

UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE

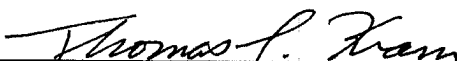
Sun Times Media Group, Inc. *et al.*
Debtors

Case No. 09-11092 (CSS)
Chapter 11 – Jointly Administered

Monthly Operating Report
For the Period June 1, 2009 through June 30, 2009

Required Document	Form No.	Document Enclosed	Explanation Enclosed	Affidavit / Supplement
Schedule of Cash Receipts and Disbursements	MOR-1	X		
Schedule of Disbursements by Legal Entity	MOR-1a	X		
Schedule of Professional Fees and Expenses Paid	MOR-1b	X		
Bank Account Reconciliations / Copies of Bank Statements Cash Disbursement Journals				X
Statement of Operations	MOR-2	X		
Balance Sheet	MOR-3	X		
Status of Postpetition Taxes	MOR-4			X
Summary of Unpaid Postpetition Debts (Accounts Payable)	MOR-4	X		
Accounts Receivable Reconciliation/Aging	MOR-5	X		
Debtor Questionnaire	MOR-6	X		

I declare under penalty of perjury (28 U.S.C. Section 1746) that the information contained in this monthly operating report (including attached schedules) is true and correct to the best of my knowledge, information and belief.



Thomas L. Kram
Senior Vice President and Chief Financial Officer
Sun Times Media Group, Inc.

7-20-09

Date

The information contained herein is provided to fulfill the requirements of the Office of the United States Trustee. The financial statements provided herein do not include consolidated results for Sun Times Media ("the Company") as the Company has several non-debtor subsidiaries. All information contained herein is unaudited and subject to future adjustment. The Company maintains its books and records on a business unit reporting level and those units do not in all cases correspond to legal entities. Certain assumptions have been made as noted herein. In addition, the Company maintains certain liabilities on its balance sheet that may relate to one or more of the Company's subsidiaries and no conclusion as to the legal obligation is made by the presentation herein.



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UNITED STATES BANKRUPTCY COURT
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Sun Times Media Group, Inc. *et al.*
Debtors

Case No. 09-11092 (CSS)
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MOR – 1
Schedule of Cash Receipts and Disbursements¹
For the Period June 1, 2009 through June 30, 2009
(In Thousands)

	CONSOLIDATED	
BEGINNING CASH BALANCE	\$	25,354
RECEIPTS		
Cash Receipts	\$	21,377
Cash Interest		20
Other		369
Vacation Payout		-
Total Receipts	\$	21,766
DISBURSEMENTS		
Payroll & Benefits	\$	10,286
Professional Fees		755
Trustee Fees		-
Other Operating Disbursements		12,973
Total Disbursements	\$	24,014
NET CASH FLOW	\$	(2,248)
(Receipts less Disbursements)		
ENDING CASH	\$	23,106

¹ Cash Balances noted on the balance sheet differ from the amounts presented above as a result of the following factors: timing difference in the clearing of credit card receipts and deposits and bank balances reduced by voided checks. In addition, the beginning cash balance has been reduced by \$174 thousand to adjust for restricted funds not available to the debtors, but previously included in the cash balance.

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MOR-1a
Schedule of Disbursements by Legal Entity²
For the Period June 1, 2009 through June 30, 2009
(In Thousands)

# Filing Entities:	Case #	Total Disbursements
1 Sun-Times Media Group, Inc.	09-11092	\$ 919
2 American Publishing (1991) LLC	09-11093	-
3 American Publishing Company LLC	09-11094	-
4 American Publishing Management Services, Inc.	09-11095	-
5 APAC-95 Oklahoma Holdings, Inc.	09-11096	-
6 Centerstage Media, LLC	09-11097	-
7 Chicago Group Acquisition LLC	09-11098	-
8 Chicago Sun-Times Features, Inc.	09-11099	-
9 Chicago Sun-Times LLC	09-11100	-
10 Digital Chicago Inc.	09-11101	-
11 Fox Valley Publications LLC	09-11102	4,581
12 HGP, Partnership	09-11103	-
13 HIPI (2002) Inc.	09-11104	-
14 Hollinger Australian Holdings Limited	09-11105	-
15 Hollinger International Publishing Inc.	09-11106	189
16 HTH Benholdco LLC	09-11107	-
17 HTH Holdings Inc.	09-11108	-
18 HTNM LLC	09-11109	-
19 HTPC Corporation	09-11110	-
20 LHAT Corporation	09-11112	-
21 Meridian Star, Inc.	09-11113	-
22 Midwest Suburban Publishing, Inc.	09-11114	1,603
23 Northern Miner U.S.A., Inc.	09-11115	-
24 Oklahoma Airplane LLC	09-11116	-
25 Pioneer Newspapers Inc.	09-11117	2,520
26 Reach Chicago LLC	09-11118	-
27 Sun Telemarketing LLC	09-11119	-
28 Sun-Times Distribution Systems, Inc.	09-11120	-
29 Sun-Times PRD Inc.	09-11121	-
30 TAHL (2002) Inc.	09-11122	-
31 The Johnstown Tribune Publishing Company	09-11123	-
32 The Post-Tribune Company LLC	09-11124	1,374
33 The Red Streak Holdings Company	09-11125	-
34 The Sun-Times Company	09-11126	12,828
35 XSTMHoldings LLC	09-11127	-
		\$ 24,014

