006 to \$1.6 million from \$0.4 million for the three months ended September 30, 2005, primarily as result of \$0.8 million of bonuses paid to certain members of management following the completion of the Raycom Acquisition, \$0.1 million of fees in connection with the merger of Barrington Corporation with and into Barrington Group, and staffing changes made in anticipation of the Raycom Acquisition.

Our net interest expense for the three months ended September 30, 2006 was \$4.9 million as compared to \$1.1 million for the three months ended September 30, 2005, an increase of \$3.8 million or 331.0%. The increase was caused by additional borrowings made to finance the 2006 Acquisitions and an increase in LIBOR interest rates. The rise in interest rates was partially offset by an unrealized gain on Barrington Group's interest rate caps.

Our income tax expense for the three months ended September 30, 2006 was approximately \$1.9 million which included an accrual for state income taxes of approximately \$0.7 million.

Our net loss was \$7.1 million for the three months ended September 30, 2006, compared to \$1.2 million for the nine months ended September 30, 2005, a change of \$5.9 million or 492.4%.

Nine Months Ended September 30, 2006 Compared to Nine Months Ended September 30, 2005

The following table sets forth our operating results for the nine months ended September 30, 2006 as compared to the nine months ended September 30, 2005.

| (Dollars in thousands) | <u>Nine Months Ended September 30,</u> | | | |
|--|---|--------------------|----------------------|------------------------|
| | <u>2006</u> | <u>2005</u> | <u>Change</u> | <u>% Change</u> |
| Local | \$ 26,543 | \$ 12,023 | \$ 14,520 | 120.8 % |
| National | 13,736 | 6,242 | 7,494 | 120.1 |
| Political | 3,790 | 59 | 3,731 | 6,323.7 |
| Other | 3,220 | 2,031 | 1,189 | 58.5 |
| | <u>47,289</u> | <u>20,356</u> | <u>26,934</u> | <u>132.3</u> |
| Direct costs | 7,427 | 3,051 | 4,376 | 143.4 |
| Net revenues | <u>39,862</u> | <u>17,305</u> | <u>22,558</u> | <u>130.3</u> |
| Operating expenses: | | | | |
| Selling, technical and program expenses | 19,193 | 9,174 | 10,019 | 109.2 |
| General and administrative | 7,278 | 3,365 | 3,913 | 116.3 |
| Depreciation and amortization | 12,153 | 4,855 | 7,298 | 150.3 |
| Corporate | 2,759 | 1,173 | 1,586 | 135.2 |
| | <u>41,383</u> | <u>18,566</u> | <u>22,816</u> | <u>122.9</u> |
| Loss from operations | (1,521) | (1,261) | (258) | 20.6 |
| Interest expense | (6,406) | (1,977) | (4,429) | 224.0 |
| Amortization of debt issuance costs | (283) | (46) | (237) | 515.2 |
| Unrealized gain (loss) on interest rate caps | 30 | (12) | 42 | -350.0 |
| Loss on early extinguishment of debt | (575) | (2,013) | 1,438 | -71.4 |
| Interest income | 52 | 35 | 17 | 48.6 |
| Net interest expense | <u>(7,182)</u> | <u>(4,013)</u> | <u>(3,169)</u> | <u>79.0</u> |
| Loss before income taxes | (8,703) | (5,274) | (3,427) | 65.0 |
| Income tax expense | (1,942) | (109) | (1,833) | 1,681.7 |
| Net loss | <u>\$ (10,645)</u> | <u>\$ (5,383)</u> | <u>\$ (5,260)</u> | <u>97.8 %</u> |

Our net revenue for the nine months ended September 30, 2006 was \$39.9 million, as compared to \$17.3 million for the nine months ended September 30, 2005, an increase of \$22.6 million or 130.3%. The major components of, and changes to, net revenue were as follows:

- Barrington Group acquired KRCG in March 2005, KVII in August 2005, WPDE/WWMB in February 2006 and the Raycom Stations in August of 2006. The KRCG Acquisition, the KVII/KVIH Acquisition, the WPDE/ WWMB Acquisition and the Raycom Acquisition are included in our results of operations since the respective acquisition dates. For the nine months ended September 30, 2006, the KRCG Acquisition, the KVII/KVIH Acquisition, the WPDE/ WWMB Acquisition and the Raycom Acquisition increased our net revenues by \$21.9 million, including an increase of \$2.8 million in gross political revenues.
- Our gross political revenue for the nine months ended September 30, 2006 was \$3.8 million, as compared to \$0.1 for the nine months ended September 30, 2005, an increase of approximately \$3.7 million. Approximately three quarters of the increase, or \$2.8 million, was attributable to the KRCG Acquisition, the KVII/KVIH Acquisition, the WPDE/ WWMB Acquisition and the

Raycom Acquisition. Political revenue for the nine months ended September 30, 2006 was positively impacted by the mid-term congressional and gubernatorial races in Missouri, Michigan, New York, Ohio, and Illinois.

- For the stations that were part of the group during 2005, gross local revenues increased by \$0.5 million, or 6.5%. The increase in gross local revenues was caused by an increased focus on local accounts and improved selling strategies.
- Our gross national revenues decreased by \$0.3 million, or 5.5%, for the stations that were part of the group during 2005. The decrease in gross national revenues for the nine months ended September 30, 2006 was primarily due to decreased spending by national automotive accounts.

Our operating expenses for the nine months ended September 30, 2006 were \$41.4 million, as compared to \$18.6 million for the nine months ended September 30, 2005, an increase of \$22.8 million, or 122.9%. The major changes to operating expenses were as follows:

- The expenses of KRCG, KVII, WPDE/WWMB and the Raycom Stations were \$24.5 million for the nine months ended September 30, 2006. The expenses of KRCG, which are included in our results of operations from March 1, 2005, were \$3.8 million for the nine months ended September 30, 2005. In addition, because Barrington Group acquired KVII during the third quarter 2005 and WPDE/WWMB and the Raycom Stations subsequent to September 30, 2005, the comparison between the nine months ended September 30, 2006 and the nine months ended September 30, 2005 was also affected by these acquisitions.
- Excluding the effect of the the KRCG Acquisition, the KVII/KVIH Acquisition, the WPDE/WWMB Acquisition and the Raycom Acquisition, our selling, technical and programming expenses and general and administrative expenses increased \$0.5 million, or 5.6%, for the nine months ended September 30, 2006, as a result of increased costs associated with restructured sales management at WEYI and scheduled payroll increases.
- Our corporate expenses increased by \$1.6 million for the nine months ended September 30, 2006 to \$2.8 million from \$1.2 million for the nine months ended September 30, 2005 primarily as result of \$0.8 million of bonuses paid to certain members of management following the completion of the Raycom Acquisition, \$0.1 million of fees in connection with the merger of Barrington Corporation with and into Barrington Group, and staffing changes made in anticipation of the Raycom Acquisition.

Our net interest expense for the nine months ended September 30, 2006 was \$7.2 million as compared to \$4.0 million for the nine months ended September 30, 2005, an increase of \$3.2 million, or 79.0%. The increase was caused by the additional debt incurred and the issuance of the Notes to fund the Raycom Acquisition. The increase was caused by the additional interest expense associated with the debt incurred to fund the Raycom Acquisition and refinance its preexisting bank loans. The refinancing also resulting in the write-off of unamortized debt issuance costs of \$0.6 million for the nine months ended September 30, 2006. For the nine months ended September 30, 2005, material modifications of Barrington Group's debt associated with the 2005 Acquisitions resulted in a write-off of unamortized debt issuance costs totaling \$2.0 million.

Our income tax expense for the nine months ended September 30, 2006 was approximately \$1.9 million and included an accrual for state income taxes in the amount of \$0.7 million.

Our net loss was \$10.6 million for the nine months ended September 30, 2006, as compared to \$5.4 million for the nine months ended September 30, 2005, a change of \$5.2 million, or 97.8%.

Liquidity and Capital Resources

Our primary sources of liquidity are cash flow from operating activities, borrowings under our credit facilities and capital contributions. Our need for liquidity arises primarily from acquisitions, capital expenditures and interest payable on our new credit facilities. In the fourth quarter of 2006, we will have two additional significant liquidity needs. We will be required to pay income taxes resulting from the merger of Barrington Corporation into Barrington Group and we will be required to pay to Raycom an amount representing excess working capital acquired in the Raycom Acquisition. We expect that cash from operations and borrowings under our revolving credit facility will be sufficient to cover these liquidity requirements and those required for debt service needs and capital expenditure needs during the next twelve months.

