

CURRENT REPORT

of

BARRINGTON BROADCASTING GROUP LLC BARRINGTON BROADCASTING CAPITAL CORPORATION

November 12, 2009

Pursuant to Section 4.3(a) of the Indenture, dated as of August 11, 2006, as supplemented by the Supplemental Indenture, dated as of March 19, 2008, by and among Barrington Broadcasting Group LLC, a Delaware limited liability company (“Barrington Group”), Barrington Broadcasting Capital Corporation, a Delaware corporation (“Barrington Capital”), U.S. Bank National Association, as trustee, and the guarantors named therein, relating to the 10½% Senior Subordinated Notes due 2014 (the “Notes”), Barrington Group and Barrington Capital are furnishing the information contained herein to holders of the Notes.

Earnings Release for the Three and Nine Months Ended September 30, 2009

On November 9, 2009, Barrington Group issued a press release reporting its financial results for the three and nine months ended September 30, 2009 (the “Earnings Announcement”). A copy of the Earnings Announcement is attached to this Current Report as Exhibit 99.1.

Transcript of Earnings Call

On November 10, 2009, Barrington Group held a conference call to discuss its financial results for the three and nine months ended September 30, 2009. 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, Barrington Group and Barrington Capital 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**

November 12, 2009

/s/ Warren Spector

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



FOR IMMEDIATE RELEASE

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BARRINGTON REPORTS THIRD QUARTER OPERATING RESULTS

Hoffman Estates, IL, November 9, 2009 – Barrington Broadcasting Group LLC (“Barrington”) announced today its financial results for the three months and nine months ended September 30, 2009. Highlights are as follows:

- Gross revenues for the quarter ended September 30, 2009 decreased 21.6% to \$28.2 million from \$35.9 million for the quarter ended September 30, 2008. The decrease was primarily due to a decrease in political revenues of \$3.5 million, or 86.0%, to \$0.6 million and a decrease in local revenues of \$3.3 million, or 16.0%, to \$17.1 million. National revenues decreased \$2.8 million, or 31.4%, to \$6.0 million. Other revenues increased \$1.7 million, or 63.3%, to \$4.4 million for the quarter ended September 30, 2009.
- Net revenues (gross revenues less agency commissions and other direct costs) for the quarter ended September 30, 2009 decreased 21.0%, or \$6.4 million, to \$24.2 million from \$30.6 million for the quarter ended September 30, 2008.
- Operating expenses for the quarter ended September 30, 2009, not including depreciation and amortization, decreased 10.5%, or \$2.2 million, to \$18.4 million from \$20.6 million for the quarter ended September 30, 2008. The decrease was primarily due to workforce reductions, expenses at Barrington’s Peoria station WHOI-TV relating to a joint sales and shared services agreement with Granite Broadcasting, and renegotiation of certain contractual obligations.
- Broadcast Cash Flow (as defined herein) for the quarter ended September 30, 2009 decreased 31.9% to \$7.7 million from \$11.4 million for the quarter ended September 30, 2008.
- Gross revenues for the nine months ended September 30, 2009 decreased 18.3% to \$83.0 million from \$101.7 million for the nine months ended September 30, 2008. The decrease was primarily due to a decrease in local revenues of \$9.3 million, or 15.3%, to \$51.7 million and a decrease in national revenues of \$8.5 million, or 32.3%, to \$17.9 million. Political revenues decreased \$5.5 million, or 86.6%, to \$0.9 million. Other revenues increased \$4.7 million, or 60.9%, to \$12.5 million.
- Net revenues (gross revenues less agency commissions and other direct costs) for the nine months ended September 30, 2009 decreased 18.0%, or \$15.6 million, to \$71.2 million from \$86.8 million for the nine months ended September 30, 2008.
- Operating expenses for the nine months ended September 30, 2009, not including depreciation and amortization and an impairment of intangible assets and goodwill, decreased 10.1%, or \$6.4 million, to \$57.3 million from \$63.7 million for the nine months ended September 30, 2008. The decrease was primarily due to workforce reductions, expenses at Barrington’s Peoria station WHOI-TV relating to a joint sales and shared services agreement with Granite Broadcasting, and renegotiation of certain contractual obligations.

- Broadcast Cash Flow for the nine months ended September 30, 2009 decreased 29.5% to \$19.8 million from \$28.1 million for the nine months ended September 30, 2008.

Results for the three and nine months ended September 30, 2008 and September 30, 2009 include results of WGTU and WGTQ, stations that Barrington programs and to which it provides support services, since April 1, 2008, the date Tucker Broadcasting of Traverse City, Inc. completed the acquisition of these stations. Results also include results from joint sales and shared service agreements with Granite Broadcasting Corporation related to Granite's and Barrington's respective station operations in the Peoria, Illinois and Syracuse, New York markets, effective March 2, 2009.