² Most of the Debtor's disbursements are made through centralized cash management accounts. However, the allocations shown above were estimated based on disbursement percentages by entity as estimated by the Debtors. All allocations are subject to certain assumptions and accordingly are tentative and subject to change.

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MOR-1b
Schedule of Professional Fees and Expenses Paid
For the Period June 1, 2009 through June 30, 2009

Professional	Period Covered	Type	Payor	Current Amount Paid			Cumulative Amount Paid		
				Fees	Expenses	Total	Fees	Expenses	Total
American Appraisal	5/1/09 - 5/31/09	O	Sun-Times Media Group, Inc.	\$ 45,097	\$ 1,974	\$ 47,071	\$ 45,097	\$ 1,974	\$ 47,071
Deloitte	4/1/09 - 4/30/09	O	Sun-Times Media Group, Inc.	32,081	-	32,081	32,081	-	32,081
Drinker Biddle & Reath LLP	4/1/09 - 4/30/09	O	The Sun-Times Company	1,509	507	2,016	1,509	507	2,016
Huron Consulting Group	6/8/09 - 7/7/09	R	Sun-Times Media Group, Inc.	250,000	-	250,000	500,000	-	500,000
Kirkland & Ellis	3/31/09 - 4/30/09	R	Sun-Times Media Group, Inc.	71,751	9,270	81,021	71,751	9,270	81,021
Kurtzman Carson Consultants	4/1/09 - 5/31/09	R	Sun-Times Media Group, Inc.	143,118	64,481	207,599	149,831	65,353	215,184
McCarthy and Tetrault	N/A	O	Sun-Times Media Group, Inc.	-	-	-	20,267	-	20,267
Paul Weiss Rifkin	3/31/09 - 4/30/09	R	Sun-Times Media Group, Inc.	56,706	3,509	60,215	56,706	3,509	60,215
Seyfarth Shaw LLP	4/1/09 - 4/30/09	O	The Sun-Times Company	49	-	49	49	-	49
Vedder Price Kaufman & Kammholz PC	4/1/09 - 4/30/09	O	The Sun-Times Company	5,235	13	5,248	5,235	13	5,248
Winston & Strawn LLP	4/1/09 - 4/30/09	O	The Sun-Times Company	611	17	628	611	17	628
Young Conaway	3/31/09 - 4/30/09	R	Sun-Times Media Group, Inc.	63,112	5,881	68,993	63,112	5,881	68,993
				\$ 669,269	\$ 85,652	\$ 754,921	\$ 946,249	\$ 86,524	\$ 1,032,773

RETAINED PROFESSIONALS ("R")
Carl Marks (Creditor Committee Advisors)
Cross & Simon, LLC (Co-Counsel to OCUC)
FTI Consulting (Bankruptcy Prep)
Huron Consulting Group (Financial Advisors/CRO)
Kirkland & Ellis (Counsel)
KPMG LLC (Debtor's Auditors / Tax Consultants)
Kurtzman Carson Consultants (Claims Processor)
Lowenstein Sandler PC (Counsel to OCUC)
Paul, Weiss, Rifkin, Wharton & Garrison LLP (Special Counsel)
Rothschild (Investment Banker)
Young Conaway (Local Counsel)

ORDINARY COURSE PROFESSIONALS ("O")
American Appraisal
Applegate & Thorne-Thomsen, P.C.
Caspi & Co.
Cremer, Spina, Shaughnessy, Jansen & Siegart, LLC
Deloitte LLP
Drinker Biddle & Reath LLP
Dunn, Martin, Miller & Heathcock, Ltd
Funkhouser Vegosen Liebman & Dunn, Ltd.
Gray Hunter Stenn LLP
Herrick, Feinstein LLP
Katten Muchin Rosenman LLP
King & Ballou
McCarthy and Tetrault LLP
O'Melveny & Meyers LLP
Seyfarth Shaw LLP
Vedder, Price, Kaufman & Kammholz P.C
Winston & Strawn LLP

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**Debtors Statement with Respect to Bank Account Reconciliations,
Bank Statements and Cash Disbursement Journals
For the Period June 1, 2009 through June 30, 2009**

Bank Account Reconciliations & Cash Disbursement Journals

The Debtors affirm that bank reconciliations are prepared for all open and active bank accounts on a monthly basis. The Debtors affirm that within its financial accounting systems, check registers and/or disbursement journals are maintained for each disbursement account.

