

# Indicative Asset-Backed DIP Facilities Terms and Conditions<sup>1</sup>

## Summary of Indicative Terms of the Asset-Backed DIP Facilities

<b>Borrower:</b>	Tribune Receivables, LLC (the "Borrower" or "Securitization SPV")
<b>Guarantors:</b>	Tribune Company and other subsidiaries that are debtors in the bankruptcy proceeding will guarantee the obligations of the Borrower on a superpriority, post-petition basis.
<b>Sole Structuring Advisor, Lead Arranger and Bookrunner:</b>	Barclays Capital, the investment banking division of Barclays Bank PLC
<b>Administrative Agent:</b>	Barclays Bank PLC
<b>Amount:</b>	Total receivables securitization facilities of up to \$225 million (the "Asset-Backed DIP Facilities") consisting of: (i) a \$75 million Revolver; and (ii) a \$150 million Term Loan
<b>Maturity:</b>	The earliest of (i) April 10, 2010, (ii) the effective date of a plan of reorganization for Tribune, (iii) the date on which a sale of all or substantially all of the assets of the guarantors is consummated under Section 363 of the United States Bankruptcy Code, and (iv) the date on which maturity of the Loans are accelerated as a result of a Facility Termination Event.
<b>Availability</b>	The aggregate outstanding amount of Loans will be limited to the lesser of (i) \$225 million and (ii) the Borrowing Base as described below. Revolving Loans may be borrowed, repaid, and re-borrowed until the Maturity Date. Term Loans will be available in one drawing at Close. Any amounts repaid under the Term Loans may not be re-borrowed.
<b>Borrowing Base</b>	Maximum aggregate amount of Loans outstanding cannot exceed a borrowing base (the "Borrowing Base"), calculated as a dynamic percentage against Net Eligible Receivables. Reductions for reserves will include (i) loss reserve, (ii) dilution reserve, and (iii) yield/fee reserve. The advance rate is dynamic and will change with pool composition (concentrations and performance). "Net Eligible Receivables" means the aggregate outstanding amount of all Receivables, other than Ineligible Receivables.
<b>Prepayments:</b>	Voluntary: Prepayments under the Asset-Backed DIP Facilities may be made at any time without premium or penalty (other than breakage costs to the extent applicable). Mandatory: Borrower will prepay the Loans in accordance with the cash "sweep" mechanic under the cash management system. In addition, if at any time the aggregate outstanding principal amount of the Loans exceeds the Borrowing Base, the Borrower will be required to immediately repay the Revolving Loans or (if the Revolving Loans have been paid in full) the Borrower (at its option) may either prepay the Term Loans or cash collateralize the Loans in an amount equal to such excess (any such payment or provision of cash collateral being a "Required Reduction"). All such cash collateral will be held in a segregated account, subject to a first priority perfected lien in favor of the Administrative Agent (the "Reserve Account").
<b>Pricing:</b>	LIBOR+TBD bps Subject to a TBD% LIBOR floor
<b>Commitment Fees</b>	TBD% on the unused portion of the Revolver
<b>Security:</b>	<ul style="list-style-type: none"> <li>▪ First priority lien on all the assets of the Borrower</li> <li>▪ First priority lien on all unencumbered assets of guarantors on the petition date (subject to certain exclusions)</li> <li>▪ Junior lien on all encumbered assets of guarantors on the petition date</li> </ul>
<b>Covenants:</b>	Customary and appropriate covenants for receivables securitization and debtor in possession financings and for this transaction in particular, generally consistent with the Interim Facility, including without limitation, (i) negative covenants (subject to certain basket amounts to be negotiated) against incurrence of debt, dividends, liens, asset dispositions, mergers, acquisitions, investments, loans and advances, capital expenditures, prepayment of other obligations and (ii) customary reporting requirements.
<b>Trigger Events:</b>	Trigger Events will cause the revolving period to end and full turbo of cash flow. Trigger Events shall include, but not be limited to failure to provide reports, breach of a covenant, change of control, Facility Termination Event, as well as dilution ratio, default ratio and delinquency ratio triggers.
<b>Facility Termination Events:</b>	Facility Termination Events will allow the lenders to accelerate the Loans, replace Servicers and foreclose on collateral. Facility Termination Events shall include, but not be limited to a breach of reps and warranties, insolvency of the Borrower, certain changes to the Chapter 11 case, certain modifications to the Financing Order, and certain grants of relief from the automatic stay.