"Third quarter comparisons were difficult given the political activity that occurred in the same period in 2008. While we continue to see continued positive results from both revenue and cost-saving initiatives we put in place earlier in the year, weakness in the economy continued to negatively impact us during the quarter. However, we completed our bond buyback program during the quarter which will positively impact us in the future by reducing interest expense," said K. James Yager, Chief Executive Officer of Barrington Broadcasting.

Conference Call

As previously announced, Barrington will host a conference call to discuss its second quarter results at 11:00 AM (ET) on Tuesday, November 10, 2009. The dial-in information for the earnings call is as follows: 1-877-941-1467. A telephonic replay of the earnings call will be available beginning on November 10, 2009 at 1:00 PM (ET) and remain available for 30 days. To access the replay, call 1-800-406-7325 (domestic callers) or 303-590-3030 (international callers) and enter access code 4179753#.

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.

Quarterly Report

The information in this press release should be read in conjunction with the financial statements and footnotes contained in Barrington's quarterly report for the quarter ended September 30, 2009 which will be posted on Barrington's website (www.barringtontv.com) on November 12, 2009. Barrington's results for the quarter ended September 30, 2009 are subject to the completion of its quarterly 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 four 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.

For further information, contact:

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Barrington Broadcasting Group LLC
Consolidated Financial Information
For the Three Months and Nine Months Ended September 30, 2009 and September 30, 2008
(Unaudited)

(Dollars in thousands)	Three Months Ended		Nine Months Ended	
	9/30/2009	9/30/2008	9/30/2009	9/30/2008
Statement of Operations Data:⁽¹⁾				
Net revenue	\$ 24,202	\$ 30,641	\$ 71,248	\$ 86,835
Expenses:				
Operating ⁽²⁾	17,254	19,423	53,133	59,504
Depreciation and amortization	4,331	7,297	17,281	20,476
Impairment of intangible assets	-	18,523	1,416	18,523
Corporate	1,175	1,159	4,152	4,233
Total operating expenses	22,760	46,402	75,982	102,736
Income (loss) from operations	1,442	(15,761)	(4,734)	(15,901)
Total net interest expense	5,514	6,938	17,424	19,554
Non-operating income ⁽³⁾	(1,064)	-	(56,963)	(472)
Income (loss) before income taxes	(3,008)	(22,699)	34,805	(34,983)
Income tax expense ⁽⁴⁾	268	79	512	223
Net Income (loss)	\$ (3,276)	\$ (22,778)	\$ 34,293	\$ (35,206)

Other Financial Data:

EBITDA ⁽⁵⁾	\$ 6,837	\$ (8,464)	\$ 69,510	\$ 5,047
Adjusted EBITDA ⁽⁶⁾	6,596	10,250	16,286	24,612
Broadcast Cash Flow ⁽⁷⁾	7,730	11,355	19,838	28,148

Balance Sheet Data:

Cash and cash equivalents	\$ 20,820
Total long-term debt, including current portions ⁽⁸⁾	\$ 228,287

(1) Statement of operations data is based on Barrington's historical unaudited consolidated financial results for the three and nine months ended September 30, 2009 and 2008, and includes the results of operations of Tucker Broadcasting of Traverse City, Inc. ("Tucker") since 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. Also includes results from Joint Sales and Shared Services Agreements entered into with Granite Broadcasting Corporation beginning March 2, 2009.

(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) For the three and nine months ended September 30, 2009, respectively, consists of gain of \$792 and \$55,081 on the extinguishment of debt related to the repurchase of a portion of our Senior Subordinated Notes and gain of \$272 and \$1,882 on the exchange of fixed assets with Nextel.

(4) 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 liabilities.

Barrington Broadcasting Group LLC
Consolidated Financial Information
For the Three Months and Nine Months Ended September 30, 2009 and September 30, 2008
(Unaudited)

(5) 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.

(Dollars in thousands)	<u>Three Months Ended</u>		<u>Nine Months Ended</u>	
	<u>9/30/2009</u>	<u>9/30/2008</u>	<u>9/30/2009</u>	<u>9/30/2008</u>
Reconciliation of EBITDA:				
Net Income (loss)	\$ (3,276)	\$ (22,778)	\$ 34,293	\$ (35,206)
Total net interest expense	5,514	6,938	17,424	19,554
Income tax expense ^(a)	268	79	512	223
Depreciation and amortization	4,331	7,297	17,281	20,476
EBITDA	<u>\$ 6,837</u>	<u>\$ (8,464)</u>	<u>\$ 69,510</u>	<u>\$ 5,047</u>

(a) 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 liabilities.