Bank Statements

The Debtors affirm that bank statements for all open and active bank accounts are retained by the Debtors. The Debtors affirm that, other than listed below, no bank accounts were opened or closed during the current reporting period.

ACCOUNTS OPENED DURING THE REPORTING PERIOD			
Debtor	Bank	Description	Date Opened
NONE			

ACCOUNTS CLOSED DURING THE REPORTING PERIOD			
Debtor	Bank	Description	Date Closed
Centerstage Media LLC	Chase Bank		6/26/2009

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Chapter 11 – Jointly Administered

MOR-2
Debtors Consolidated Statement of Operations³
For the Period June 1, 2009 through June 30, 2009
(Unaudited and in Thousands)

	Month Ended June 30, 2009	Month Ended May 31, 2009
Operating Revenue		
Revenue	\$ 19,463	\$ 25,350
Cost of Sales:		
Wages and Benefits	\$ 6,025	\$ 7,715
Newsprint and Ink	2,212	3,416
Other	4,751	6,124
Total Cost of Sales	\$ 12,988	\$ 17,255
Selling, General and Administrative		
Sales and Marketing	\$ 3,950	\$ 5,110
Other Operating Costs	4,909	5,109
Corporate Expenses	1,016	768
Special Committee Costs	276	339
Total Selling, General and Administrative	\$ 10,151	\$ 11,326
Depreciation	\$ 690	\$ 695
Amortization	-	-
Total Depreciation and Amortization	\$ 690	\$ 695
Total Expenses	\$ 23,829	\$ 29,276
Operating Income (Loss)	\$ (4,366)	\$ (3,926)
Interest Expense	\$ (557)	\$ (575)
Interest and Dividend Income	5	13
Unusual Items with FX	(816)	1,255
Other Income/(Expense)	\$ (1,368)	\$ 693
Earnings (Loss) Before Taxes & Reorganization Costs	\$ (5,734)	\$ (3,233)
Reorganization Costs	\$ 2,992	\$ 208
Earnings (Loss) Before Taxes	\$ (8,726)	\$ (3,441)
Total Income Tax Expense	9,371	-
Net Income (Loss)	\$ (18,097)	\$ (3,441)

³ The financial information presented are the financial results for the Debtor and do not contain non-debtor entities. The information provided on this schedule is unaudited and subject to change. The Debtor utilizes a 4 week, 5 week, 4 week month reporting convention (4-5-4) for its newspaper operations and a calendar month reporting convention for its other companies. June results represent a four week month for newspaper operations, while May represents a five week month. Income tax expense is recognized in the last month in each calendar quarter. The Debtors adapted the format of this statement to separate reorganization costs, which consists of bankruptcy related costs.

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Sun Times Media Group, Inc. *et al.*
Debtors

Case No. 09-11092 (CSS)
Chapter 11 – Jointly Administered

MOR-3
Debtors Consolidated Balance Sheet⁴
As of June 30, 2009
(Unaudited and In Thousands)

	Ending June 30, 2009	Ending May 31, 2009
Cash and cash equivalent	\$ 23,611	\$ 27,877
Accounts receivable, net	27,930	28,174
Inventory	5,377	5,594
Escrow deposits and restricted cash	10,206	10,456
Other current assets	20,609	21,944
Total current assets	\$ 87,733	\$ 94,045
Investments	\$ 222,773	\$ 222,793
Property, plant and equipment, net	59,935	62,108
Prepaid pension asset	597	597
Other assets	3,338	2,899
Total Assets	\$ 374,376	\$ 382,442
Accounts payable and accrued expenses	\$ 37,092	\$ 38,329
Deferred revenue	9,551	9,516
Total liabilities	\$ 46,643	\$ 47,845
Liabilities subject to compromise		
Accounts payable and accrued expenses	\$ 13,268	\$ 13,154
Amounts due to related parties	266,133	266,182
Other long term liabilities	48,187	48,050
Income taxes payable and other tax liabilities	163	163
Total non-current tax liabilities	625,441	615,775
Total liabilities subject to compromise	\$ 953,192	\$ 943,324
Class A common stock	\$ 72,848	\$ 72,848
Paid in capital	504,025	504,025
Total Foreign Currency Translation	534	(891)
Unrealized loss on marketable securities	(303)	(283)
Pension adjustment	(34,494)	(34,454)
Accumulated deficit	(963,830)	(945,733)
	\$ (421,220)	\$ (404,488)
Class A common stock in treasury, at cost	\$ (204,239)	\$ (204,239)
Total stockholders deficit	\$ (625,459)	\$ (608,727)
Total liabilities and stockholders deficit	\$ 374,376	\$ 382,442