Income Tax Payment. Barrington Corporation had incurred net tax losses since it commenced operations. Such tax losses normally would have been available to be carried forward to offset taxable profits for up to 20 years from the date they were generated, previously the future tax benefit has not been recognized in the financial statements because the estimates of future taxable profits did not indicate a reasonable likelihood of realization. In conjunction with the Raycom Acquisition, Barrington Corporation merged into Barrington Group, a limited liability company ("LLC"), which allows it to pass all taxable profits or losses directly to its members subsequent to the merger, in a manner similar to a partnership. Accordingly, commencing after 2006, Barrington Group will not be subject to federal income taxes. Barrington Corporation utilized essentially all of its net operating losses to offset a portion of the gain incurred in connection with its merger with and into Barrington Group. Barrington Group's ultimate owner had expected to make an additional capital contribution to fund up to \$2.0 million of associated tax liability from the LLC conversion; however, the decrease in the amount of the liability from initial estimates and our current and forecasted liquidity position is such that this contribution is not expected to be necessary.

Payment of Excess Working Capital Acquired. In accordance with the Raycom Station's purchase agreement, Barrington Group is required to pay for any working capital acquired in the transaction in excess of \$7.8 million. We estimate the payment to be approximately \$1.9 million and to be finalized in by December 31, 2006.

Cash flows from operating activities. Barrington Group's cash flows provided by operating activities for the nine months ended September 30, 2006 were \$8.1 million as compared to cash flows provided by operating activities of \$0.6 million for the nine months ended September 30, 2005. Excluding depreciation and amortization, Barrington Group's operating income for the nine months ended September 30, 2006 was \$10.6 million, as compared to \$3.6 million for the nine months ended September 30, 2005, an increase of \$7.0 million or 194.4%. Offsetting the increase in Barrington Group's operating income for the nine months ended September 30, 2006, cash payments of interest were \$3.4 million for the nine months ended September 30, 2006, as compared to \$1.8 million for the nine months ended September 30, 2005, an increase of \$1.6 million or 1.9%. In addition, during the nine months ended September 30, 2006, Barrington Broadcasting recognized a liability of \$1.9 million for income taxes due as a result of the merger of Barrington Corporation into Barrington Group.

Cash flows from investing activities. Barrington Group's cash flows used in investing activities were \$294.1 million for the nine months ended September 30, 2006, as compared to \$68.3 million for the nine months ended September 30, 2006. Barrington Group acquired WPDE and the associated operating rights for WWMB in February 2006 for \$24.8 million. Barrington Group acquired KRCG and a

construction permit for the build-out of WBSF in the first half of 2005 for an aggregate of \$43.2 million. The Raycom Stations were acquired in August of 2006 for a purchase price and total costs of \$263.1 million as of September 30, 2006. Barrington Group's cash purchases of property and equipment were \$6.4 million for the nine months ended September 30, 2006, as compared to \$2.3 million for the nine months ended September 30, 2005.

Cash flows from financing activities. Barrington Group's cash flows from financing activities were \$289.0 million for nine months ended September 30, 2006, compared to \$68.1 million for the nine months ended September 30, 2005. Capital contributions for the nine months ended September 30, 2006 and the nine months ended September 30, 2005 were \$79.5 million and \$41.8 million, respectively. In February 2006, Barrington Group borrowed \$7.0 million to fund the WPDE/WWMB Acquisition. Barrington Group also borrowed \$18.5 million to fund the purchase of KRCG in February 2005, as well as an additional \$10.0 million to fund the KVII/KVIH Acquisition. In August of 2006, Barrington Group obtained bank loans in the amount of \$147.5 million to fund the purchase of the Raycom Stations and repay its existing debt.