(6) 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)	<u>Three Months Ended</u>		<u>Nine Months Ended</u>	
	<u>9/30/2009</u>	<u>9/30/2008</u>	<u>9/30/2009</u>	<u>9/30/2008</u>
Reconciliation of Adjusted EBITDA:				
EBITDA	\$ 6,837	\$ (8,464)	\$ 69,510	\$ 5,047
Amortization of program broadcast rights	1,212	1,254	3,596	3,559
Program broadcast rights payments	(864)	(1,201)	(3,083)	(3,544)
Amortization of network revenues ^(a)	(17)	(58)	(148)	(274)
Cash payments from networks	22	69	174	315
Other adjustments to arrive at Adjusted EBITDA ^(b)	(594)	18,650	(53,763)	19,509
Adjusted EBITDA	<u>\$ 6,596</u>	<u>\$ 10,250</u>	<u>\$ 16,286</u>	<u>\$ 24,612</u>

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

(b) For the three and nine months ended September 30, 2009, respectively, consists of gain on the exchange of fixed assets with Nextel of \$272 and \$1,882, as well as gain of \$792 and \$55,081 on the extinguishment of debt related to the repurchase of a portion of Barrington's Senior Subordinated Notes. Also consists of separation costs of \$429 and \$1,184 related to workforce reductions and the Granite agreements, \$41 and \$196 of legal expenses incurred related to one-time costs in respect of the Granite agreements. For the nine months ended September 30, 2009, includes fees and expenses of \$404 in relation to the amendment of the credit agreement in February 2009 and \$1,416 in impairment of the FCC license at one of Barrington's stations. For the three months and nine months ended September 30, 2008, respectively, separation costs of \$74 and \$761 related to workforce reductions that were initiated in second quarter of 2008, as well as fees and expenses of \$53 and \$697 incurred as a result of the consent solicitation related to Barrington's Senior Subordinated Notes. In addition, for both the three and nine months ended September 30, 2008, includes impairment charges of \$18,016 for the FCC licenses at five of Barrington's stations and \$507 for goodwill at one of Barrington's stations. For the nine months ended September 30, 2008 also includes gain on the exchange of fixed assets with Nextel of \$472.

Barrington Broadcasting Group LLC
Consolidated Financial Information
For the Three Months and Nine Months Ended September 30, 2009 and September 30, 2008
(Unaudited)

(7) 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.

	<u>Three Months Ended</u>		<u>Nine Months Ended</u>	
	<u>9/30/2009</u>	<u>9/30/2008</u>	<u>9/30/2009</u>	<u>9/30/2008</u>
(Dollars in thousands)				
Reconciliation of Broadcast Cash Flow:				
Adjusted EBITDA	\$ 6,596	\$ 10,250	\$ 16,286	\$ 24,612
Corporate overhead costs	1,134	1,105	3,552	3,536
Broadcast Cash Flow	<u>\$ 7,730</u>	<u>\$ 11,355</u>	<u>\$ 19,838</u>	<u>\$ 28,148</u>

(8) 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, and (iii) the full drawdown of Barrington's revolving credit facility of \$21 million.

**BARRINGTON BROADCASTING GROUP LLC
3rd QUARTER 2009 EARNINGS CONFERENCE CALL**

**November 10, 2009, 11:00 AM ET
Chairperson: James Yager**

Operator: Ladies and gentlemen, welcome to the Barrington Broadcasting Third Quarter Earnings Conference Call on the 10th of November, 2009. Throughout today's recorded presentation, all participants will be in a listen-only mode. After the presentation, there will be an opportunity to ask questions. If any participant has difficulty hearing the presentation, please press the star, followed by the zero on your telephone for Operator assistance.

I will now turn the call over to Mr. Jim Yager. Please go ahead, sir.

Jim Yager: Thank you and good morning. I am Jim Yager, Chief Executive Officer with Barrington Broadcasting, and I'd like to welcome you to Barrington Broadcasting's Third Quarter 2009 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 again this morning are Warren Spector, our Chief Financial Officer, and Chris Cornelius, our Chief Operating Officer. Today I will cover our actual results for the three months ended September 30, 2009, compared to our results for the same period of 2008. Warren will cover our third quarter results in more detail, as well as our results for the nine months ended September 30, 2009, which 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, Inc. completed the acquisition of these stations.