<sup>1</sup> The following is a summary of only the most material terms of the Asset-Backed DIP Facilities and is subject to negotiation and execution of definitive documentation.

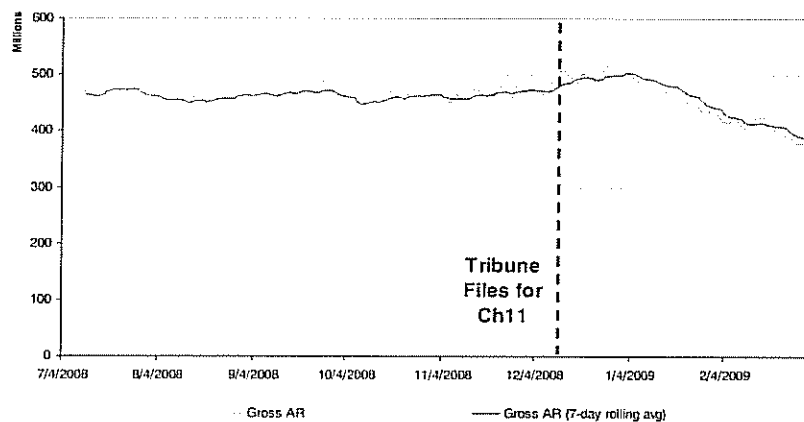
## Accounts Receivable Information

The table and graph below show an indicative borrowing base calculation, as well as the outstanding receivables balance since July 2008.

Advance Rate Calculation (As of March 3, 2009) <sup>(1)</sup>		
Advance Rate Calculation		Amount
<b>Gross Receivables</b>		\$ 369.0
Less:	Ineligible Receivables	\$ (73.1)
Less:	Excess Concentration	\$ (15.9)
Net Eligible Receivables		\$ 280.1
Less:	Loss, Dilution & Other Reserve <sup>(2)</sup>	\$ (67.5)
Less:	Yield/Service Fee	\$ (20.7)
<b>Maximum Class A Advanceable Amount</b>		<b>\$ 191.9</b>
<b>Current O/S Loan Amount</b>		<b>\$ 190.0</b>
	Current Outstanding Loan / Eligible ARs	68%
	Current Outstanding Loan / Gross ARs	51%
<b>Facility Limit (Proposed)</b>		<b>\$ 225.0</b>

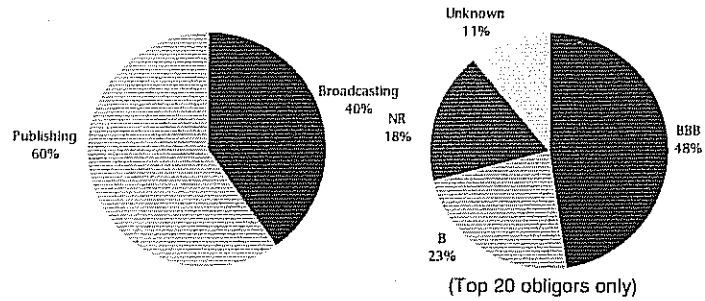
1. Reserves reflect data as of a specific date and are subject to change depending on business and facility performance.
2. Other includes an \$8.0 million commingling reserve, which is included in the Interim Facility but not contemplated in the Asset-Backed DIP Facilities.

Outstanding A/R (through March 3, 2009)



As of January 30, 2009, the top 5 obligors represented approximately 24% of outstanding receivables. Among the top 20 obligors, 48% were investment grade.