Our New Credit Facility and Notes. In order to finance the Raycom Acquisition which closed during the third quarter of 2006, Barrington Group entered into a new credit facility on August 11, 2006. Our new credit facility is comprised of a \$147.5 million senior secured term loan facility and a \$25.0 million senior secured revolving credit facility. Together with \$125.0 million of funds from the Issuers' offering of the Notes and capital contributions from our equity sponsor in the amount of \$60.3 million, our new credit facility provided the resources to complete the Raycom Acquisition, as well as repay \$61.0 million of Barrington Group's existing long-term debt. Such repayment of long-term debt caused a loss on the early extinguishment of debt for the third quarter of 2006 in the form of a write-off of the balance of unamortized debt issuance costs which were \$0.6 million at September 30, 2006.

The term loan facility has a seven year maturity and the revolving credit facility has a six year maturity. The obligations under our new credit facility are guaranteed by Barrington Broadcasting LLC and all of Barrington Group's direct and indirect subsidiaries. Our new credit facility is secured by a first priority lien on substantially all of our and Barrington Group's direct and indirect subsidiaries' existing and future assets.

Borrowings under the new credit facility bear interest at a floating rate, which can be either LIBOR plus an applicable margin or, at our option, a base rate plus an applicable margin payable at least quarterly. Base rate is defined as the higher of (i) the Bank of America prime rate or (ii) the federal funds effective rate plus 0.50%. The applicable margin for (x) the term loan is 2.25% for LIBOR loans and 1.25% for base rate loans and (y) the revolving facility is 2.25% for LIBOR loans and 1.25% for base rate loans for the first six months and subject to a pricing grid thereafter based on total leverage. The interest rate payable under the new credit facility will increase by 2.0% per annum during the continuance of an event of default. The unused portion of the revolving credit facility is subject to a commitment fee of 0.50% per year.

In addition, on August 11, 2006, we issued \$125.0 million aggregate principal amount of 10.5% Senior Subordinated Notes due 2014, the net proceeds of which were used to consummate the Raycom Acquisition. The Notes mature on August 15, 2014. Interest is payable on the Notes semi-annually in cash in arrears on February 15 and August 15 of each year. The Notes are unconditionally guaranteed on an unsecured senior subordinated basis by all of our current and future restricted subsidiaries (other than Barrington Capital) that guarantee our and our subsidiaries' other indebtedness. The Notes bear interest at a fixed rate of 10.5%.

Our new credit facility and the indenture governing the Notes limit our ability to:

- incur additional indebtedness and issue certain preferred stock;
- pay dividends on our capital stock or repurchase our capital stock or subordinated debt;
- make investments;
- create certain liens;
- sell certain assets or merge or consolidate with or into other companies;
- incur restriction on the ability of our subsidiaries to make distributions or transfer assets to us; and
- enter into transactions with affiliates.

Our new credit facility also contains certain covenants, including requirements to maintain various financial ratios, manage prudently, and defined conditions of default. Continued availability of the revolving facility will be predicated on compliance with these covenants. For additional information regarding our new credit facility and the Notes, see Note G of the “Notes to Condensed Consolidated Financial Statements” in this Quarterly Report.

Seasonality

Our business has experienced and is expected to continue to experience significant seasonality due to, among other things, seasonal advertising patterns and seasonal influences on people’s viewing habits. The advertising revenue of television broadcasting stations is generally highest in the second and fourth quarters of each year, due in part to increases in consumer advertising in the spring and retail advertising in the period leading up to and including the holiday season. In addition, advertising revenue tends to be higher in even-numbered years, when national, state and local political advertising is a significant element of advertising revenue. In odd-numbered years, little if any revenue is obtained from political advertising.

Critical Accounting Policies and Estimates

Financial statements prepared in accordance with generally accepted accounting principles require management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying disclosures. Actual results could differ from those assumptions and estimates. The accounting policies that are most significant and sensitive to assumptions and estimates include allocation of a station’s purchase price to identifiable assets, and the procedures used to evaluate various assets for impairment.

Purchase accounting. The purchases of stations involve allocation of the purchase price according to the estimated fair market values of the monetary, tangible, and intangible assets acquired. The allocated values are “pushed-down” to become the restated asset costs on the books of the subsidiary companies representing the individual stations. Barrington Group obtains outside appraisals following its purchases of stations. The values assigned by the appraisals may differ from the estimates initially assigned by Barrington Group at the time of purchase. Generally accepted accounting principals allow up to one year for completion of the determination of allocation of values, so changes might materially change the depreciation and amortization expenses reported up to one year from purchase.