Gross revenues for the quarter ended September 30, 2009, decreased 21.6% to \$28.2 million from \$35.9 million in the third quarter of 2008. The decrease was primarily due to a decrease in political revenues of \$3.5 million, or 86%, \$600,000, and to a lesser extent, a decrease in local revenues of 16%. National revenues decreased \$2.8 million or 31.4% to \$6 million. Other revenues increased \$1.7 million, or 63.3%, to \$4.4 million for the quarter, primarily as a result of retransmission revenues.

Operating expenses for the quarter ended September 30, 2009, not including depreciation and amortization, decreased 10.5%, or \$2.2 million, to \$18.4 million from \$20.6 million. The reductions were primarily due to reduced salaries and wages as a result of workforce reductions that occurred in 2008 and the first quarter of this year, as well as expense reductions at our Peoria station related to a joint sales and shared services agreement with Granite Broadcasting. We also reduced expenses by renegotiating certain of our contractual obligations.

Broadcast Cash Flow for the quarter ended September 30, 2009, decreased 31.9% to \$7.7 million from \$11.4 million for the quarter ended September 30, 2008.

Now CFO, Warren Spector, will review in more detail our third quarter results for the period ended September 30, 2009, as well as review our results for the first nine months of the year. Warren?

Warren Spector: Thank you, Jim. The 10-Q will be filed on November 12th on Barrington's website and will include the results for the three and nine months ended September 30, 2009.

As Jim stated earlier, for the three months ended September 30, 2009 period, gross revenues decreased 21.6%, or \$7.7 million, to \$28.2 million from \$35.9 million for the three months ended September 30, 2008. The decrease was primarily due to a decrease in political revenues of \$3.5 million, or 86%, to \$600,000 for the quarter, and a decrease in local revenues of \$3.3 million or 16% to \$17.1 million. National revenues decreased \$2.8 million, or 31.4%, to \$6 million for the quarter, and other revenues increased \$1.7 million, or 63.3%, to \$4.4 million.

Net revenues for the quarter ended September 30, 2009, decreased 21%, or \$6.4 million, to \$24.2 million from \$30.6 million for the quarter ended September 30, 2008.

Operating expenses for the quarter, not including depreciation and amortization, decreased 10.5%, or \$2.2 million, to \$18.4 million from \$20.6 million for the quarter ended September 30, 2008, primarily as a result of expenses related to workforce reductions,

reductions at our Peoria station relating to joint sales and shared services agreements with Granite Broadcasting, and the renegotiation of certain contracts.

Broadcast Cash Flow for the quarter ended September 30, 2009, decreased 31.9% to \$7.7 million from \$11.4 million for the quarter ended September 30, 2008.

For the nine months ended September 30, 2009, gross revenues decreased 18.3%, or \$18.7 million, to \$83 million. The decrease is primarily due to a decrease in local revenues of \$9.3 million, or 15.3%, to \$51.7 million, and a decrease in national revenues of \$8.5 million, or 32.3%, to \$17.9 million. Political revenues decreased \$5.5 million to \$900,000 for the nine-month period. Other revenues increased 4.7 million, or 60.9%, to 12.5 million.

Net revenues for the nine months ended September 30, 2009, decreased \$15.6 million, or 18%, to \$71.2 million from \$86.8 million for the nine months ended September 30, 2008.

Operating expenses for the nine months ended September 2009 period, not including depreciation and amortization and an impairment of intangible assets and goodwill, decreased \$6.4 million, or 10.1%, to \$57.3 million, primarily as a result of workforce reduction, expenses at our Peoria station relating to joint sales and shared service agreements with Granite Broadcasting, and renegotiation of certain contracts.

Broadcast cash flow for the nine months ended September 30, 2009, decreased 29.5%, to \$19.8 million, from \$28.1 million for the nine months ended September 30, 2008.

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

Jim Yager: Thank you, Warren. As we have mentioned in previous calls, our primary operating objectives at all our stations is to grow truly local sales revenues, monetize our internet initiatives, and grow our retransmission revenues. In addition, we continued throughout the third quarter to take steps to improve operating efficiencies at a lot of our stations through cost reductions and have aggressively pursued joint sales and shared services agreements similar to the ones we have with Granite Broadcasting in Peoria and Syracuse.

To bring you up to date on our operations, I am going to turn the call over at this point to Chris Cornelius, our Chief Operating Officer.

Chris Cornelius: Thanks, Jim. I'll review in a little more detail third quarter and year-to-date revenues, update you on the progress of our JSA/ SSA in Syracuse and Peoria, as well as the consolidation of technical and production functions at all of our stations, and I'll finish with the status of our current retransmission consent negotiations.