Portfolio Snapshot (as of January 30, 2009)

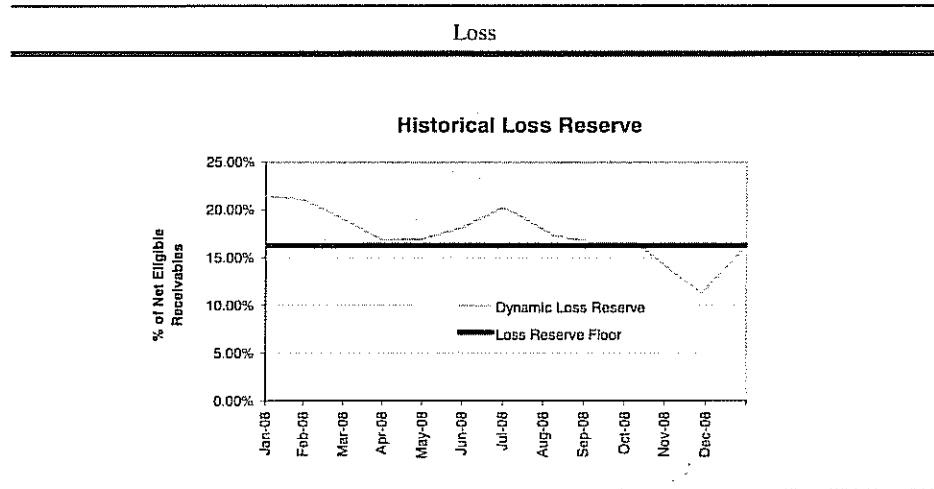


Top Obligor Concentrations (as of January 30, 2009)

Obligor	Rating	% of Total Pool
Customer 1	Baa2 / BBB+	7.5%
Customer 2	Baa2 / BBB	5.3%
Customer 3	Ba3 / B+	5.1%
Top 3 Obligor		17.9%
Top 5 Obligor		24.4%
Top 10 Obligor		30.0%
Top 20 Obligor		34.1%

*Reserves*

After Ineligible Receivables are deducted from Gross Receivables to yield Net Eligible Receivables, the securitization methodology of the structure accounts for several reserves.



The **Loss Reserve** is designed to protect against any losses from defaulting obligors:

- Calculated on a monthly basis as the greater of (i) the Dynamic Loss Reserve and (ii) the Loss Reserve Floor of 16.25%.
- The Dynamic Loss Reserve is sized at a 2.5 times multiple of loss proxy. The loss proxy is determined using the highest 3-month rolling average Default Ratio<sup>1</sup> over the last 12 months, with an adjustment to estimate defaulted receivables not yet realized.
- The Loss Reserve Floor is structured to be 5 times the non-investment grade obligor concentration limit of 3.25%.

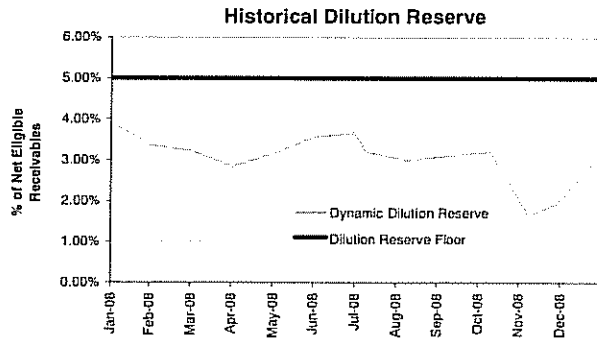
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<sup>1</sup> As defined on page 8.

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## Dilution

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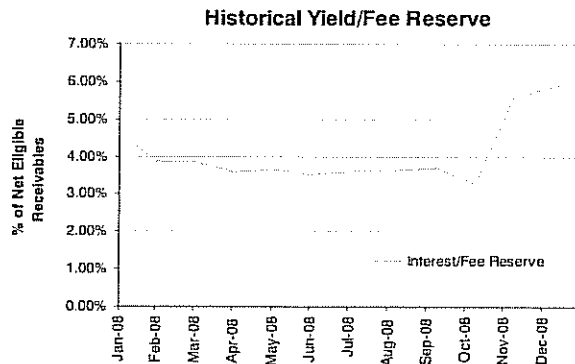
The **Dilution Reserve** is designed to protect against losses from dilutions (i.e., non-credit related reductions in the receivables balance, such as discounts and refunds):

- Calculated on a monthly basis as the greater of (i) the Dynamic Dilution Reserve and (ii) the Dilution Reserve Floor of 5.00%.
- The Dynamic Dilution Reserve is sized as a 2.5 times multiple of recent 12-month dilution experience with an adjustment to account for volatility during the period.