⁴ The financial information presented are the financial results for the Debtor and do not contain non-debtor entities. The information provided on this schedule is unaudited and subject to change. As noted in MOR-1, the cash balances noted on the balance sheet differ from the amounts presented in the schedule of receipts and disbursements due reasons outlined in footnote number one.

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Declaration Regarding the Status of Post Petition Taxes of the Debtors

As of June 30, 2009

State of Illinois,

Cook County

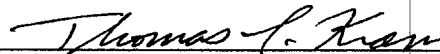
Thomas L. Kram hereby declares and states:

1. I am Senior Vice President and Chief Financial Officer for the Sun Times Media Group, a corporation organized under the laws of the State of Delaware and the Debtor in the above-captioned chapter 11 cases (the "Debtor"). I am familiar with the Debtors' day-to-day operations, business affairs and books and records.
2. All statements in this Declaration are based on my personal knowledge, my review of the relevant documents, my discussions with other employees of the Debtors, or my opinion based upon my experience and knowledge of the Debtors' operations and financial condition. If I were called upon to testify, I could and would testify to each of the facts set forth herein based on such personal knowledge, review of documents or opinion. I am authorized to submit this Declaration on behalf of the Debtors.
3. To the best of my knowledge, the Debtors have filed all necessary federal, state and local tax returns and made all required post petition tax payments in connection therewith on a timely basis or have promptly remediated any late filings or payments that may have occurred due to unintentional oversights.

Dated: 7-20-09

Respectfully submitted,

Chicago, Illinois



Thomas L. Kram
Senior Vice President and Chief Financial Officer

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Sun Times Media Group, Inc. *et al.*
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Case No. 09-11092 (CSS)
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MOR – 4
Summary of Unpaid Post Petition Debts ⁵
(Accounts Payable)
June 30, 2009

	0-30 Days	31-60 Days	61 -90 Days	Over 90 days	Outstanding Balance
STMG	\$ 19,061	\$ 1,889	\$ -	\$ (2,114)	\$ 18,836
HIPI	33,001	-	-	(13)	32,988
STNG - Trade	4,186,517	(71,116)	3,424	(2,630)	4,116,195
STNG - Newsprint	326,200	-	-	-	326,200
	\$ 4,564,779	\$ (69,227)	\$ 3,424	\$ (4,757)	\$ 4,494,219

⁵ The post petition debts presented above are open and outstanding trade payable invoices that have been entered into the Debtor's accounts payable systems as of the report day. The summary does not include accruals for invoices not yet received, approved or entered. In addition, all non-current amounts are outstanding credits that will be applied to future invoices.

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MOR – 5
Accounts Receivable Aging⁶
June 30, 2009

	Days Aged					Total
	0-30	31-60	61-90	91-120		
Trade	\$ 15,269,367	\$ 7,591,167	\$ 2,898,865	\$ 6,321,203	\$ 32,080,602	
Employee advances					9,920	
Other					5,275,183	
	<u>\$ 15,269,367</u>	<u>\$ 7,591,167</u>	<u>\$ 2,898,865</u>	<u>\$ 6,321,203</u>	<u>\$ 37,365,705</u>	

⁶ The receivable amounts noted above exclude an allowance for doubtful accounts of \$9.4 million.
The "Other" category includes barter receivables and one time receivables that are not aged.

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MOR – 6
Debtor Questionnaire ⁷
For the Period June 1, 2009 through June 30, 2009

		Yes	No
1	Have any assets been sold or transferred outside the normal course of business this reporting period? If yes, provide an explanation below.		X
2	Have any funds been disbursed from any account other than a debtor in possession account this reporting period? If yes, provide an explanation.		X
3	Have all post petition tax returns been timely filed? If no, provide an explanation.	X	
4	Are workers compensation, general liability and other necessary insurance coverage's in effect? If no, provide an explanation.	X	
5	Have any bank accounts been opened during the reporting period? If yes, provide documentation identifying the opened account(s). If an investment account has been opened provide the required documentation pursuant to the Delaware Local Rule 4001-3.		X

⁷ Reference the Debtor's statement with respect to Bank Account Reconciliations, Bank Statements and Cash Disbursements Journal for detail on the bank accounts closed during the reporting period.