Barrington's 2009 third quarter local direct revenues decreased 9.65% to \$5.1 million over the same period in 2008. 2009 third quarter local agency and regional agency business decreased 18.4%, to \$12 million, versus the same period in '08, and Barrington's national revenues decreased 31.4% to \$6 million versus the same period in '08 and, as Warren stated, political decreased 86% to \$600,000. However, Barrington continues to outperform its TVB peers. Our year-to-date local regional revenues were down 16% versus the 21.8% year-to-date decline reported by the other 748 TVB stations. This is in part due to our strategy to focus our retail development team's efforts on developing larger television spending amongst our existing advertisers and bringing new non-television advertisers into the fold. During the first nine months of the year, Barrington's retail development staff has written nearly \$11.5 million in annualized new local business, a \$4.4 million increase over the first two quarters of 2009. This momentum significantly increases our base of advertisers and sets the Company up for strong results as the economy revives and our core advertiser base rebounds.

As I mentioned on the second quarter call, our stations have done a great job in protecting and growing market share but economic pressures found in Barrington's large Midwest footprint, as well as offsetting last year's Olympic revenues at our five NBC stations, have made national a big challenge. So what are we going to do about that? We continue to press forward with a developmental strategy to build revenues around new national advertisers with sizeable local footprints. To date, Barrington's transactional teams have developed \$2.7 million in annualized new national revenues. That's a \$1.1 million increase over what we reported at the end of second quarter. We think expanding this business will provide substantial accretive benefits as the national marketplace begins to turn around and will more than make up the 7.1% year-to-date difference between the TVB stations and Barrington.

Barrington's third quarter Internet revenue growth is also outpacing the TVB reporting stations. Barrington grew 48.5% over 2008 versus 4.1% of the combined TVB group. Barrington's year-to-date growth is up 69.5%. In October, we brought in an experienced internet executive to run our interactive division. We did this at a time we think is opportunistic for growing advertisers, sponsored local portals and smaller markets.

On the operating side, we are benefiting from our JSA/SSA in the Syracuse and Peoria markets. Significant costs have been taken out of both stations, resulting in over \$1.3 million in net incremental cash flow through September. The transition has been fully completed and continues to have an accretive effect on our BCF.

On the last several calls I have reported the positive effects of master control hubbing project in our five NBC markets. The project is complete and we benefit from its cost savings and its efficiencies. That experience has led us to look at all of our stations and we have concluded that, by combining creative services, engineering, production, and the promotion departments into one media operations department, we can save hundreds of man hours a week resulting in much higher employee productivity and less cost. That process has begun in earnest and will be contributing fully in the 2010 budget year.

Finally, I'll finish with retransmission revenues. Retransmission revenues, which have jumped \$2.8 million year-to-date from \$1.3 million in '08 to \$4.1 million in '09. Warren continues to lead the retransmission negotiations and is focused on completing deals with the last of our smaller cable operators and has begun work on a large MSO and a satellite provider whose agreements begin to expire at the end of this year.

Back to you, Jim.

Jim Yager: Thanks, Chris, and I'd be remiss if I didn't say that Warren has done an absolutely fantastic job for us on retransmission consent.

In conclusion, we remain committed to a strategy of developing strong local sales departments and implementing cost savings, while improving operating efficiencies at each of our stations, irrespective of their market size. As stated on our second quarter call, we have reduced Company overall headcount by 25% since January 1, 2008, and renegotiated many of our syndicated programming rating service contracts at favorable rates.

We also remain committed to maintaining 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. And while we have re-engineered our operations, we believe we have been able to maintain the quality of our local commercial production for advertisers, as is evidenced by our local revenue performance Chris mentioned just a few minutes ago. And I would like to add that the number of news hours we produce is higher today than it was in late 2006 at the time we acquired the Raycom stations.

On August 31, 2007, we entered into a transaction to acquire the assets of WGTU, WGTQ, the ABC and CW affiliates in Traverse City, Michigan and simultaneously assigned our rights under that agreement to Tucker Broadcasting. We have a series of agreements with Tucker to manage the station as of March 31st, 2008, the date the transaction was completed. The arrangement with Tucker gives us the benefits of a duopoly in the Traverse City, Michigan market and brings us to a total of four of 15 markets where we are operating virtual duopolies.

As mentioned in our second quarter call, we now have a virtual triopoly in Syracuse with the shared services and joint sales agreements we entered into in the first quarter with Granite Broadcasting. We continue to explore other opportunities for shared services and joint sales agreements in a number of our markets, as well as creating virtual duopolies in other of our markets by multi-casting on our digital channels. We began multi-casting FOX programming on our digital channel in Marquette, Michigan in September. We have a similar multicast arrangement in Quincy, Illinois, where we carry both ABC and CBS programs on our digital channel, in addition to syndicated and locally produced news programs.