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## Interest/Fee Reserve

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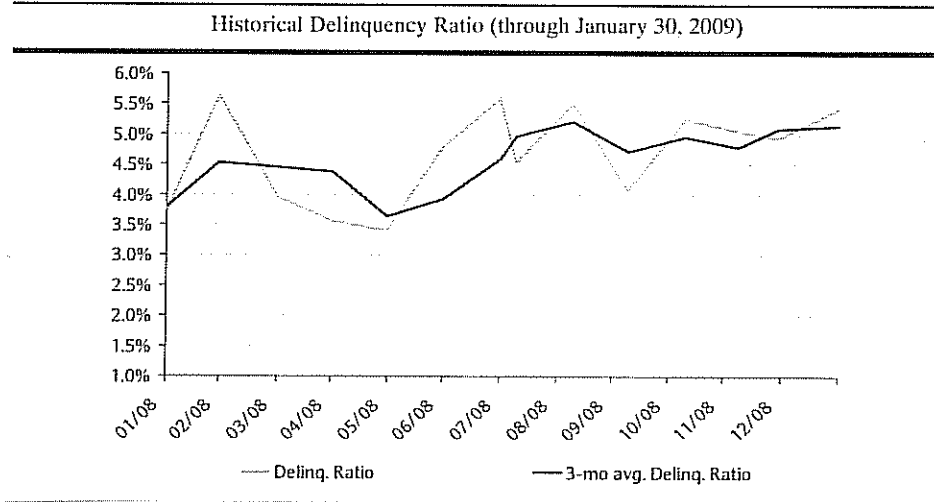


The **Interest (Yield)/Fee Reserve** is designed to provide current interest and servicer fees over a stressed liquidation period:

- The Interest/Fee Reserve is currently sized to pay servicer fees of 2.00% plus current interest over a period 2.5 times the length of the highest 3-month average DSO in the last 12 months.

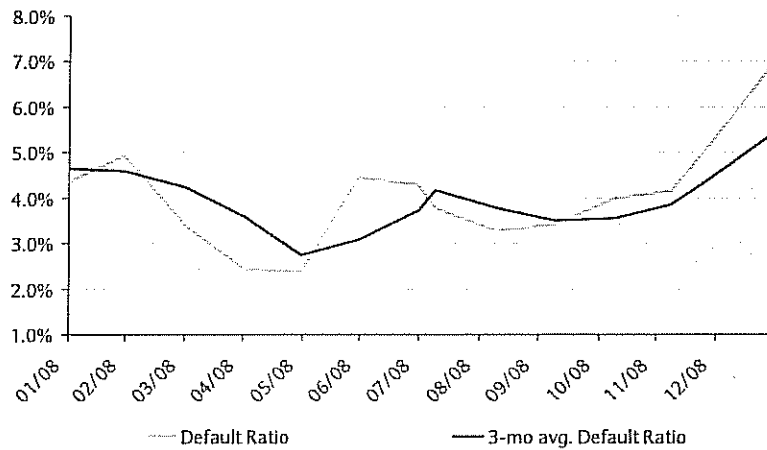
*Triggers and Concentration Limits*

**Performance triggers:** In the event of asset quality deterioration, breach of any of the below triggers would be events of default under the Asset-Backed DIP Facilities resulting in rapid amortization:



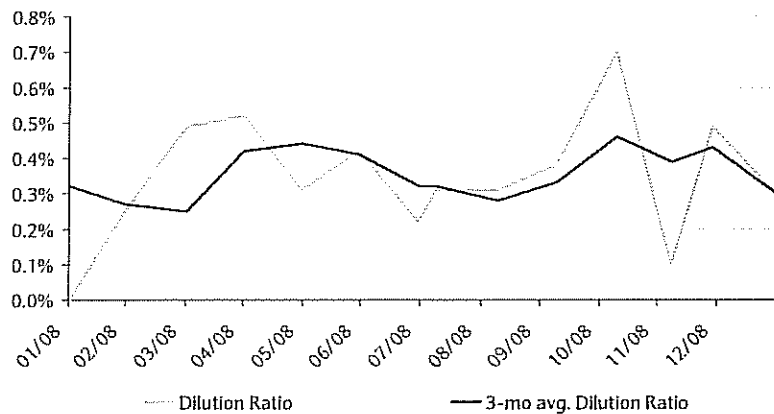
- Delinquency Ratio Trigger: three-month average greater than TBD%. Delinquent Receivables are those receivables which are considered past due for borrowing base purposes. The Delinquency Ratio calculates the amount of Delinquent Receivables as a percent of the receivables pool in any given reporting month.

Historical Default Ratio (through January 30, 2009)



- Default Ratio Trigger: three-month average greater than TBD%. Defaulted Receivables in any given reporting month are the new receivables that are past due for 121 or more days, together with the new receivables that are classified as such due to the bankruptcy of the obligor or write-off in accordance with other factors in the Company's credit and collection policies. The Default Ratio is calculated by dividing the Defaulted Receivables by the sales in the month they were originated.

Historical Dilution Ratio – Broadcasting (through January 30, 2009)

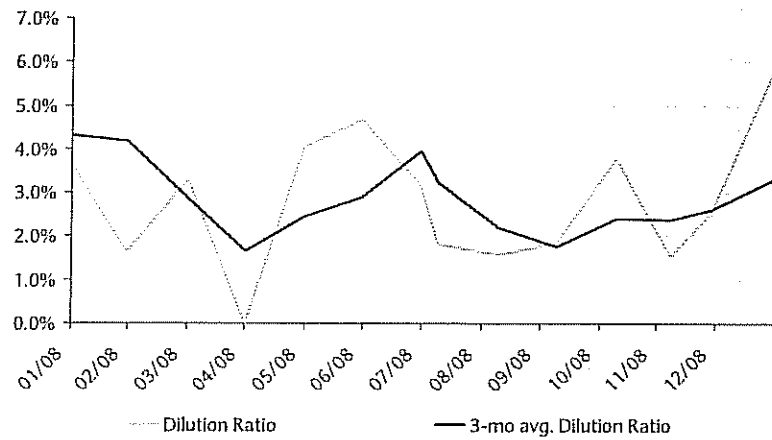


- Dilution Ratio Trigger (Broadcast Only): three-month average greater than TBD%

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Historical Dilution Ratio – Publishing (through January 30, 2009)

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- Dilution Ratio Trigger (Publishing Only): three-month average greater than TBD%

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Days Sales Outstanding (DSO)

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- Days Sales Outstanding Trigger (Broadcast Only): DSO as a three-month average of greater than TBD days
- Days Sales Outstanding Trigger (Publishing Only): DSO as a three-month average of greater than TBD days

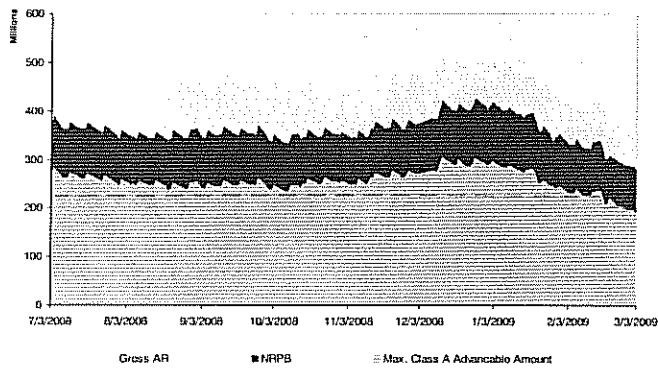


**Concentration Limits:** Pool obligors will be subject to concentration limits based on ratings; for a non-investment grade obligor, the maximum concentration is 3.25% of the gross receivables pool balance.