Impairment of long-lived assets. Generally accepted accounting principles require that most long-lived assets are carried at the lower of cost or fair value. Such assets compose the major portion of Barrington Group's total assets and exceed stockholder's equity. Barrington Group reviews and tests its long-lived assets for potential impairment at least annually. This review requires assumptions and estimates of future cash flows to be generated by its stations, discount rates to be used in present value calculations, expected future benefits from network affiliation contracts, and other future conditions. Changes in market conditions or our plans could change management's judgments regarding impairment of assets.

Interest rate caps. We invest in derivative financial instruments to limit our exposure to interest rate increases on our floating rate debt. These interest rate caps agreements do not qualify for hedge accounting treatment, and their carrying value must be periodically adjusted to fair value, with any gain or loss recognized in operating results.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Market risk is the risk of loss arising from adverse changes in market rates and prices, such as interest rates, foreign currency exchange rates and commodity prices. We have no cash flow exposure due to rate changes on the Notes because they bear interest at fixed rates. However, our new credit facility bears interest at floating rates based on LIBOR. Accordingly, we are exposed to potential losses related to changes in interest rates. If there is a rise in interest rates, our debt service obligations on the borrowings under our new credit facility would increase even though the amount borrowed remained the same, which would affect our results of operations. A 0.5% change in LIBOR would result in our interest expense for our new credit facility fluctuating approximately \$1.5 million per year, without taking into account any hedging instruments.

We do not enter into derivatives or other financial instruments for trading or speculative purposes; however, in order to manage our interest rate risk, we have entered into two interest rate cap agreements and intend to enter into other such derivative instruments to effectively fix the interest rate on the borrowings under our credit facility. The agreement governing our 5.0% interest rate cap dated June 1, 2005, specifies a notional amount of \$44.0 million and expires May 31, 2007. The agreement governing our 5.5% interest rate cap dated November 9, 2005, specifies a notional amount of \$20.0 million and expires November 14, 2007. We are required to reflect our interest rate caps on our balance sheet at fair market value. As such, we are exposed to potential losses due to increases in interest rates. We have recorded an unrealized loss on interest rate caps of \$0.15 million and \$0.01 million for the three months ended September 30, 2006 and 2005, respectively. For the nine months ended September 30, 2006 we recorded an unrealized gain on interest rate caps of \$0.03 million as compared to a loss of \$0.01 million for the nine months ended September 30, 2005.

ITEM 4. CONTROLS AND PROCEDURES

Our Chief Executive Officer and Chief Financial Officer, with the assistance of management, have evaluated our disclosure controls and procedures as of September 30, 2006, and based upon that evaluation have concluded that our disclosure controls and procedures were effective, in all material respects, as of September 30, 2006, to provide reasonable assurance that information the Company is required to disclose in this Quarterly Report is recorded, processed, summarized and reported as and when required. Further, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures have been designed to ensure that information required to be disclosed in this Quarterly Report, is accumulated and communicated to management including the Chief Executive Officer and Chief Financial Officer, in a manner to allow timely decisions regarding the required disclosure. It should be noted, however, that a control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Because of the limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues within the Company have been detected. Furthermore, the design of any control system is 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, regardless of how unlikely. Because of these inherent limitations in a cost-effective control system, misstatements or omissions due to error or fraud may occur and not be detected. There has been no change in our internal control over financial reporting that occurred during the third fiscal quarter of 2006 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

PART II

ITEM 1. LEGAL PROCEEDINGS

From time to time, we are involved in litigation arising out of operations. Management believes that we are not currently party to any legal proceedings, the adverse outcome of which, individually or in the aggregate, would have a material adverse effect on our financial position or results of operations.

ITEM 1A. RISK FACTORS

Not applicable.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

Not applicable.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

Not applicable.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

Not applicable.

ITEM 5. OTHER INFORMATION

Not applicable.