Finally, we will continue to benefit from our bond buybacks that occurred in the first half of the year, as our annual interest rate payments to bondholders have been reduced by approximately \$7 million. We believe our basic operating strategy is sound, even in a soft national advertising environment, and look forward to a strong fourth quarter which we hope will develop for us as we go forward.

Now let's open the phone to questions.

Operator: Thank you. If anybody would like to ask a question, please press the star, followed by the one on your telephone. If you wish to cancel this request, please press the star, followed by the two. Your questions will be polled in the order they are received. There will be a short pause while participants register for a question.

Our first question comes from Bishop Cheen from Wells Fargo. Please go ahead with your question.

Bishop Cheen: Hi, Jim, Warren and Chris. Thank you for the update.

Speaker: Hi Bishop.

Bishop Cheen: Let me just begin with the bond buybacks. I think you did what, a couple of million face in Q3 to finish it off?

Speaker: In Q3.

Warren Spector: We are substantially finished. It'll be disclosed in our 10-Q. Yes, we did, complete it Bishop.

Bishop Cheen: OK

Warren Spector: We did buy back a couple of million.

Bishop Cheen: All right. And then do I have to wait for the Q to figure out what the average price was for the buyback?

Warren Spector: You do, actually.

Bishop Cheen: All right. So I'll do the leverage calcs, unless you want to give it to us. Under the covenant leverage, which is an eight quarter trailing, what is the leverage calc now, covenant leverage?

Warren Spector: You know what, Bishop? We disclose that to our senior lenders; we don't disclose that on our calls.

Bishop Cheen: You don't? Okay. We can add and subtract. We'll figure it out.

Warren Spector: I know you can do that. . You don't need to ask me.

Bishop Cheen: Okay. All right. And then just a couple of quick clarifications. Chris, when you talked about outperforming the TVB stations, was that in all revenue or just local revenue?

Chris Cornelius: That was in local revenue, local and regional revenue, our national revenue we're about 7 points trailing.

Jim Yager: Yes, but it translates to all revenue when you go to the bottom of it, Bishop.

Chris Cornelius: Combined total we're still up.

Jim Yager: Yes, national.

Bishop Cheen: Yes, you are up there too. And then in the Internet, I mean you killed them because I think you said 48.5% versus TVB's average of 4.1%.

Jim Yager: I think it was higher than that, Bishop, wasn't it Warren? You've got the numbers.

Warren Spector: I'm looking—yes, we were at—almost 45%—

Jim Yager: 48.5% over '08 versus combined TV group of 4.1% and year-to-date up 69.5%.

Bishop Cheen: And that was just Q3, and year-to-date you were up 69.5%?

Warren Spector: That's correct.

Jim Yager: Yes.

Bishop Cheen: Okay. Great, okay. And then let's go to the philosophical question. Let's talk about retrans because you know that some of your brethren have said, no way, you know, skull and crossbones on the networks, while others have said, we are working with the networks because in the next go-round we think the network clout will help us greatly increase the yield and the take on our retrans contracts. What do you guys think?

Jim Yager: Well, to be very candid with you, Bishop, the description you just gave of—what kind of clout can we develop to develop the most revenue for this Company? And we have not closed the door to discussing retransmission consent with the networks because we think that would be foolish if we can get a higher return out of retransmission consent than we're currently getting or can foresee for the foreseeable future. We are in very, very preliminary discussions along those lines, but we see no reason just to slam the door and say, not only no but, hell no, to the networks until we know what we're talking about. And until we actually get to the negotiating table, we're not going to know that. Our primary objective with retransmission consent is to increase our overall revenues exponentially year after year.

Bishop Cheen: Okay. Spoken like a true diplomat. And then last, Jim, you have—you could write a book on this. Okay, the spectrum grab that we have all been, you know, rightly or wrongly, alarmed about. So what's your take on that on the viability of the—our wonderful friends in Washington taking back the spectrum from the digital broadcasters?

Jim Yager: Let me just give it to you from my perspective. I spent a bit of time, as you may know, on the SHVERA legislation and had visited the new FCC commissioners in their jobs. This proposal was floated by a staff member of the FCC who—he kind of has been charged with how do we develop broadband? And it came out of this kind of talking that maybe we could take back television channels and have an increase in the spectrum, we could go to broadband. I can tell you, in my visits to the FCC, not one single FCC commissioner has mentioned that as a possibility. Furthermore, the FCC—if this is going to be a buyback of channels, the FCC is going to need the cooperation of Congress and I quite honestly don't think the Hill is going to be very anxious to take away their communication vehicle to the public that they serve.