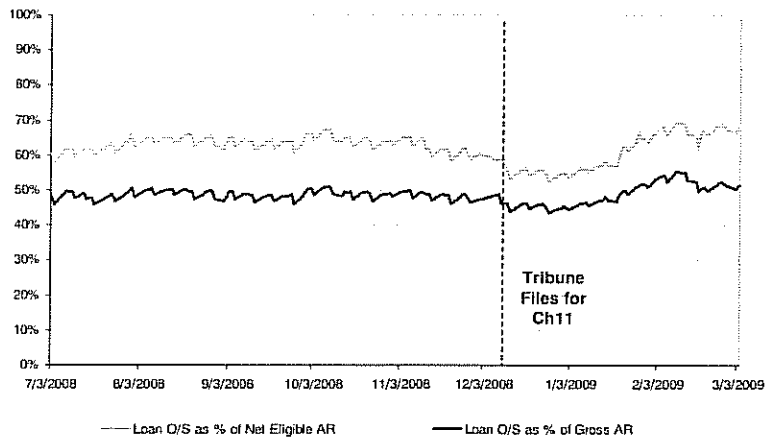
Historical monthly performance metrics have been within transaction trigger levels set consistent within the structure.

*Post-Petition Performance*

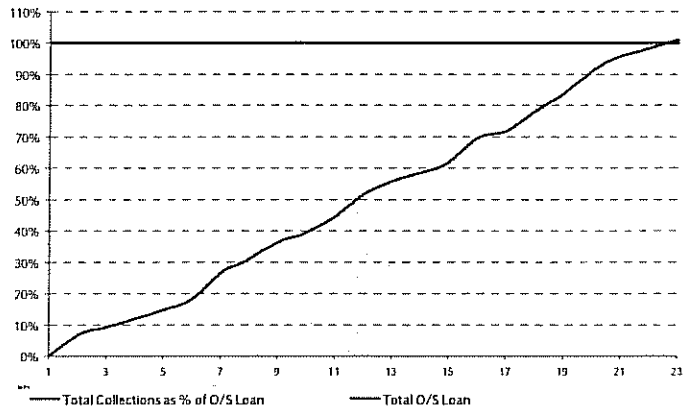
Tribune Portfolio Performance (through March 3, 2009)



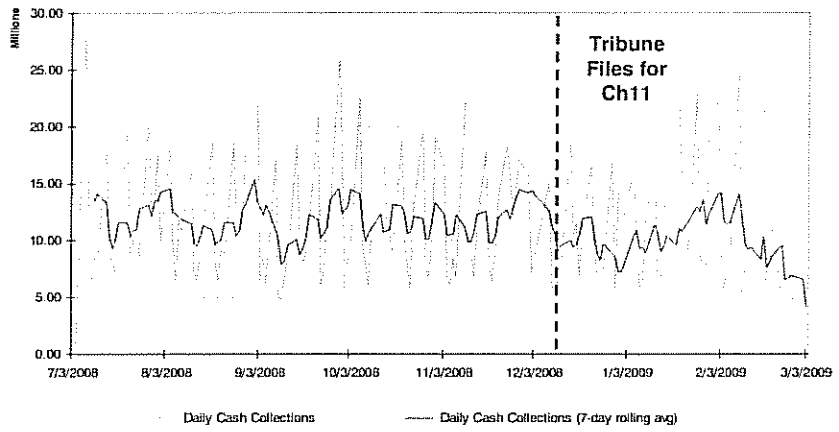
LTV Analysis (Outstanding Loan as % of Net Eligible A/R and Gross A/R) (through March 3, 2009)



Post Petition Cumulative Daily Cash Collection as % of Outstanding Loan



Daily Cash Collections (Through March 3, 2009)



## Financial Information

The following tables illustrate the Company's historical financial performance. Operating cash flow and operating cash expenses are not measures of financial performance under generally accepted accounting principles ("GAAP"). 2008 information is preliminary and remains subject to adjustment.