ITEM 6. EXHIBITS

The exhibits to this Quarterly Report, including the Risk Factors set forth in Exhibit 99.1, are available on our website.

| Exhibit Number | <u>Title</u> |
|---------------------------|---|
| 2.1 | Asset Purchase Agreement, dated as of March 24, 2006, by and among Raycom Media, Inc., certain subsidiaries thereof and Barrington Broadcasting Corporation ⁺ |
| 2.2 | Amendment to Asset Purchase Agreement, dated as of August 11, 2006, by and among Raycom Media, Inc., certain subsidiaries thereof and Barrington Broadcasting Corporation ⁺ |
| 3.1 | Certificate of Formation of Barrington Broadcasting Group LLC ⁺ |
| 3.2 | Certificate of Incorporation of Barrington Broadcasting Capital Corporation ⁺ |
| 3.3 | Limited Liability Company Operating Agreement of Barrington Broadcasting Group LLC ⁺ |
| 3.4 | Bylaws of Barrington Broadcasting Capital Corporation ⁺ |
| 4.1 | Indenture, dated as of August 11, 2006, by and among Barrington Broadcasting Group LLC, Barrington Broadcasting Capital Corporation and U.S. Bank National Association, as trustee ⁺ |
| 4.2 | Note Guarantee, dated as of August 11, 2006, by subsidiaries of Barrington Broadcasting Group LLC relating to 10½% Senior Subordinated Notes due 2014 ⁺ |

- 4.3 Form of 10½% Senior Subordinated Note due 2014 (included in exhibit 4.1 to this quarterly report)⁺
- 4.4 Registration Rights Agreement, dated as of August 11, 2006, by and among Barrington Broadcasting Group LLC, Barrington Broadcasting Capital Corporation and Banc of America Securities LLC and Wachovia Capital Markets, LLC, as initial purchasers⁺
- 10.1 Credit Agreement, dated as of August 11, 2006, by and among Barrington Broadcasting Group LLC, as borrower, all subsidiaries thereof and Barrington Broadcasting LLC, as guarantors, Bank of America, N.A., as administrative agent, and lenders party thereto⁺
- 10.2 Guaranty Agreement, dated as of August 11, 2006, by and among Barrington Broadcasting Group LLC, as borrower, all subsidiaries thereof and Barrington Broadcasting LLC, as guarantors, and Bank of America, N.A., as collateral agent⁺
- 10.3 Security Agreement, dated as of August 11, 2006, by and among Barrington Broadcasting Group LLC, as borrower, all subsidiaries thereof and Barrington Broadcasting LLC, as guarantors, and Bank of America, N.A., as collateral agent⁺
- 10.4 Credit Agreement, dated as of August 11, 2006, by and among SagamoreHill of Carolina, LLC, as borrower, Bank of America, N.A., as administrative agent, and lenders party thereto⁺
- 10.5 Barrington Guaranty, dated as of August 11, 2006, by and among Barrington Broadcasting Group LLC, as borrower, all subsidiaries thereof and Barrington Broadcasting LLC, as guarantors, and Bank of America, N.A., as collateral agent⁺
- 10.6 Management Agreement, dated as of December 31, 2003, by and between Barrington Broadcasting LLC and Barrington Broadcasting Company, LLC, as amended.⁺
- 10.7 Transition Services Agreement, dated as of August 11, 2006, by and among Raycom Media, Inc., certain subsidiaries thereof and Barrington Broadcasting Group LLC⁺
- 10.8 Time Brokerage Agreement dated as of April 28, 1994, as amended, by and between Atlantic Media Group, Inc. and Vision Communications, Inc.⁺
- 21 List of Subsidiaries of Barrington Broadcasting Group LLC⁺
- 99.1 Risk Factors*

+ Posted on company website (www.barringtontv.com) with the Quarterly Report for the quarter ended June 30, 2006, under corresponding exhibit number.

* Posted on company website with this Quarterly Report under corresponding exhibit number.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrants have duly caused this Quarterly Report to be signed on their behalf by the undersigned, thereunto duly authorized.

BARRINGTON BROADCASTING GROUP LLC
BARRINGTON BROADCASTING CAPITAL CORPORATION

By: /s/ Warren Spector

Date: November 14, 2006

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