So there are political implications all over on this and I think it's interesting, we certainly want to work with the FCC to help them develop broadband here—so I'm being a diplomat again, I guess, Bishop—but not at the expense of the—kind of the American public and the consumer who depends on local television. And you can say, we can do it through cable, we can do it through satellite; not true. The second, third, and fourth sets in most homes are over-the-air dependent television sets. And, you know, a lot of these people have just spent a great deal of money converting their old analog sets to new digital flat screen sets and what are we going to do, make them all obsolete? I—the political realities of that proposal are kind of hard to believe.

Bishop Cheen: Your color is very helpful in terms of the way these empty headlines get grown out of Washington. They're certainly in this era—come on, everything's a town forum.

Jim Yager: Sure.

Bishop Cheen: So that is very helpful. Look, I will pass the baton, and I appreciate all the color.

Jim Yager: Thanks, Bishop.

Speaker: Thanks, Bishop.

Operator: Thank you. Our next question comes from Matt Slope from Broadpoint Capital. Please go ahead with your question.

Matt Slope: Yes, hey, guys.

Jim Yager: Hi. How you are?

Matt Slope: Good. Just back to the retrans. Can you give us the quarterly retrans number that's in—baked into that Other? Is it about 1.4?

Warren Spector: You know, we don't break it out, Matt.

Matt Slope: Okay, you gave us the—you did give us the year-to-date number. It was 4.1. Is that— I guess, just trying to get where we stand on a current annualized basis and how much room there is for growth, especially as Warren was ahead with some of those other negotiations.

Warren Spector: Well, there's always—you know, built into these contracts there are always—not always—but most of the time there are built-in increases over time, depending—and it depends on the length of the contract. So there are increases that we'll be expecting over the next year. I can't pinpoint for you how much it's going to be because we are just starting negotiations with a couple of the larger operators.

Matt Slope: And are those people who you don't—aren't getting significant retrans yet?

Warren Spector: One of them is not, the other is. So, again, I can't give you even a—I can't even give you a range.

Matt Slope: Is there any way to think about it in terms of kind of the number of subscribers that you reach and kind of the percentage you're getting retrans from versus the percentage you're not?

Warren Spector: We have said in the past that we are covering about three quarters of our total sales.

Matt Slope: Okay.

Warren Spector: All right?

Matt Slope: But another quarter to still be covered. Will that last quarter be covered by these negotiations or do you have more to do over the next couple years?

Chris Cornelius: You know what? It will happen over time. I can't give you exact dates.

Speaker: Yes, we still have one more of the large one.

Warren Spector: Yes, I mean at some point, and I don't know if it's going to be the end of this year, we will start breaking out our retrans number. It's becoming almost material enough that we'll discuss it internally and that is something that we've talked about in the past as well.

Matt Slope: Okay, that's great. Yes, and certainly some of your peers are doing that already and that would definitely be helpful. How about just moving over to auto. Did you say a number for how much your auto revenue was down in the third quarter as compared to last year?

Speaker: We didn't bring it down.

Chris Cornelius: We didn't bring a number but I do have a third quarter number, down 42.7%. This is total local, regional, national or \$3.31 million for the quarter.

Matt Slope: Okay. And a couple of the other—a couple of your peers have given pacings for the fourth quarter. Can you do that for us or even just anecdotally just talk about how auto's done in the fourth quarter?

Jim Yager: We historically and currently don't give forward-looking statements in terms of revenues or BCF.

Matt Slope: Okay. And maybe thinking about it a different way as we try to project the fourth quarter, do you have at your fingertips what Q4 of '08 auto was as compared to Q4 of '07? And as to how weak auto was already by the fourth quarter last year?

Chris Cornelius: I don't have that at my fingertips. I can tell you that last—in 2008, starting in September and all the way through the fourth quarter, we saw all significant auto groups decrease spending in and, by December, we were down significantly.

Matt Slope: Right. Okay. And then on the—just on the bond buybacks, you have now exhausted your capacity for the year there, is that right?

Warren Spector: We are just about there. We have a very minimal amount that is left to be spent on the bond buyback.

Matt Slope: And can you just—

Chris Cornelius: That will be closed in the Q.

Matt Slope: Okay. And can you remind us whether that's a restriction from the credit facility, whether that resets in 2010?

Chris Cornelius: No, it doesn't reset. We have up until a year from when the amendment was signed to spend up to \$13 million but once that year is up, we're finished.

Matt Slope: Got it. Okay. Thanks very much, guys.

Chris Cornelius: Thank you.

Speaker: See you.