	2008 Operating Results <sup>(1)</sup>			
	Fourth Quarter		Full Year	
	2008	2007	2008	2007
<b>Revenues</b>				
Publishing	\$710.5	\$825.1	\$2,778.7	\$3,165.9
Broadcasting	256.6	316.4	1,340.9	1,398.4
<b>Total Revenues</b>	<b>967.1</b>	<b>1,141.5</b>	<b>4,119.6</b>	<b>4,564.3</b>
<b>Operating Cash Expenses<sup>(2)</sup></b>				
Publishing	579.4	616.2	2,348.9	2,455.4
Broadcasting	198.4	210.1	995.9	960.7
Corporate	11.8	8.9	40.2	40.1
<b>Total Cash Expenses</b>	<b>789.6</b>	<b>835.3</b>	<b>3,384.9</b>	<b>3,456.2</b>
<b>Operating Cash Flow<sup>(2)</sup></b>				
Publishing	131.1	208.9	429.9	710.5
Broadcasting	58.2	106.3	345.0	437.7
Corporate	(11.8)	(8.9)	(40.2)	(40.1)
<b>Total Operating Cash Flow</b>	<b>177.5</b>	<b>306.3</b>	<b>734.7</b>	<b>1,108.1</b>
<b>Equity Income<sup>(3)</sup></b>	<b>37.6</b>	<b>32.3</b>	<b>112.0</b>	<b>100.2</b>
<b>Total OCF + Equity Income</b>	<b>\$215.1</b>	<b>\$338.6</b>	<b>\$846.7</b>	<b>\$1,208.3</b>

1. Excludes stock-based compensation, certain one-time items, non-operating items, and discontinued operations. 2008 results are preliminary and remain subject to adjustment. Includes non-debtors.

2. "Operating Cash Flow" is defined as operating profit before depreciation and amortization and write-downs of intangible assets. "Operating Cash Expenses" are defined as operating expenses before depreciation and amortization and write-downs of intangible assets.

3. Represents book equity income recorded for accounting purposes rather than cash distributions from the investments.

### Historical Financial Summary<sup>(1)</sup>

(\$ in millions)	Fiscal Year-Ended				
	2004	2005	2006 <sup>(2)</sup>	2007	2008
<b>Revenues</b>					
Publishing	\$3,426	\$3,438	\$3,477	\$3,166	\$2,779
Broadcasting & Entertainment	1,502	1,414	1,425	1,398	1,341
<b>Total Revenue</b>	<u>\$4,928</u>	<u>\$4,852</u>	<u>\$4,902</u>	<u>\$4,564</u>	<u>\$4,120</u>
<b>Operating Cash Expenses</b>					
Publishing	2,547	2,580	2,613	2,455	2,349
Broadcasting & Entertainment	939	949	977	961	996
Corporate	51	50	51	40	40
<b>Total</b>	<u>\$3,536</u>	<u>\$3,579</u>	<u>\$3,641</u>	<u>\$3,456</u>	<u>\$3,385</u>
<b>Operating Cash Flow<sup>(3)</sup></b>					
Publishing	\$880	\$857	\$864	\$711	\$430
Broadcasting & Entertainment	563	466	448	438	345
Corporate	(51)	(50)	(51)	(40)	(40)
<b>Operating Cash Flow</b>	<u>\$1,392</u>	<u>\$1,272</u>	<u>\$1,262</u>	<u>\$1,108</u>	<u>\$735</u>
Equity Income	18	41	75	100	112
<b>Total OCF and Equity Income</b>	<u>\$1,410</u>	<u>\$1,314</u>	<u>\$1,337</u>	<u>\$1,208</u>	<u>\$847</u>
Capital Expenditures	\$217	\$206	\$222	\$146	\$87

1. Excludes stock-based compensation, certain one-time items, non-operating items, and discontinued operations. 2008 results are preliminary and remain subject to adjustment. Capital expenditures include expenditures by discontinued operations. Includes non-debtors.
2. Includes an additional week in 2006. A 53<sup>rd</sup> week occurs every six years on the Company's fiscal calendar.
3. "Operating Cash Flow" is defined as operating profit before depreciation and amortization and write-downs of intangible assets. "Operating Cash Expenses" are defined as operating expenses before depreciation and amortization and write-downs of intangible assets.