Operator: Thank you. Our next question comes from Brian Hedgefield [ph] from Francetti Advisors [ph]. Please go ahead with your question.

Brian Hedgefield: Hi, guys. Thanks for the color. Could you try to help us sort of pro forma out the Olympics out of local and national revenue from a year ago?

Jim Yager: We didn't break that out specifically.

Brian Hedgefield: Okay. So I'm—you mentioned the—some of the comps in TVB. You know, the comps that I look at are your high yield peers, so that's Gray TV, Sinclair, LIN TV; all of them had a better, smaller amount of negative growth in this quarter than—versus last year than you did. Do you have any thoughts on that, why you are seeing that, whether it's Olympics or otherwise related or you're just not seeing the comeback as quickly as they are?

Jim Yager: No, I think it's primarily Olympics. We had five very large NBC stations. I happen to know Gray because I got the—we had—Benedek Broadcasting is part of Gray now and those are mostly CBS stations.

Brian Hedgefield: Mm-hmm.

Jim Yager: There would be a natural lift for Gray in terms of a comparable. I don't know who else you might be referring to.

Brian Hedgefield: You know, Sinclair, LIN, other high yield issuers.

Jim Yager: Yes, I mean Sinclair obviously doesn't have any NBC stations.

Brian Hedgefield: Mm-hmm.

Jim Yager: LIN has a few NBC but I wouldn't say they are as heavy in NBC in those markets as we would have been in terms of true Olympic money.

Brian Hedgefield: Right. And the Olympic money, you were seeing that on both the national and the local basis or was that pretty much confined to the national stuff?

Jim Yager: Both the national and the local basis but there was a larger amount of the Olympic spend going into national.

Brian Hedgefield: Absolutely. And so is it fair to say that the local agency spend might also have been where you—where that Olympics money was coming in?

Chris Cornelius: Most of the dollars placed—the bigger dollars placed with Olympics came through transactional business, which reflects agency, both locally, regionally and nationally.

Brian Hedgefield: Got it, okay. And I know you said you won't—to Bishop's question, you won't give us the actual covenant calculation or number, but can you give us some color around where you stand vis-à-vis the covenant in light of the equity cure from a few quarters ago and what the outlook is?

Warren Spector: Well, I will say and we disclosed this in the Q, we're not going to—we don't anticipate having any issues with covenants this year and I—and so I don't see any issues going forward.

Brian Hedgefield: Okay. Great, thanks, guys.

Jim Yager: Thank you.

Operator: Thank you. You have a follow-up question from Bishop Cheen. Please go ahead, sir.

Bishop Cheen: Hi, thanks. I was actually going to comment on the Olympics, just that you have more exposures than some of the other guys to it, but I think you covered that. Let me ask you this, because I know you don't give guidance, but as you look out and you look at your average rate and your sell-through, do you feel like one is changing? I mean we're five, six weeks into Q4; do you feel that one is ahead of the other, is it the same? Can you give us some color that way?

Chris Cornelius: Bishop, it's interesting you ask that question. We've been doing that analysis now for most of the year, and we've seen steady improvements in CPM, and as we got closer to the end of third quarter, you know, our September over August CPMs were on higher, sellouts were running a little higher, and I feel like we got that momentum to carry us through.

Bishop Cheen: Normally—and I guess I ask this of everybody just to make that this transition is the same as other ones, call it a recovery or what—but normally doesn't the sell-through start to show first and come back first and then rate follows?

Jim Yager: That's an interesting question. I—we have not approached it that way, Bishop. I'm not sure we have the data to say that because we have been focusing on really the CPMs and increasing the CPMs as we go forward. So, as Chris said, our inventory is filling up, but it's been filling up at increased CPMs, which is a good thing.

Bishop Cheen: Yes, so you're seeing both sort of get stronger apparently, which is a good thing rather than just one getting stronger.

Jim Yager: Yes.

Bishop Cheen: Okay.

Jim Yager: Well Chris is a master of managing CPMs and we couldn't have a better operating officer to be in charge of all of our stations [talk over].

Bishop Cheen: And you and Warren are a master of managing these calls.

Jim Yager: Thank you, Bishop.

Bishop Cheen: So we'll leave it at that. Thank you.

Operator: As a reminder, if you would like to ask a question, please press the star, followed by the one on your telephone. If you wish to cancel this request, please press the star, followed by the two.

Jim Yager: Well if there are no further questions, we thank you all for being with us this morning, and we look forward to talking to you at the end of the fourth quarter. Thank you again.

Chris Cornelius: Thank you, all.

Operator: Thank you. This does conclude the Barrington Broadcasting Third Quarter Earnings Conference Call. Thank you for participating. You may now disconnect.

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